

**PROPOSED AMENDMENTS TO
SENATE BILL 833**

1 Delete lines 5 through 23 of the printed bill and insert:

2 **“SECTION 1.** ORS 414.652 is amended to read:

3 “414.652. (1) A contract entered into between the Oregon Health Author-
4 ity and a coordinated care organization under ORS 414.625 (1):

5 “(a) Shall be for a term of five years;

6 “(b) [*Except as provided in subsection (3) of this section,*] May not be
7 amended more than once in each 12-month period; and

8 “(c) May be terminated if a coordinated care organization fails to meet
9 outcome and quality measures specified in the contract or is otherwise in
10 breach of the contract.

11 “(2) [*This section*] **Subsection (1) of this section** does not prohibit the
12 authority from allowing a coordinated care organization a reasonable
13 amount of time in which to cure any failure to meet outcome and quality
14 measures specified in the contract prior to the termination of the contract.

15 “[*(3) A contract entered into between the authority and a coordinated care
16 organization may be amended more than once in each 12-month period if:*]

17 **“(3) The authority shall submit to the appropriate federal agency
18 for review, if federal approval is required:**

19 **“(a) The proposed terms of a contract or proposed amendments to
20 a term of an existing contract with a coordinated care organization
21 not less than 135 days prior to the expiration of the existing contract
22 or term in the contract with the coordinated care organization.**

1 **“(b) The proposed payment rates for a coordinated care organiza-**
2 **tion not less than 90 days prior to the effective date of the proposed**
3 **rates.**

4 **“(4) The authority shall allow a coordinated care organization a**
5 **period of at least 60 days in which to review changes resulting from a**
6 **federal review to proposed contract terms or to proposed payment**
7 **rates before agreeing to the changes. If the coordinated care organ-**
8 **ization is provided less than 60 days to review the changes, the existing**
9 **terms of the contract and rates remain in effect until the authority**
10 **provides the required period for review.**

11 **“(5) Subsections (1)(b) and (4) of this section do not apply if:**

12 “(a) The authority and the coordinated care organization mutually agree
13 to amend the contract; [or]

14 “(b) Amendments are necessitated by changes in federal or state law; or

15 **“(c) With respect to changes in contract terms or payment rates,**
16 **the authority has complied with subsection (3) of this section but has**
17 **not received necessary federal approval.”.**

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