

**STAFF MEASURE SUMMARY**

**Senate Committee On Health Care**

**Fiscal:** Fiscal impact issued

**Revenue:** No Revenue Impact

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**Action Date:** 02/23/16

**Action:** Do Pass With Amendments To The A-Engbill. Refer To Ways And Means.  
(Printed B-Eng).

**Meeting Dates:** 02/18, 02/23

**Vote:**

Yeas: 4 - Kruse, Monnes Anderson, Shields, Steiner Hayward

Exc: 1 - Knopp

**Prepared By:** Sandy Thiele-Cirka, Committee Administrator

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**WHAT THE MEASURE DOES:**

Prohibits Oregon Health Authority (OHA) from retroactively changing terms of contract with coordinated care organization (CCO) unless specified conditions are met. Declares an emergency, effective on passage.

**ISSUES DISCUSSED:**

- Issues associated with changing contract terms retroactively
- Need for certainty for the CCOs
- Need to comply with federal law and guidelines
- Proposed amendments
- Intent of the bill and the retroactivity of contract amendments
- OHA's position on prospective impact and future contract amendments
- Fiscal impact to OHA

**EFFECT OF COMMITTEE AMENDMENT:**

Specifies that an amendment to a CCO contract is necessitated by a change in federal law and adds an emergency clause.

**BACKGROUND:**

The coordinated care model was first implemented in coordinated care organizations (CCOs). A coordinated care organization is a network of all types of health care providers (physical health care, addictions and mental health care and sometimes dental care providers) who have agreed to work together in their local communities to serve people who receive health care coverage under the Oregon Health Plan (Medicaid). CCOs are focused on prevention and helping people manage chronic conditions, like diabetes. This helps reduce unnecessary emergency room visits and gives people support to be healthy. Currently, there are 16 CCOs operating in communities around Oregon.