

STAFF MEASURE SUMMARY

CARRIER: Sen. Bates

Senate Committee On Rules

Fiscal: Fiscal impact issued

Revenue: No Revenue Impact

Action Date: 02/25/16

Action: Do Pass With Amendments To The B-Eng Bill. (Printed C-Eng.)

Meeting Dates: 02/25

Vote:

Yeas: 5 - Beyer, Boquist, Burdick, Ferrioli, Rosenbaum

Prepared By: Erin Seiler, Committee Administrator

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. Clarifies that OHA is notified, in writing, by Centers for Medicare and Medicaid Services that contract amendment is necessary. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Issues associated with changing contract terms retroactively
- Intent of bill and retroactivity of contract amendments
- Future changes to CCO contract required by federal government

EFFECT OF COMMITTEE AMENDMENT:

Clarifies that Oregon Health Authority (OHA) is notified, in writing, by Centers for Medicare and Medicaid Services that contract amendment is necessary. Explicitly outlines coordinated care organization (CCO) contract terms and effective dates with OHA.

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.