

SB 234 STAFF MEASURE SUMMARY

Senate Committee On Health Care

Prepared By: Oliver Droppers, LPRO Analyst

Meeting Dates: 4/4

WHAT THE MEASURE DOES:

Requires the Oregon Health Authority (OHA) to renew its contract with a coordinated care organization (CCO) if certain conditions are met.

REVENUE: May have revenue impact, but no statement yet issued.

FISCAL: May have fiscal impact, but no statement yet issued.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Oregon's 16 coordinated care organizations (CCOs) are organizations governed by health care providers, community members and organizations responsible for the financial risks that offer patient-centered health care delivery. CCOs are responsible for the integration and coordination of physical, mental, behavioral, and dental care services for 90 percent of Medicaid beneficiaries enrolled in the Oregon Health Plan (OHP). All 16 CCOs operate within a global budget, which grows at a fixed rate, achieve performance goals, and are held accountable for the Triple Aim. The Triple Aim seeks to improve the individual experience of care, improve the health of populations, and reduce the per-capita costs of care for populations.

In 2012, the Oregon Health Authority executed five-year contracts with 16 CCOs. The contracts require each CCO to have a comprehensive plan that describes their goals and activities for transforming care, a written plan for using health information technology and to implement quality improvement plans. The contracts will be renewed in 2017 for the next five-years (2018-2022). Senate Bill 234 specifies the criteria OHA must use in renewing contracts with all 16 CCOs.