



April 11, 2017

The Honorable Mitch Greenlick
Chair, House Health Committee
And Committee Members

RE: HB 2122, 11 amendment

Dear Chair Greenlick and Members of the Committee,

Thank you for the opportunity to comment regarding the proposed amendments to HB 2122. Eastern Oregon CCO (EOCCO) provides coverage to 45,000 Oregonians across the state in Rural and Frontier Oregon counties in Eastern Oregon. We have a diverse eight member ownership structure that includes a number of provider and hospital systems that provide care for OHP members within the EOCCO service area the majority of which are not for profit entities. Each of these entities are working in partnership with local hospitals, providers, public health, behavioral health, county governments and other community partners with the goal of advancing the Triple Aim for EOCCO members.

We appreciate the amendments in Section 2 of HB 2122 that keeps the ownership and board structure of the existing CCO's in place. However, we still have two significant concerns.

Firstly, the Section 2 amendments will severely restrict existing CCO's ability to expand its service area through acquisition, through an expansion opportunity requested by OHA, or in replacing the service area if an existing CCO exits. As now recognized in most of the other provisions in this bill, CCO's have different tax statuses and governing board memberships. In some circumstances adding just one new owner to an existing CCO ownership structure could prohibit a successful CCO's ability to expand and serve more Oregonians.

We believe that existing CCO's that have successfully improved quality and outcomes, implemented alternative payment methodologies and otherwise complied with the CCO contract and mission should be able to expand its business model without the burden of changing its governance and business model.

Secondly, we also are concerned about the proposed language in Section 4(C) which references a taking of all of the earnings of the CCO's that exceed the financial requirements to address health disparities and social determinates of health. While we do support and currently fund programs which directly address health disparities and social determinants of health, we are concerned that this language does not allow other needed CCO investments, such as investments in care/case management, technology, any new initiatives and preparing for future funding challenges.

Thank you again for the opportunity to comment and for your support of our CCO's role in health care transformation.

Sincerely,

Kevin M. Campbell, CEO