

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 234

79th Oregon Legislative Assembly – 2017 Regular Session
Legislative Fiscal Office

*Only Impacts on Original or Engrossed
Versions are Considered Official*

Prepared by: Kim To
Reviewed by: Linda Ames
Date: 4/13/2017

Measure Description:

Requires Oregon Health Authority to renew coordinated care organization contract for another five-year term if specified conditions are met.

Government Unit(s) Affected:

Oregon Health Authority (OHA)

Analysis:

Senate Bill 234 requires the Oregon Health Authority (OHA) to offer to renew a contract with a coordinated care organization (CCO) unless the CCO substantially failed to carry out the terms of the contract, failed to comply with federal law, or failed to make meaningful progress toward meeting the outcome quality measures adopted by the state. The bill takes effect January 1, 2018.

The fiscal impact of this bill on OHA is indeterminate. At this time, OHA cannot predict the impact of contract extensions on the workload of its Health Systems Division. In addition, the provisions of this bill could constrain OHA's flexibility in future contract negotiations with coordinated care organizations.