

# Vote “No” on HB 2122A - Inhibiting Innovation and Regional Solutions

From the Desk of  
Representative  
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## Background

HB 2122A suggests that major changes are needed in order to deliver Medicaid benefits in Oregon via coordinated care organizations (CCOs). The experience of the past 5 years paints a sharp contrast:

- The CCO model has been successful at controlling costs, improving health outcomes, improving patient experience, and promoting community control and innovation.
- Flexibility in the CCO model has allowed communities to make upstream investments that address social determinants of health in a way that would not be possible without local control.
- Oregon’s CCO model has brought significant cost-savings to Oregon’s tax-payers.

Nonetheless, concerns have been raised about financial transparency, investment in community health improvement and social determinants of health, as well as the role of Medicaid members in CCO governance. In response, the Oregon Health Policy Board (OHPB) convened a series of statewide listening sessions and submitted recommendations to respond to these concerns. Unfortunately, HB 2122A does not align with these goals or the feedback the OHPB received. Instead, it risks inhibiting innovation and regional solutions in pursuit of goals and oversight that lack clear intent and definitions.

## Specific Concerns:

- Reasonable people can read HB 2122A and reach many different conclusions. In the absence of regulatory clarity or a transparent process that includes stakeholder perspectives to help improve the CCO model, many CCOs may retreat from making community investments and forming new partnerships that are necessary to build on the progress CCOs have made in the past five years.
- HB2122A raises uncertainty about financial impacts on the state and delivery systems (including providers working under alternative payment arrangements), potential adverse impacts to existing non-profit community governance structures, and potential conflicts with Oregon’s recently approved 1115 waiver.
- HB 2122A may exacerbate Oregon’s existing state budget problems and create local care delivery problems if it destabilizes CCOs or providers.

We encourage you to subject HB 2122A to careful scrutiny; to date this version of the bill has received no public hearing or fiscal review. We remain committed to partnering with local communities to build upon the success of the transparent, cost effective, and innovative CCO framework and we strongly urge legislators to focus on outcomes (transparency, investment in social determinants, cost control and quality) rather than becoming overly prescriptive about structure.

