FROM THE DESK OF: Bill Kennemer

COHO Coalition for a HEALTHY OREGON

NO difference between Non-Profit CCOs and For-Profit CCOs

COHO opposes HB 2122B

HB 2122B requires all CCOs become 501(c)(3) non-profits or Mutual Benefit Companies.

There is no evidence that non-profits deliver better outcomes.

- An examination of performance data among Oregon CCOs shows no correlation between tax status of a CCO and quality outcomes.

Disagreements about corporate structure are merely philosophical and have no bearing on whether a program offers the best possible outcomes for patients.

- ANY entity that achieves the Triple Aim of better patient outcomes and better population health at lower costs should be promoted, not punished.

The current legal structures across Oregon CCOs vary widely. This reflects the original intent of the CCO model, which allowed local flexibility in forming these entities in a manner that fits the needs of their local communities.

- Variety in the CCO model helps balance our Medicaid delivery system by encouraging innovation in our communities.

Concerns that CCO tax status provides an incentive to reduce services or that it might be correlated with performance are not supported by available data.

- For-profit CCOs spend just as much (and in many cases, more) money in their communities than non-profit CCOs.

CCOs are subject to robust financial and quality oversight.

- All CCOs, regardless of tax status, are held to the same metrics, the same financial reporting, and the same requirements for spending on direct patient care.

For-profit CCOs contributed $33.9 million to the General Fund in income taxes in 2015.

- Passing HB 2122B will further exacerbate Oregon's budget gap.

We Urge a No Vote

Coalition for a Healthy Oregon serves nearly half of the State's Medicaid patients