

HB 2122 A STAFF MEASURE SUMMARY**Carrier:** Rep. Greenlick**House Committee On Health Care****Action Date:** 04/14/17**Action:** Do pass with amendments and rescind subsequent referral to Ways and Means. (Printed A-Eng.)**Vote:** 5-4-0-0**Yeas:** 5 - Alonso Leon, Greenlick, Keny-Guyer, Malstrom, Nosse**Nays:** 4 - Buehler, Hack, Hayden, Kennemer**Fiscal:** Has minimal fiscal impact**Revenue:** No revenue impact**Prepared By:** Sandy Thiele-Cirka, LPRO Analyst**WHAT THE MEASURE DOES:**

Requires that a new or an existing coordinated care organization (CCO) that transfers ownership must have 501(c)(3) status and that the governing body's meetings are subject to public meeting laws. Directs CCOs to expend all earnings that exceed the financial requirements on services to address health disparities and social determinants of health that are outlined in the CCOs community health improvement plan. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Background on coordinated care organizations (CCOs)
- Concerns with profit versus non-profit status
- Concerns with various governance and connections with the local community
- Concerns with CCO reserves and public moneys
- Issues surrounding transparency and accountability
- Future contracting process
- Proposed amendments

EFFECT OF AMENDMENT:

Replaces the measure.

BACKGROUND:

The coordinated care model was first implemented in coordinated care organizations (CCOs). A CCO is a network of multiple types of health care providers (physical health care, addictions and mental health care and sometimes dental care providers) who have agreed to work together in their local communities to serve people who receive health care coverage under the Oregon Health Plan (Medicaid). CCOs are focused on prevention and helping people manage chronic conditions, like diabetes. This helps reduce unnecessary emergency room visits and gives people support to be healthy. Currently, there are 16 CCOs operating in communities around Oregon.

In 2016 the Oregon Health Policy Board (OHPB) received a request to provide independent policy guidance to the Legislative Assembly and the Oregon Health Authority regarding the future of CCOs in Oregon's health care system. To accomplish this request, the OHPB conducted a qualitative and quantitative analysis, and developed the following recommendations:

- Clarify CCO top priority
- Improve CCO fiscal transparency
- Improve CCO accountability
- Clarify Oregon Health Authority monitoring and oversight function
- Enhance community access and input to CCOs
- Strengthen health equity accountability and transparency
- Focus on social determinants of health

This Summary has not been adopted or officially endorsed by action of the committee.

HB 2122 A STAFF MEASURE SUMMARY

- Bolster workforce diversity
- Mandate CCO oral and behavioral health integration
- Increase primary care spending and accelerate payment reform
- Reduce high-cost prescription "budget busting" drug prices
- Increase use of value based payment

The full report is located at: <http://www.oregon.gov/oha/OHPB/Documents/OHPB%20CCO%202.0%202017.pdf>