



March 25, 2019

Health Share of Oregon Comments on SB 137

Members of the Senate Committee on Health Care:

Health Share of Oregon writes to express concerns about SB 137 and draft amendment language that has been shared with us, which relates to coordinated care organizations' (CCOs') ability to manage behavioral health benefits covered under the Oregon Health Plan (OHP).

Health Share is the state's largest coordinated care organization (CCO), serving approximately 315,000 Oregon Health Plan members living in Clackamas, Multnomah, and Washington counties. **We are fully committed to the State's goals for CCO 2.0, and we are concerned that this amendment will impede our ability to achieve the State's goals around both improving the behavioral health system and cost containment in OHP.**

We have three concerns with this bill and draft amendment language that was shared with us:

1) It conflicts with the CCO 2.0 policy and procurement process. The Oregon Health Authority (OHA) spent more than a year discussing behavioral health issues related to CCOs through a robust public engagement process around CCO 2.0. That public engagement process led OHA (and the Oregon Health Policy Board) to develop substantial recommendations around the way CCOs will manage behavioral health benefits beginning in 2020. The OHA is currently in the midst of a procurement process for CCOs that will accomplish many of the goals outlined in SB 137. It would be disruptive to that process to change the course of OHA's CCO contracting policy in the middle of the procurement process.

2) It undermines Oregon's 25-year commitment to Medicaid managed care. Several provisions of the bill restrict CCOs' ability to manage behavioral health benefits under the OHP. Section 2 proposes that the OHA prescribe when CCOs can and cannot require prior authorization; Section 3 may restrict CCOs' ability to develop and manage a network of providers and develop value-based payment methodologies with those networks; and Section 8 may prohibit the use of step-therapy. All three of these are fundamental levers used in managed care, and restriction of the use of those levers would impede CCOs' ability to contain costs within the OHP.

3) Some provisions would require provision of care that is not medically appropriate. Section 2 includes language that could require CCOs to place members in facility based care when it is not medically appropriate, and Section 8 requires intensive care coordination for all parolees and all youth under the jurisdiction of a juvenile court, for example, regardless of whether they have been diagnosed with a mental illness.

Thank you for the opportunity to comment on SB 137 and the draft amendment language that was shared with us. We look forward to working together with the OHA, and with consumers and providers of behavioral health services, to build the best possible Medicaid managed care program for delivering OHP covered behavioral health benefits to our members.

Respectfully submitted by:

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