

Senate Bill 735

Sponsored by Senator STEINER HAYWARD; Representatives GREENLICK, NOBLE, PRUSAK

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Requires health outcome and quality measures adopted by Health Plan Quality Metrics Committee to include hospital measures and to be applied to health benefit plans sold in this state, not to only health benefit plans sold through health insurance exchange or covering public employees.

Requires insurers offering health benefit plans in this state to use health outcome and quality measures adopted by committee in insurers' quality assessment program.

Requires Oregon Health Policy Board, no later than January 1, 2021, to align statewide strategic plan for collection and use of health care data with health outcome and quality measures adopted by committee.

A BILL FOR AN ACT

1
2 Relating to health data; amending ORS 413.017 and 743B.200 and section 1, chapter 389, Oregon
3 Laws 2015.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 413.017 is amended to read:

6 413.017. (1) The Oregon Health Policy Board shall establish the committees described in sub-
7 sections (2) to (4) of this section.

8 (2)(a) The Public Health Benefit Purchasers Committee shall include individuals who purchase
9 health care for the following:

10 (A) The Public Employees' Benefit Board.

11 (B) The Oregon Educators Benefit Board.

12 (C) Trustees of the Public Employees Retirement System.

13 (D) A city government.

14 (E) A county government.

15 (F) A special district.

16 (G) Any private nonprofit organization that receives the majority of its funding from the state
17 and requests to participate on the committee.

18 (b) The Public Health Benefit Purchasers Committee shall:

19 (A) Identify and make specific recommendations to achieve uniformity across all public health
20 benefit plan designs based on the best available clinical evidence, recognized best practices for
21 health promotion and disease management, demonstrated cost-effectiveness and shared demographics
22 among the enrollees within the pools covered by the benefit plans.

23 (B) Develop an action plan for ongoing collaboration to implement the benefit design alignment
24 described in subparagraph (A) of this paragraph and shall leverage purchasing to achieve benefit
25 uniformity if practicable.

26 (C) Continuously review and report to the Oregon Health Policy Board on the committee's
27 progress in aligning benefits while minimizing the cost shift to individual purchasers of insurance
28 without shifting costs to the private sector or the health insurance exchange.

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 (c) The Oregon Health Policy Board shall work with the Public Health Benefit Purchasers
2 Committee to identify uniform provisions for state and local public contracts for health benefit plans
3 that achieve maximum quality and cost outcomes. The board shall collaborate with the committee
4 to develop steps to implement joint contract provisions. The committee shall identify a schedule for
5 the implementation of contract changes. The process for implementation of joint contract provisions
6 must include a review process to protect against unintended cost shifts to enrollees or agencies.

7 (3)(a) The Health Care Workforce Committee shall include individuals who have the collective
8 expertise, knowledge and experience in a broad range of health professions, health care education
9 and health care workforce development initiatives.

10 (b) The Health Care Workforce Committee shall coordinate efforts to recruit and educate health
11 care professionals and retain a quality workforce to meet the demand that will be created by the
12 expansion in health care coverage, system transformations and an increasingly diverse population.

13 (c) The Health Care Workforce Committee shall conduct an inventory of all grants and other
14 state resources available for addressing the need to expand the health care workforce to meet the
15 needs of Oregonians for health care.

16 (4)(a) The Health Plan Quality Metrics Committee shall include the following members appointed
17 by the Governor:

18 (A) An individual representing the Oregon Health Authority;

19 (B) An individual representing the Oregon Educators Benefit Board;

20 (C) An individual representing the Public Employees' Benefit Board;

21 (D) An individual representing the Department of Consumer and Business Services;

22 (E) Two health care providers;

23 (F) One individual representing hospitals;

24 (G) One individual representing insurers, large employers or multiple employer welfare ar-
25 rangements;

26 (H) Two individuals representing health care consumers;

27 (I) Two individuals representing coordinated care organizations;

28 (J) One individual with expertise in health care research;

29 (K) One individual with expertise in health care quality measures; and

30 (L) One individual with expertise in mental health and addiction services.

31 (b) The committee shall work collaboratively with the Oregon Educators Benefit Board, the
32 Public Employees' Benefit Board, the Oregon Health Authority and the Department of Consumer and
33 Business Services to adopt health outcome and quality measures that are focused on specific goals
34 and provide value to the state, employers, insurers, health care providers and consumers. The com-
35 mittee shall be the single body to align health outcome and quality measures used in this state with
36 the requirements of health care data reporting to ensure that the measures and requirements are
37 coordinated, evidence-based and focused on a long term statewide vision.

38 (c) The committee shall use a public process that includes an opportunity for public comment
39 to identify health outcome and quality measures, **including health outcome and quality measures**
40 **for hospital services**, that may be applied to services provided by coordinated care organizations
41 or paid for by health benefit plans sold [*through the health insurance exchange or offered by the*
42 *Oregon Educators Benefit Board or the Public Employees' Benefit Board*] **in this state**. The Oregon
43 Health Authority, the Department of Consumer and Business Services, the Oregon Educators Benefit
44 Board and the Public Employees' Benefit Board are not required to adopt all of the health outcome
45 and quality measures identified by the committee but may not adopt any health outcome and quality

1 measures that are different from the measures identified by the committee. The measures must take
 2 into account the recommendations of the metrics and scoring subcommittee created in ORS 414.638
 3 and the differences in the populations served by coordinated care organizations and by commercial
 4 insurers.

5 (d) In identifying health outcome and quality measures, the committee shall prioritize measures
 6 that:

7 (A) Utilize existing state and national health outcome and quality measures, including measures
 8 adopted by the Centers for Medicare and Medicaid Services, that have been adopted or endorsed
 9 by other state or national organizations and have a relevant state or national benchmark;

10 (B) Given the context in which each measure is applied, are not prone to random variations
 11 based on the size of the denominator;

12 (C) Utilize existing data systems, to the extent practicable, for reporting the measures to mini-
 13 mize redundant reporting and undue burden on the state, health benefit plans and health care pro-
 14 viders;

15 (D) Can be meaningfully adopted for a minimum of three years;

16 (E) Use a common format in the collection of the data and facilitate the public reporting of the
 17 data; and

18 (F) Can be reported in a timely manner and without significant delay so that the most current
 19 and actionable data is available.

20 (e) The committee shall evaluate on a regular and ongoing basis the health outcome and quality
 21 measures adopted under this section.

22 (f) The committee may convene subcommittees to focus on gaining expertise in particular areas
 23 such as data collection, health care research and mental health and substance use disorders in order
 24 to aid the committee in the development of health outcome and quality measures. A subcommittee
 25 may include stakeholders and staff from the Oregon Health Authority, the Department of Human
 26 Services, the Department of Consumer and Business Services, the Early Learning Council or any
 27 other agency staff with the appropriate expertise in the issues addressed by the subcommittee.

28 (g) This subsection does not prevent the Oregon Health Authority, the Department of Consumer
 29 and Business Services, commercial insurers, the Public Employees' Benefit Board or the Oregon
 30 Educators Benefit Board from establishing programs that provide financial incentives to providers
 31 for meeting specific health outcome and quality measures adopted by the committee.

32 (5) Members of the committees described in subsections (2) to (4) of this section who are not
 33 members of the Oregon Health Policy Board are not entitled to compensation but shall be reim-
 34 bursed from funds available to the board for actual and necessary travel and other expenses in-
 35 curred by them by their attendance at committee meetings, in the manner and amount provided in
 36 ORS 292.495.

37 **SECTION 2.** ORS 743B.200 is amended to read:

38 743B.200. Each [*insurer*] **carrier** offering [*managed health insurance*] **a health benefit plan** in
 39 this state shall:

40 (1) Have a quality assessment program that enables the insurer to evaluate, maintain and im-
 41 prove the quality of health services provided to enrollees **using, at a minimum, the health out-**
 42 **come and quality measures adopted by the Health Plan Quality Metrics Committee under**
 43 **ORS 413.017.** The program shall include data gathering that allows the plan to measure progress
 44 on specific quality improvement goals chosen by the insurer.

45 (2) File an annual summary with the Department of Consumer and Business Services that de-

1 scribes quality assessment activities, including any activities related to credentialing of providers,
2 and reports any progress on the insurer's quality improvement goals.

3 (3) File annually with the department the following information:

4 (a) Results of all publicly available federal Centers for Medicare and Medicaid Services reports
5 and accreditation surveys by national accreditation organizations.

6 (b) The insurer's health promotion and disease prevention activities, if any, including a summary
7 of screening and preventive health care activities covered by the insurer.

8 **SECTION 3.** Section 1, chapter 389, Oregon Laws 2015, is amended to read:

9 **Sec. 1.** (1) The Oregon Health Policy Board, in consultation with the Public Employees' Benefit
10 Board, the Oregon Educators Benefit Board, the Oregon Health Authority and the Department of
11 Consumer and Business Services shall develop a statewide strategic plan for the collection and use
12 of health care data. The plan must:

13 (a) Include clear objectives for how health care data will be used, and what types of data are
14 needed, in state health care programs to support health system transformation efforts and promote
15 value;

16 (b) Allow for alignment of performance metrics across state health care programs;

17 (c) Ensure that the state's efforts in the collection and use of health care data encourage inte-
18 grated and coordinated care, promote improved quality, health outcomes and patient satisfaction and
19 help reduce costs;

20 (d) Include strategies to ensure that the state's collection, use and measurement of health care
21 data advance payment reform and allow for alternative payment methodologies;

22 (e) To the extent practicable, allow for alternative reporting and measurement mechanisms that
23 are not claims-based or that are for payers and providers who are moving away from fee-for-service
24 based reimbursement;

25 (f) Identify appropriate and inappropriate uses of health care data, including safeguards to en-
26 sure privacy and ensure that data is not used for marketing or other inappropriate purposes; and

27 (g) Outline a five-year vision including implementation timelines in sufficient detail that health
28 care stakeholders can plan for expected new data reporting requirements and uses.

29 (2) The Oregon Health Policy Board shall submit the plan developed under subsection (1) of this
30 section to the interim committees of the Legislative Assembly related to health care no later than
31 September 1, 2016.

32 (3) The *[performance]* **health outcome and quality** measures developed by the Health Plan
33 Quality Metrics Committee established under ORS 413.017 (4) must be aligned with the statewide
34 strategic plan adopted under this section **no later than January 1, 2021**.

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