A-Bill for an Act

Relating to coordinated care organizations; and declaring an emergency.

Be it enacted by the People of the State of Oregon:

SECTION 1. The Public Employees' Benefit Board and the Oregon Educators Benefit Board shall establish a pilot program allowing public employees to obtain health services from coordinated care organizations for plan years beginning on and after January 1, 2020.

SECTION 2. (1) As used in this section:

(a) “Cooperating agencies” means the Oregon Health Authority, the Public Employees’ Benefit Board, the Oregon Educators Benefit Board and the Department of Consumer and Business Services.

(b) “Service region” means Josephine County, Jackson County, Curry County and southern Douglas County.

(2) The cooperating agencies shall establish a pilot program to consolidate health insurance plans offered by the Public Employees’ Benefit Board, the Oregon Educators Benefit Board and the state medical assistance program into one contract with distinct plan-specific benefits. The cooperating agencies shall contract with one insurer to provide health insurance to participants in health insurance plans offered by the Public Employees’ Benefit Board, the Oregon Educators Benefit Board and the state medical assistance program in the service region. The pilot program must feature:

(a) A blended monthly payment applicable to participants in the health insurance plan provided by the contracting insurer under the pilot program;

(b) A global budget for hospital services offered to participants in the health insurance plan provided by the contracting insurer under the pilot program;

[Takes effect on 91st day following adjournment sine die.]

Declares emergency, effective on passage.
(c) A model in which the contracting insurer is responsible for an aligned care model and payments to health care providers for participants in the health insurance plan provided by the contracting insurer under the pilot program; and

(d) A model in which participants in health insurance plans offered by the Public Employees' Benefit Board and the Oregon Educators Benefit Board are not required to participate in the plan provided by the contracting insurer under the pilot program.

(3) The Oregon Health Authority and the Department of Consumer and Business Services shall adopt rules no later than October 1, 2019, to implement the pilot program no later than October 1, 2020, including but not limited to rules relating to:

(a) Contract procurement.

(b) Benefit design.

(c) Rate development.

(d) Payment.

(e) Quality metrics.

(f) Reporting requirements.

SECTION 3. The Oregon Health Authority and the Department of Consumer and Business Services shall report on the pilot program established under section 2 of this 2019 Act to a committee or interim committee of the Legislative Assembly related to health care no later than July 1 of 2021, 2023 and 2025. The report must include:

(1) An analysis of reductions in the cost of care and the ability to comply with ORS 243.135 (8) and 243.866 (9).

(2) An analysis of improvements in quality performance measures, care coordination, case management and health outcomes.

(3) Comparative data analysis illustrating performance of the pilot program in comparison to the performance of health insurance plans offered by the Public Employees' Benefit Board, the Oregon Educators Benefit Board and the state medical assistance program at the statewide and regional levels.

SECTION 4. (1) Sections 1 and 2 of this 2019 Act are repealed on January 2, 2025.

(2) Section 3 of this 2019 Act is repealed on January 2, 2026.

SECTION 5. This 2019 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2019 Act takes effect on its passage.