

Senate Bill 867

Sponsored by Senator MANNING JR

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**.

Declares legislative findings for best system for delivery and financing of health care.

A BILL FOR AN ACT

Relating to health care; amending ORS 413.032 and 414.018.

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

SECTION 1. ORS 414.018 is amended to read:

414.018. (1) It is the intention of the Legislative Assembly to achieve the goals of universal access to an adequate level of high quality health care at an affordable cost.

(2) The Legislative Assembly finds that the best system for the delivery and financing of health care to residents of this state will be the system that:

(a) Provides universal access to comprehensive care at the appropriate time.

(b) Ensures transparency and accountability.

(c) Enhances primary care.

(d) Allows the choice of health care provider.

(e) Respects the primacy of the patient-provider relationship.

(f) Provides for continuous improvement of health care quality and safety.

(g) Reduces administrative costs.

(h) Has financing that is sufficient, fair and sustainable.

(i) Ensures adequate compensation of health care providers.

(j) Incorporates community-based systems.

(k) Includes effective cost controls.

(L) Provides residents of this state with universal access to care even if the resident is travelling outside of Oregon.

(m) Provides seamless birth-to-death access to care.

(n) Minimizes medical errors.

(o) Focuses on preventative health care.

(p) Integrates physical, dental, vision and mental health care.

(q) Includes long term care.

(r) Provides equitable access to health care, according to a person's needs.

(s) Is affordable for individuals, families, businesses and society.

[(2)] (3) The Legislative Assembly further finds:

(a) A significant level of public and private funds is expended each year for the provision of health care to Oregonians;

(b) The state has a strong interest in assisting Oregon businesses and individuals to obtain

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 reasonably available insurance or other coverage of the costs of necessary basic health care ser-
2 vices;

3 (c) The lack of basic health care coverage is detrimental not only to the health of individuals
4 lacking coverage, but also to the public welfare and the state's need to encourage employment
5 growth and economic development, and the lack results in substantial expenditures for emergency
6 and remedial health care for all purchasers of health care including the state; and

7 (d) The use of integrated and coordinated health care systems has significant potential to reduce
8 the growth of health care costs incurred by the people of this state.

9 [(3)] (4) The Legislative Assembly **further** finds that achieving its goals of improving health,
10 increasing the quality, reliability, availability and continuity of care and reducing the cost of care
11 requires an integrated and coordinated health care system in which:

12 (a) Medical assistance recipients and individuals who are dually eligible for both Medicare and
13 Medicaid participate.

14 (b) Health care services, other than Medicaid-funded long term care services, are delivered
15 through coordinated care contracts that use alternative payment methodologies to focus on pre-
16 vention, improving health equity and reducing health disparities, utilizing patient centered primary
17 care homes, behavioral health homes, evidence-based practices and health information technology
18 to improve health and health care.

19 (c) High quality information is collected and used to measure health outcomes, health care
20 quality and costs and clinical health information.

21 (d) Communities and regions are accountable for improving the health of their communities and
22 regions, reducing avoidable health gaps among different cultural groups and managing health care
23 resources.

24 (e) Care and services emphasize preventive services and services supporting individuals to live
25 independently at home or in their community.

26 (f) Services are person centered, and provide choice, independence and dignity reflected in in-
27 dividual plans and provide assistance in accessing care and services.

28 (g) Interactions between the Oregon Health Authority and coordinated care organizations are
29 done in a transparent and public manner.

30 (h) Moneys provided by the federal government for medical education are allocated to the in-
31 stitutions that provide the education.

32 [(4)] (5) The Legislative Assembly further finds that there is an extreme need for a skilled, di-
33 verse workforce to meet the rapidly growing demand for community-based health care. To meet that
34 need, this state must:

35 (a) Build on existing training programs; and

36 (b) Provide an opportunity for frontline care providers to have a voice in their workplace in
37 order to effectively advocate for quality care.

38 [(5)] (6) As used in subsection [(3)] (4) of this section:

39 (a) "Community" means the groups within the geographic area served by a coordinated care
40 organization and includes groups that identify themselves by age, ethnicity, race, economic status,
41 or other defining characteristic that may impact delivery of health care services to the group, as
42 well as the governing body of each county located wholly or partially within the coordinated care
43 organization's service area.

44 (b) "Region" means the geographical boundaries of the area served by a coordinated care or-
45 ganization as well as the governing body of each county that has jurisdiction over all or part of the

1 coordinated care organization's service area.

2 **SECTION 2.** ORS 413.032 is amended to read:

3 413.032. (1) The Oregon Health Authority is established. The authority shall:

4 (a) Carry out policies adopted by the Oregon Health Policy Board;

5 (b) Administer the Oregon Integrated and Coordinated Health Care Delivery System established
6 in ORS 414.620;

7 (c) Administer the Oregon Prescription Drug Program;

8 (d) Develop the policies for and the provision of publicly funded medical care and medical as-
9 sistance in this state;

10 (e) Develop the policies for and the provision of mental health treatment and treatment of ad-
11 dictions;

12 (f) Assess, promote and protect the health of the public as specified by state and federal law;

13 (g) Provide regular reports to the board with respect to the performance of health services
14 contractors serving recipients of medical assistance, including reports of trends in health services
15 and enrollee satisfaction;

16 (h) Guide and support, with the authorization of the board, community-centered health initiatives
17 designed to address critical risk factors, especially those that contribute to chronic disease;

18 (i) Be the state Medicaid agency for the administration of funds from Titles XIX and XXI of the
19 Social Security Act and administer medical assistance under ORS chapter 414;

20 (j) In consultation with the Director of the Department of Consumer and Business Services, pe-
21 riodically review and recommend standards and methodologies to the Legislative Assembly for:

22 (A) Review of administrative expenses of health insurers;

23 (B) Approval of rates; and

24 (C) Enforcement of rating rules adopted by the Department of Consumer and Business Services;

25 (k) Structure reimbursement rates for providers that serve recipients of medical assistance to
26 reward comprehensive management of diseases, quality outcomes and the efficient use of resources
27 and to promote cost-effective procedures, services and programs including, without limitation, pre-
28 ventive health, dental and primary care services, web-based office visits, telephone consultations and
29 telemedicine consultations;

30 (L) Guide and support community three-share agreements in which an employer, state or local
31 government and an individual all contribute a portion of a premium for a community-centered health
32 initiative or for insurance coverage;

33 (m) Develop, in consultation with the Department of Consumer and Business Services, one or
34 more products designed to provide more affordable options for the small group market;

35 (n) Implement policies and programs to expand the skilled, diverse workforce as described in
36 ORS 414.018 [(4)] (5); and

37 (o) Implement a process for collecting the health outcome and quality measure data identified
38 by the Health Plan Quality Metrics Committee and report the data to the Oregon Health Policy
39 Board.

40 (2) The Oregon Health Authority is authorized to:

41 (a) Create an all-claims, all-payer database to collect health care data and monitor and evaluate
42 health care reform in Oregon and to provide comparative cost and quality information to consumers,
43 providers and purchasers of health care about Oregon's health care systems and health plan net-
44 works in order to provide comparative information to consumers.

45 (b) Develop uniform contracting standards for the purchase of health care, including the fol-

- 1 lowing:
- 2 (A) Uniform quality standards and performance measures;
- 3 (B) Evidence-based guidelines for major chronic disease management and health care services
- 4 with unexplained variations in frequency or cost;
- 5 (C) Evidence-based effectiveness guidelines for select new technologies and medical equipment;
- 6 and
- 7 (D) A statewide drug formulary that may be used by publicly funded health benefit plans.
- 8 (3) The enumeration of duties, functions and powers in this section is not intended to be exclu-
- 9 sive nor to limit the duties, functions and powers imposed on or vested in the Oregon Health Au-
- 10 thority by ORS 413.006 to 413.042 and 741.340 or by other statutes.

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