

B-Engrossed
House Bill 2362

Ordered by the House June 23
Including House Amendments dated April 15 and June 23

Sponsored by Representative SALINAS; Representatives ALONSO LEON, CAMPOS, DEXTER, GRAYBER, MCLAIN, MEEK, PHAM, POWER, PRUSAK, REYNOLDS, RUIZ, SANCHEZ, VALDERRAMA (Pre-session filed.)

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.

Requires approval from Department of Consumer and Business Services or Oregon Health Authority before any mergers, acquisitions, contracts or affiliations of health care entities and other entities if entities [*had \$25 million or more*] **meet or exceed specified thresholds** in average net patient revenue or in gross amount of premiums in preceding three fiscal years [*or net patient revenue of \$10 million or more*]. Specifies exceptions and procedures.

Requires Oregon Health Policy Board to establish criteria for approval by authority of mergers, acquisitions and affiliations based on specified factors.

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

A BILL FOR AN ACT

1
2 Relating to health care providers; creating new provisions; and amending ORS 413.032, 413.037,
3 413.101, 413.181, 415.013, 415.019 and 415.103.

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

5 **SECTION 1. As used in this section and sections 2 and 3 of this 2021 Act:**

6 (1) **“Corporate affiliation” has the meaning prescribed by the Oregon Health Authority**
7 **by rule, including:**

8 (a) **Any relationship between two organizations that reflects, directly or indirectly, a**
9 **partial or complete controlling interest or partial or complete corporate control; and**

10 (b) **Transactions that merge tax identification numbers or corporate governance.**

11 (2) **“Essential services” means:**

12 (a) **Services that are funded on the prioritized list described in ORS 414.690; and**

13 (b) **Services that are essential to achieve health equity.**

14 (3) **“Health benefit plan” has the meaning given that term in ORS 743B.005.**

15 (4)(a) **“Health care entity” includes:**

16 (A) **An individual health professional licensed or certified in this state;**

17 (B) **A hospital, as defined in ORS 442.015, or hospital system, as defined by the authority**
18 **by rule;**

19 (C) **A carrier, as defined in ORS 743B.005, that offers a health benefit plan in this state;**

20 (D) **A Medicare Advantage plan;**

21 (E) **A coordinated care organization or a prepaid managed care health services organ-**
22 **ization, as both terms are defined in ORS 414.025; and**

23 (F) **Any other entity that has as a primary function the provision of health care items**

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 or services or that is a parent organization of, or is an entity closely related to, an entity
2 that has as a primary function the provision of health care items or services.

3 (b) "Health care entity" does not include:

4 (A) Long term care facilities, as defined in ORS 442.015.

5 (B) Facilities licensed and operated under ORS 443.400 to 443.455.

6 (5) "Health equity" has the meaning prescribed by the Oregon Health Policy Board and
7 adopted by the authority by rule.

8 (6)(a) "Material change transaction" means:

9 (A) A transaction in which at least one party had average revenue of \$25 million or more
10 in the preceding three fiscal years and another party:

11 (i) Had an average revenue of at least \$10 million in the preceding three fiscal years; or

12 (ii) In the case of a new entity, is projected to have at least \$10 million in revenue in the
13 first full year of operation at normal levels of utilization or operation as prescribed by the
14 authority by rule.

15 (B) If a transaction involves a health care entity in this state and an out-of-state entity,
16 a transaction that otherwise qualifies as a material change transaction under this paragraph
17 that may result in increases in the price of health care or limit access to health care services
18 in this state.

19 (b) "Material change transaction" does not include:

20 (A) A clinical affiliation of health care entities formed for the purpose of collaborating
21 on clinical trials or graduate medical education programs.

22 (B) A medical services contract or an extension of a medical services contract.

23 (C) An affiliation that:

24 (i) Does not impact the corporate leadership, governance or control of an entity; and

25 (ii) Is necessary, as prescribed by the authority by rule, to adopt advanced value-based
26 payment methodologies to meet the health care cost growth targets under ORS 442.386.

27 (D) Contracts under which one health care entity, for and on behalf of a second health
28 care entity, provides patient care and services or provides administrative services relating
29 to, supporting or facilitating the provision of patient care and services, if the second health
30 care entity:

31 (i) Maintains responsibility, oversight and control over the patient care and services; and

32 (ii) Bills and receives reimbursement for the patient care and services.

33 (E) Transactions in which a participant that is a health center as defined in 42 U.S.C.
34 254b, while meeting all of the participant's obligations, acquires, affiliates with, partners with
35 or enters into any agreement with another entity unless the transaction would result in the
36 participant no longer qualifying as a health center under 42 U.S.C. 254b.

37 (7)(a) "Medical services contract" means a contract to provide medical or mental health
38 services entered into by:

39 (A) A carrier and an independent practice association;

40 (B) A carrier, coordinated care organization, independent practice association or network
41 of providers and one or more providers, as defined in ORS 743B.001;

42 (C) An independent practice association and an individual health professional or an or-
43 ganization of health care providers;

44 (D) Medical, dental, vision or mental health clinics; or

45 (E) A medical, dental, vision or mental health clinic and an individual health professional

1 to provide medical, dental, vision or mental health services.

2 (b) "Medical services contract" does not include a contract of employment or a contract
3 creating a legal entity and ownership of the legal entity that is authorized under ORS chap-
4 ter 58, 60 or 70 or under any other law authorizing the creation of a professional organization
5 similar to those authorized by ORS chapter 58, 60 or 70, as may be prescribed by the au-
6 thority by rule.

7 (8) "Net patient revenue" means the total amount of revenue, after allowance for con-
8 tractual amounts, charity care and bad debt, received for patient care and services, includ-
9 ing:

10 (a) Value-based payments;

11 (b) Incentive payments;

12 (c) Capitation payments or payments under any similar contractual arrangement for the
13 prepayment or reimbursement of patient care and services; and

14 (d) Any payment received by a hospital to reimburse a hospital assessment under ORS
15 414.855.

16 (9) "Revenue" means:

17 (a) Net patient revenue; or

18 (b) The gross amount of premiums received by a health care entity that are derived from
19 health benefit plans.

20 (10) "Transaction" means:

21 (a) A merger of a health care entity with another entity;

22 (b) An acquisition of one or more health care entities by another entity;

23 (c) New contracts, new clinical affiliations and new contracting affiliations that will
24 eliminate or significantly reduce, as defined by the authority by rule, essential services;

25 (d) A corporate affiliation involving at least one health care entity; or

26 (e) Transactions to form a new partnership, joint venture, accountable care organization,
27 parent organization or management services organization, as prescribed by the authority by
28 rule.

29 **SECTION 2.** (1) The purpose of this section is to promote the public interest and to ad-
30 vance the goals set forth in ORS 414.018 and the goals of the Oregon Integrated and Coordi-
31 nated Health Care Delivery System described in ORS 414.570.

32 (2) In accordance with subsection (1) of this section, the Oregon Health Authority shall
33 adopt by rule criteria approved by the Oregon Health Policy Board for the consideration of
34 requests by health care entities to engage in a material change transaction and procedures
35 for the review of material change transactions under this section.

36 (3)(a) A notice of a material change transaction involving the sale, merger or acquisition
37 of a domestic health insurer shall be submitted to the Department of Consumer and Business
38 Services as an addendum to filings required by ORS 732.517 to 732.546 or 732.576. The de-
39 partment shall provide to the authority the notice submitted under this subsection to enable
40 the authority to conduct a review in accordance with subsections (5) and (7) of this section.
41 The authority shall notify the department of the outcome of the authority's review.

42 (b) The department shall make the final determination in material change transactions
43 involving the sale, merger or acquisition of a domestic health insurer and shall coordinate
44 with the authority to incorporate the authority's review into the department's final deter-
45 mination.

1 **(4) An entity shall submit to the authority a notice of a material change transaction,**
2 **other than a transaction described in subsection (3) of this section, in the form and manner**
3 **prescribed by the authority, no less than 180 days before the date of the transaction and shall**
4 **pay a fee prescribed in section 4 of this 2021 Act.**

5 **(5) No later than 30 days after receiving a notice described in subsections (3) and (4) of**
6 **this section, the authority shall conduct a preliminary review to determine if the transaction**
7 **has the potential to have a negative impact on access to affordable health care in this state**
8 **and meets the criteria in subsection (9) of this section.**

9 **(6) Following a preliminary review, the authority or the department shall approve a**
10 **transaction or approve a transaction with conditions designed to further the goals described**
11 **in subsection (1) of this section based on criteria prescribed by the authority by rule, in-**
12 **cluding but not limited to:**

13 **(a) If the transaction is in the interest of consumers and is urgently necessary to main-**
14 **tain the solvency of an entity involved in the transaction; or**

15 **(b) If the authority determines that the transaction does not have the potential to have**
16 **a negative impact on access to affordable health care in this state or the transaction is likely**
17 **to meet the criteria in subsection (9) of this section.**

18 **(7)(a) Except as provided in paragraph (b) of this subsection, if a transaction does not**
19 **meet the criteria in subsection (6) of this section, the authority shall conduct a comprehen-**
20 **sive review and may appoint a review board of stakeholders to conduct a comprehensive re-**
21 **view and make recommendations as provided in subsections (11) to (18) of this section. The**
22 **authority shall complete the comprehensive review no later than 180 days after receipt of the**
23 **notice unless the parties to the transaction agree to an extension of time.**

24 **(b) The authority or the department may intervene in a transaction described in section**
25 **1 (6)(a)(C) of this 2021 Act in which the final authority rests with another state and, if the**
26 **transaction is approved by the other state, may place conditions on health care entities op-**
27 **erating in this state with respect to the insurance or health care industry market in this**
28 **state, prices charged to patients residing in this state and the services available in health**
29 **care facilities in this state, to serve the public good.**

30 **(8) The authority shall prescribe by rule:**

31 **(a) Criteria to exempt an entity from the requirements of subsection (4) of this section**
32 **if there is an emergency situation that threatens immediate care services and the trans-**
33 **action is urgently needed to protect the interest of consumers;**

34 **(b) Provision for the authority's failure to complete a review under subsection (5) of this**
35 **section within 30 days; and**

36 **(c) Criteria for when to conduct a comprehensive review and appoint a review board un-**
37 **der subsection (7) of this section that must include, but is not limited to:**

38 **(A) The potential loss or change in access to essential services;**

39 **(B) The potential to impact a large number of residents in this state; or**

40 **(C) A significant change in the market share of an entity involved in the transaction.**

41 **(9) A health care entity may engage in a material change transaction if, following a**
42 **comprehensive review conducted by the authority and recommendations by a review board**
43 **appointed under subsection (7) of this section, the authority determines that the transaction**
44 **meets the criteria adopted by the department by rule under subsection (2) of this section**
45 **and:**

1 (a)(A) The parties to the transaction demonstrate that the transaction will benefit the
2 public good and communities by:

3 (i) Reducing the growth in patient costs in accordance with the health care cost growth
4 targets established under ORS 442.386 or maintain a rate of cost growth that exceeds the
5 target that the entity demonstrates is the best interest of the public;

6 (ii) Increasing access to services in medically underserved areas; or

7 (iii) Rectifying historical and contemporary factors contributing to a lack of health eq-
8 uities or access to services; or

9 (B) The transaction will improve health outcomes for residents of this state; and

10 (b) There is no substantial likelihood of anticompetitive effects from the transaction that
11 outweigh the benefits of the transaction in increasing or maintaining services to underserved
12 populations.

13 (10) The authority may suspend a proposed material change transaction if necessary to
14 conduct an examination and complete an analysis of whether the transaction is consistent
15 with subsection (9) of this section and the criteria adopted by rule under subsection (2) of
16 this section.

17 (11)(a) A review board convened by the authority under subsection (7) of this section
18 must consist of members of the affected community, consumer advocates and health care
19 experts. No more than one-third of the members of the review board may be representatives
20 of institutional health care providers. The authority may not appoint to a review board an
21 individual who is employed by an entity that is a party to the transaction that is under re-
22 view or is employed by a competitor that is of a similar size to an entity that is a party to
23 the transaction.

24 (b) A member of a review board shall file a notice of conflict of interest and the notice
25 shall be made public.

26 (12) The authority may request additional information from an entity that is a party to
27 the material change transaction, and the entity shall promptly reply using the form of com-
28 munication requested by the authority and verified by an officer of the entity if required by
29 the authority.

30 (13)(a) An entity may not refuse to provide documents or other information requested
31 under subsection (4) or (12) of this section on the grounds that the information is confiden-
32 tial.

33 (b) Material that is privileged or confidential may not be publicly disclosed if:

34 (A) The authority determines that disclosure of the material would cause harm to the
35 public;

36 (B) The material may not be disclosed under ORS 192.311 to 192.478; or

37 (C) The material is not subject to disclosure under ORS 705.137.

38 (c) The authority shall maintain the confidentiality of all confidential information and
39 documents that are not publicly available that are obtained in relation to a material change
40 transaction and may not disclose the information or documents to any person, including a
41 member of the review board, without the consent of the person who provided the information
42 or document. Information and documents described in this paragraph are exempt from dis-
43 closure under ORS 192.311 to 192.478.

44 (14) The authority or the Department of Justice may retain actuaries, accountants or
45 other professionals independent of the authority who are qualified and have expertise in the

1 type of material change transaction under review as necessary to assist the authority in
2 conducting the analysis of a proposed material change transaction. The authority or the
3 Department of Justice shall designate the party or parties to the material change trans-
4 action that shall bear the reasonable and actual cost of retaining the professionals.

5 (15) A review board may hold up to two public hearings to seek public input and other-
6 wise engage the public before making a determination on the proposed transaction. A public
7 hearing must be held in the service area or areas of the health care entities that are parties
8 to the material change transaction. At least 10 days prior to the public hearing, the authority
9 shall post to the authority's website information about the public hearing and materials re-
10 lated to the material change transaction, including:

11 (a) A summary of the proposed transaction;

12 (b) An explanation of the groups or individuals likely to be impacted by the transaction;

13 (c) Information about services currently provided by the health care entity, commit-
14 ments by the health care entity to continue such services and any services that will be re-
15 duced or eliminated;

16 (d) Details about the hearings and how to submit comments, in a format that is easy to
17 find and easy to read; and

18 (e) Information about potential or perceived conflicts of interest among executives and
19 members of the board of directors of health care entities that are parties to the transaction.

20 (16) The authority shall post the information described in subsection (15)(a) to (d) of this
21 section to the authority's website in the languages spoken in the area affected by the mate-
22 rial change transaction and in a culturally sensitive manner.

23 (17) The authority shall provide the information described in subsection (15)(a) to (d) of
24 this section to:

25 (a) At least one newspaper of general circulation in the area affected by the material
26 change transaction;

27 (b) Health facilities in the area affected by the material change transaction for posting
28 by the health facilities; and

29 (c) Local officials in the area affected by the material change transaction.

30 (18) A review board shall make recommendations to the authority to approve the mate-
31 rial change transaction, disapprove the material change transaction or approve the material
32 change transaction subject to conditions, based on subsection (9) of this section and the
33 criteria adopted by rule under subsection (2) of this section. The authority shall issue a
34 proposed order and allow the parties and the public a reasonable opportunity to make written
35 exceptions to the proposed order. The authority shall consider the parties' and the public's
36 written exceptions and issue a final order setting forth the authority's findings and rationale
37 for adopting or modifying the recommendations of the review board. If the authority modifies
38 the recommendations of the review board, the authority shall explain the modifications in
39 the final order and the reasons for the modifications. A party to the material change trans-
40 action may contest the final order as provided in ORS chapter 183.

41 (19) A health care entity that is a party to an approved material change transaction shall
42 notify the authority upon the completion of the transaction in the form and manner pre-
43 scribed by the authority. One year, two years and five years after the material change
44 transaction is completed, the authority shall analyze:

45 (a) The health care entities' compliance with conditions placed on the transaction, if any;

1 (b) The cost trends and cost growth trends of the parties to the transaction; and

2 (c) The impact of the transaction on the health care cost growth target established under
3 ORS 442.386.

4 (20) The authority shall publish the authority's analyses and conclusions under sub-
5 section (19) of this section and shall incorporate the authority's analyses and conclusions
6 under subsection (19) of this section in the report described in ORS 442.386 (6).

7 (21) This section does not impair, modify, limit or supersede the applicability of ORS
8 65.800 to 65.815, 646.605 to 646.652 or 646.705 to 646.805.

9 (22) Whenever it appears to the Director of the Oregon Health Authority that any person
10 has committed or is about to commit a violation of this section or any rule or order issued
11 by the authority under this section, the director may apply to the Circuit Court for Marion
12 County for an order enjoining the person, and any director, officer, employee or agent of the
13 person, from the violation, and for such other equitable relief as the nature of the case and
14 the interest of the public may require.

15 (23) The remedies provided under this section are in addition to any other remedy, civil
16 or criminal, that may be available under any other provision of law.

17 (24) The authority may adopt rules necessary to carry out the provisions of this section.

18 **SECTION 3.** (1) An officer or employee of the Oregon Health Authority who is delegated
19 responsibilities in the enforcement of section 2 of this 2021 Act or rules adopted pursuant to
20 section 2 of this 2021 Act may not:

21 (a) Be a director, officer or employee of or be financially interested in an entity that is
22 a party to a proposed material change transaction except as an enrollee or patient of a
23 health care entity or by reason of rights vested in compensation or benefits related to ser-
24 vices performed prior to affiliation with the authority; or

25 (b) Be engaged in any other business or occupation interfering with or inconsistent with
26 the duties of the authority.

27 (2) This section does not permit any conduct, affiliation or interest that is otherwise
28 prohibited by public policy.

29 **SECTION 4.** (1) The Oregon Health Authority shall prescribe by rule a fee to be paid
30 under section 2 (3) of this 2021 Act, proportionate to the size of the parties to the trans-
31 action, sufficient to reimburse the costs of administering section 2 of this 2021 Act.

32 (2) Moneys received by the authority under this section shall be deposited to the Oregon
33 Health Authority Fund established in ORS 413.101 to be used for carrying out section 2 of
34 this 2021 Act.

35 **SECTION 5.** (1) In addition to any other penalty imposed by law, the Director of the
36 Oregon Health Authority may impose a civil penalty, as determined by the director, for a
37 violation of ORS 413.037 or section 2 of this 2021 Act. The amount of the civil penalty may
38 not exceed \$10,000 for each offense. The civil penalty imposed on an individual health pro-
39 fessional may not exceed \$1,000 for each offense.

40 (2) Civil penalties shall be imposed and enforced in accordance with ORS 183.745.

41 (3) Moneys received by the Oregon Health Authority under this section shall be paid to
42 the State Treasury and credited to the General Fund.

43 **SECTION 6.** Every four years, the Oregon Health Authority shall commission a study of
44 the impact of health care consolidation in this state. The study must review consolidation
45 occurring during the previous four-year period and include an analysis of:

1 (1) **The impact on costs to consumers for health care either to the benefit or the detri-**
2 **ment of consumers; and**

3 (2) **Any increases or decreases in the quality of care, including:**

4 (a) **Improvement or reductions in morbidity;**

5 (b) **Improvement or reductions in the management of population health;**

6 (c) **Changes to health and patient outcomes, particularly for underserved and uninsured**
7 **individuals, recipients of medical assistance and other low-income individuals and individuals**
8 **living in rural areas, as measured by nationally recognized measures of the quality of health**
9 **care, such as measures used or endorsed by the National Committee for Quality Assurance,**
10 **the National Quality Forum, the Physician Consortium for Performance Improvement or the**
11 **Agency for Healthcare Research and Quality.**

12 **SECTION 6a. The Oregon Health Authority shall commission the first study under sec-**
13 **tion 6 of this 2021 Act no later than September 15, 2026.**

14 **SECTION 7.** ORS 413.101 is amended to read:

15 413.101. The Oregon Health Authority Fund is established in the State Treasury, separate and
16 distinct from the General Fund. Interest earned by the Oregon Health Authority Fund shall be
17 credited to the fund. Moneys in the fund are continuously appropriated to the Oregon Health Au-
18 thority for carrying out the duties, functions and powers of the authority under ORS 413.032 and
19 431A.183 **and section 2 of this 2021 Act.**

20 **SECTION 8.** ORS 413.032 is amended to read:

21 413.032. (1) The Oregon Health Authority is established. The authority shall:

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

23 (b) Administer the Oregon Integrated and Coordinated Health Care Delivery System established
24 in ORS 414.570;

25 (c) Administer the Oregon Prescription Drug Program;

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

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

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

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

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

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

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

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

41 (B) Approval of rates; and

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

43 (k) Structure reimbursement rates for providers that serve recipients of medical assistance to
44 reward comprehensive management of diseases, quality outcomes and the efficient use of resources
45 and to promote cost-effective procedures, services and programs including, without limitation, pre-

1 ventive health, dental and primary care services, web-based office visits, telephone consultations and
2 telemedicine consultations;

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

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

8 (n) Implement policies and programs to expand the skilled, diverse workforce as described in
9 ORS 414.018 (4); and

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

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

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

18 (b) Develop uniform contracting standards for the purchase of health care, including the fol-
19 lowing:

20 (A) Uniform quality standards and performance measures;

21 (B) Evidence-based guidelines for major chronic disease management and health care services
22 with unexplained variations in frequency or cost;

23 (C) Evidence-based effectiveness guidelines for select new technologies and medical equipment;

24 (D) A statewide drug formulary that may be used by publicly funded health benefit plans; and

25 (E) Standards that accept and consider tribal-based practices for mental health and substance
26 abuse prevention, counseling and treatment for persons who are Native American or Alaska Native
27 as equivalent to evidence-based practices.

28 (3) The enumeration of duties, functions and powers in this section is not intended to be exclu-
29 sive nor to limit the duties, functions and powers imposed on or vested in the Oregon Health Au-
30 thority by ORS 413.006 to 413.042, 415.012 to 415.430 and 741.340 **and section 2 of this 2021 Act**
31 or by other statutes.

32 **SECTION 9.** ORS 413.037 is amended to read:

33 413.037. (1) The Director of the Oregon Health Authority, each deputy director and authorized
34 representatives of the director may administer oaths, take depositions and issue subpoenas to compel
35 the attendance of witnesses and the production of documents or other written information necessary
36 to carry out the provisions of ORS 413.006 to 413.042, 415.012 to 415.430 and 741.340 **and section**
37 **2 of this 2021 Act.**

38 (2) If any person fails to comply with a subpoena issued under this section or refuses to testify
39 on matters on which the person lawfully may be interrogated, the director, deputy director or au-
40 thorized representative may follow the procedure set out in ORS 183.440 to compel obedience.

41 **SECTION 10.** ORS 413.181 is amended to read:

42 413.181. (1) The Department of Consumer and Business Services and the Oregon Health Au-
43 thority may enter into agreements governing the disclosure of information reported to the depart-
44 ment by insurers with certificates of authority to transact insurance in this state and the disclosure
45 of information reported to the Oregon Health Authority by coordinated care organizations.

1 (2) The authority may use information disclosed under subsection (1) of this section for the
2 purpose of carrying out ORS 413.032, 414.572, 414.591, 414.605, 414.609, 414.638 and 415.012 to
3 415.430 **and section 2 of this 2021 Act.**

4 **SECTION 11.** ORS 415.013 is amended to read:

5 415.013. (1) The Oregon Health Authority shall enforce the provisions of ORS 415.012 to 415.430
6 **and section 2 of this 2021 Act** and rules adopted pursuant to ORS 415.011 **and 415.012 to 415.430**
7 **and section 2 of this 2021 Act** for the public good.

8 (2) The authority has the powers and authority expressly conferred by or reasonably implied
9 from the provisions of ORS 415.012 to 415.430 **and section 2 of this 2021 Act** and rules adopted
10 pursuant to ORS 415.011 **and 415.012 to 415.430 and section 2 of this 2021 Act.**

11 (3) The authority may conduct examinations and investigations [*of matters concerning the regu-*
12 *lation of coordinated care organizations as the authority considers proper to determine whether any*
13 *person has violated any provision of ORS 415.012 to 415.430 or rules adopted pursuant to ORS 415.011*
14 *or to secure information useful in the lawful administration of any of ORS 415.011 the provisions]* **and**
15 **require the production of books, records, accounts, papers, documents and computer and**
16 **other recordings the authority considers necessary to administer and enforce ORS 415.012**
17 **to 415.430 or section 2 of this 2021 Act and any rules adopted pursuant to ORS 415.011 or**
18 **415.012 to 415.430 or section 2 of this 2021 Act.**

19 **SECTION 12.** ORS 415.019 is amended to read:

20 415.019. (1) The Oregon Health Authority shall hold a contested case hearing upon written re-
21 quest for a hearing by a person aggrieved by any act, threatened act or failure of the authority to
22 act under ORS 415.012 to 415.430 **or section 2 of this 2021 Act** or rules adopted pursuant to ORS
23 415.011 **or 415.012 to 415.430 or section 2 of this 2021 Act.**

24 (2) The provisions of ORS chapter 183 govern the hearing procedures and any judicial review
25 of a final order issued in a contested case hearing.

26 **SECTION 13.** ORS 415.103 is amended to read:

27 415.103. A person may not file or cause to be filed with the Oregon Health Authority any article,
28 certificate, report, statement, application or other information required or permitted to be filed un-
29 der ORS 415.012 to 415.430 **or section 2 of this 2021 Act** or rules adopted pursuant to ORS 415.011
30 **or 415.012 to 415.430 or section 2 of this 2021 Act** that is known by the person to be false or
31 misleading in any material respect.

32 **SECTION 14. Section 2 of this 2021 Act becomes operative on March 1, 2022.**

33