



Memorandum

To: Chair Nosse, Vice Chair Nelson, Vice Chair Goodwin and members of the House Committee on Behavioral Health and Health Care
From: Marty Carty, Governmental Affairs Director at the Oregon Primary Care Association
Date: February 22, 2023
Re: House Bill 3040

The Oregon Primary Care Association (OPCA) is a non-profit organization, with a mission to support Oregon's 34 community health centers (CHCs), also known as federally qualified health centers (FQHCs), in leading the transformation of primary care to achieve health equity for all. [Health centers](#) deliver integrated primary, behavioral, and oral health care services to over **437,000 Oregonians**. 40% of health center patients identify as a racial or ethnic minority, 18% are uninsured, 8% are experiencing homelessness, and 3% are veterans. Community health centers provide care to some of Oregon's most vulnerable populations, including **one in six OHP members**.

I'm here today on behalf of our members – Oregon's 34 community health centers, in support of House Bill 3040. Across the state health centers work closely with their CCO partners to ensure OHP members have access to high quality integrated primary, behavioral and oral health care. Health centers are also committed to partnering with the state to achieve the triple aim of better health, better care and lower costs. In fact, a recent report from Capital Link cited that health care spending for Medicaid patients in community health centers is 24% lower when compared to other primary care settings.

As we drive toward value-based payment in this state health centers are committed to partnering with the health authority and CCOs to achieve the goal of 70% of CCO payments to providers are in the form of value-based arrangements by 2024. One of the challenges health centers face as they work toward this goal is a significant information deficit. Entering into a value-based payment arrangement without a clear picture of the cost of care for the patient population in question puts the safety net provider organization at a significant disadvantage.

The reason for this bill is simple. Right now, there is no pathway for health centers to access claims and encounter data before entering into a value based arrangement unless the CCO is willing to provide that upfront. We know from our members that if or how CCOs provide this critical data is at best a patchwork riddled with inconsistencies and hurdles for the provider to overcome. This bill seeks to set a standard by which all CCOs must share data in good faith with a community health center prior to the provider organization entering into a value based arrangement. This is modeled after how Medicare partners with Accountable Care Organizations (ACOs). In value based arrangements, health centers are being asked to **take responsibility for the cost and quality of care for their patients, and in**

exchange they can receive a portion of the savings they achieve but they are also sharing risk.

This model is exactly how ACOs partner with Medicare. When an ACO submits a notice of intent to contract with Medicare, they receive beneficiary claims data for the lives that will be the ACO's responsibility. Without claims and encounter data upfront, health centers are at a severe disadvantage when they consider a value-based payment arrangement.

This bill is necessary because as CCOs continue to implement the state's Value-Based Payment Roadmap which requires increasing levels of risk for provider organizations – health centers find themselves at an increasing disadvantage when they do not have access to total cost of care information. HB 3040 is the tool we need that will provide the additional rules of road necessary to move us toward our shared goals.

We acknowledge the base bill needs work and we've been working in good faith with CCOs on language that makes sense for both providers and CCOs. We intend to continue those conversations to achieve consensus on this.