74th OREGON LEGISLATIVE ASSEMBLY - 2007 Regular Session STAFF MEASURE SUMMARY House Committee on Health Care

MEASURE: HB 2952 A Rep. Tomei **CARRIER:**

FISCAL: No fiscal impact	
Action:	Do Pass as Amended and Be Printed Engrossed
Vote:	9 - 0 - 0
Yeas:	Bonamici, Bruun, Cannon, Flores, Gelser, Kotek, Maurer, Richardson, Greenlick
Nays:	0
Exc.:	0
Prepared By:	Sandy Thiele-Cirka, Administrator
Meeting Dates:	4/9 (Access sub), 4/18 (Access sub), 4/23 (Full), 4/30 (Full)

REVENUE: No revenue impact

WHAT THE MEASURE DOES: Requires prepaid managed care health services organizations to file annual financial report with Department of Human Services (DHS). Requires DHS to prescribe reporting procedure to assess the financial condition of each prepaid managed care health services organization. Specifies that the reports must include financial information on the three highest executive salary and benefit packages. Directs DHS to have appropriate information prior to entering into a contract with a prepaid managed care health service organization.

ISSUES DISCUSSED:

- Importance of efficiency and transparency relating to public dollars
- Current requirement for commercial insurers to disclose executive salaries to the Department of Consumer and **Business Services Insurance Division**
- Contractors provide aggregate information to the Division of Medical Assistance Programs (DMAP)
- Concerns relating to the proposed requirement not being applied to all contract providers ٠
- Lack of clarity on the benefits of the bill
- Plans that are not required to report executive officer salary and benefit information
- DHS's position on the measure and amendment

EFFECT OF COMMITTEE AMENDMENT: Directs DHS to establish an annual reporting requirement for prepaid managed care health service organizations. Specifies that DHS prescribe procedure to assess the financial condition of each prepaid managed care health services organization, and that it include information on the three highest executive salary and benefit packages. Requires DHS to have appropriate information before entering into a contract with a prepaid managed care health service organization.

BACKGROUND: Currently, commercial insurers in Oregon must disclose executive salaries to the Department of Consumer and Business Services (DCBS) Insurance Division on an annual basis. In contrast, the Oregon Health Plan contractors are not required to report their executive salaries, but the salaries are included in the administrative costs reported to the Division of Medical Assistance Programs.