A-Engrossed
House Bill 3418

Ordered by the House May 4
Including House Amendments dated May 4

Sponsored by Representative MAURER, Senators BATES, MORSE; Representatives BAILEY, BRUUN, GREENLICK, STIEGLER, Senators MONNES ANDERSON, TELFER

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 Department of Human Services to develop payment system to promote health care delivery through integrated health homes for medical assistance recipients. Requires department to create Integrated Health Home Collaborative Program pilot project for testing new system for payment to fee-for-service primary care providers.*]

Requires Department of Human Services to report to appropriate interim committees of Legislative Assembly on feasibility of implementation of system for reimbursement for health care delivered through primary care homes in Medicaid program. Directs department to apply to Centers for Medicare and Medicaid Services for purpose of obtaining federal financing for system.

Authorizes department to develop specified means of payment to improve current primary care delivery system.

Declares emergency, effective on passage.

A BILL FOR AN ACT

Relating to reimbursement for health care delivered through an integrated health home model; and declaring an emergency.

Whereas the Legislative Assembly directs the purchase of billions of dollars of health care and state government is the biggest consumer of health care in Oregon, and it is time for the state to pay for health care in an intelligent way; and

Whereas starting with primary care, we need to reform what and how we pay for health services, and it is time to see primary care as an investment with a financial return of fewer visits to hospital emergency rooms and episodes of acute care; and

Whereas it is time to buy primary care that is focused on prevention and case management that will promote good health; and

Whereas it is time to reward culturally competent, patient-centered health coordination; and

Whereas it is time to integrate physical, behavioral and oral health; and

Whereas it is time to include public health, school-based health centers and mental health services in our insurance-based payment system; and

Whereas people will make most of their health choices at home, but payment for health care ends at the clinic door; and

Whereas active case management is a way to maintain a connection between clinics and patients, from assisting patients in making choices as significant as follow-up on medication or physical therapy, to coaching patients on good eating habits and coping with depression, encouraging exercise and providing support for anger management; and

Whereas effective case management brings health care into its most timely and appropriate

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.

setting, namely the home and community, and reduces the costs associated with any health care visit; and

Whereas the current reimbursement structure rewards medical interventions as revenue generators and discourages primary and preventive care services by nonpayment or underpayment; and

Whereas the current primary care workforce is in crisis, due in part to the reimbursement levels for primary care; and

Whereas reforming this system to reward primary and preventive care as revenue generators will translate into better health outcomes, fewer medical interventions and a system with less overall expense; and

Whereas we have the research and evidence to know what works well, and Oregon has examples of primary care successes at the local level; and

Whereas when primary care is well organized, a patient visit is an opportunity to spend time assessing and addressing all of a patient's needs, not just the need that prompted the visit, thereby reducing the incidents of delayed care, which add cost to the system; and

Whereas it is time to set a clear direction for the state to expect quality care to become the norm; and

Whereas any transition will take some time, as these reforms will need to be phased into any purchasing strategy; and

Whereas the current health care system in the United States is not sustainable due to rising costs and an increasing number of uninsured individuals; and

Whereas the number of visits to hospital emergency rooms continues to grow, and a significant number of these visits are for nonurgent or preventable conditions; and

Whereas the health care system is fragmented, access to care is episodic and relationships between patients and providers are strained; and

Whereas current systems for financing primary care emphasize 10- to 15-minute office visits and fail to support patient-centered care that could improve patients' health status and lower overall costs to the broader health care system; now, therefore,

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

SECTION 1. (1) As used in this section, "primary care home" means a primary care delivery system, including, but not limited to, health care safety net clinics, private practice clinics and clinics owned by hospitals that promote at least the following elements:

(a) The patient and the patient-provider relationship are at the center of all health care activities.

(b) The patient may access care when and in the manner the patient needs in a variety of ways, including by telephone, electronically and same-day visits.

(c) A team approach to patient-centered care is maximized, supporting all provider team members to utilize the full scope of the provider team members' licenses.

(d) Behavioral health providers are integrated into the primary care delivery system, but are not necessarily in the same location as physical health services.

(e) Provider teams provide care in a culturally competent manner. Translation and other services that reflect cultural sensitivity are provided as needed.

(f) The care is managed and coordinated across the system of community services, when feasible, so that all of the patient's health needs are met, including, but not limited to, facilitating access to necessary specialty and hospital care, nutrition and homeless services.

(g) Proactive, comprehensive care is provided for the populations served.

(h) Nursing services have an expanded role in the delivery of primary care, including, but not limited to, care coordination, telephone outreach, school-based health, home visits, telephone triage and clinical case management, and coordination of information-sharing among various providers in communities.

(i) Strategies designed to hold patients accountable for adhering to the patients' health goals are implemented.

(j) Case management for managing chronic diseases, behavioral health and end-of-life care is efficient and timely and is both population based and patient centered.

(2) No later than June 30, 2010, the Department of Human Services shall report to the appropriate interim committees of the Legislative Assembly on the feasibility of implementation of a system for reimbursement for health care delivered through primary care homes in the Medicaid program. If feasible, the reimbursement system shall include:

(a) Use of the existing Medicare codes or development of unique payment codes, including valuing services performed by nurses and behaviorists;

(b) Payment for the establishment and use of team-based care that links the patient to a personal health care provider who identifies the patient's health needs, helps the patient access appropriate care and works with a team of health professionals to address all of the patient's health care needs;

(c) Preventive, educational, diagnostic care, care management and follow-up social services coordination; and

(d) Home visits for case management services and the use of technologies to allow patients to access to personal health care from remote locations.

(3) The department may develop additional incentive improvement payments for managed care capitation rates and payments for fee-for-service that are based on the goal of transforming the current primary care delivery system to improve the population's health outcomes, including:

(a) Incentives to encourage the integration of primary, oral and behavioral health care;

(b) Performance payments that are based on the health of the entire patient population of the provider or system;

(c) Incentives to enable providers to utilize evidence-based best practices;

(d) Incentives to enable and reward improved health outcomes; and

(e) Incentives to participate in a learning collaborative.

SECTION 2. The Department of Human Services shall apply to the Centers for Medicare and Medicaid Services for any approval necessary to obtain federal financial participation for implementing section 1 of this 2009 Act.

SECTION 3. Sections 1 and 2 of this 2009 Act are repealed on January 2, 2012.

SECTION 4. This 2009 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2009 Act takes effect on its passage.
