

House Bill 2105

Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Presession filed (at the request of Governor John A. Kitzhaber for Oregon Health Authority)

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**.

Requires Oregon Health Authority to establish one or more pilot projects through which authority shall contract with managed care entities to establish capitation rates for payment of mental health drugs. Directs authority to report to Legislative Assembly on pilot projects on or before January 31, 2013. Sunsets pilot projects January 2, 2014.

Permits two or more counties to establish regional health authority and assume responsibility for health services in region.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to the Oregon Health Authority; and declaring an emergency.

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

4 **SECTION 1. (1) Notwithstanding ORS 414.742, the Oregon Health Authority shall estab-**
5 **lish one or more pilot projects through which the authority shall contract with managed care**
6 **entities to establish capitation rates for payment for mental health drugs.**

7 (2) The authority shall report to the Legislative Assembly as provided in ORS 192.245 on
8 the pilot projects no later than January 31, 2013.

9 **SECTION 2. (1)(a) Two or more contiguous counties may combine for the purpose of**
10 **forming a regional health authority when the governing body of each of the counties con-**
11 **cerned adopts a resolution signifying the body's intention to do so.**

12 (b) The governing body of a county may adopt a resolution signifying the body's intention
13 to include only a portion of the county in the regional health authority if:

14 (A) The portion of the county to be included in the regional health authority is part of
15 a natural health care referral pattern with the other counties in the regional health au-
16 thority; and

17 (B) The Oregon Health Authority approves.

18 (2) The governing bodies of the counties forming the regional health authority may, by
19 a majority vote of the governing body of each participating county, establish and appoint a
20 regional health authority board consisting of:

21 (a) One member from the governing body of each participating county selected by that
22 body; and

23 (b) Members who are experienced and well-informed on health matters, including:

24 (A) Licensed health care professionals;

25 (B) Consumers of physical health and behavioral health services; and

26 (C) Representatives of the education system.

27 (3) The term of office of the members of the board is four years, and the terms must be
28 staggered so that no more than one-fourth of the terms expire in the same year.

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 **SECTION 3.** (1) A regional health authority established under section 2 of this 2011 Act
2 shall submit a written service plan to the Oregon Health Authority defining the scope of
3 services and responsibilities that the regional health authority proposes to assume. The
4 Oregon Health Authority may approve or deny the proposed service plan.

5 (2) The duties assumed by the regional health authority in the service plan may include
6 but need not be limited to:

- 7 (a) Health policy;
- 8 (b) Strategic planning;
- 9 (c) Contracting and procurement;
- 10 (d) System design;
- 11 (e) Outcome and quality improvement;
- 12 (f) Integration of service delivery;
- 13 (g) Regional health improvement planning;
- 14 (h) Direct health services;
- 15 (i) The activities listed in ORS 431.416; and
- 16 (j) The services listed in ORS 430.630.

17 (3) A regional health authority shall update its service plan at least once every four
18 years, but no more frequently than once every two years.

19 (4) A regional health authority may enter into prepaid capitated health service contracts
20 as provided in ORS 414.630.

21 (5) With the approval of the governing bodies of the counties forming a regional health
22 authority, a regional health authority may adopt schedules of fees for services reasonably
23 calculated not to exceed the cost of the services performed.

24 (6) A regional health authority may enter into necessary contracts, apply for and receive
25 grants, hold and dispose of property and take other actions necessary to carry out the re-
26 sponsibilities assumed in the regional health authority's service plan.

27 (7) The Oregon Health Authority shall adopt rules as necessary to implement this sec-
28 tion, including:

- 29 (a) Rules allowing the Oregon Health Authority to disband a regional health authority
30 that cannot perform the functions assumed by the regional health authority; and
- 31 (b) Rules that allow for consolidated planning and reporting across public health and
32 mental health authorities.

33 **SECTION 4.** Section 1 of this 2011 Act is repealed on January 2, 2014.

34 **SECTION 5.** This 2011 Act being necessary for the immediate preservation of the public
35 peace, health and safety, an emergency is declared to exist, and this 2011 Act takes effect
36 on its passage.