76th OREGON LEGISLATIVE ASSEMBLY – 2012 Regular Session STAFF MEASURE SUMMARY Senate Committee on Health Care, Human Services & Rural Health Policy

FISCAL: Fiscal statement issued	
Action:	Do Pass and Be Referred to the Committee on Ways and Means by prior reference
Vote:	3 - 2 - 0
Yeas	: Bates, Shields, Monnes Anderson
Nays	: Kruse, Morse
Exc.	0
Prepared By:	Sandy Thiele-Cirka, Administrator
Meeting Dates:	2/3

REVENUE: No revenue impact **FISCAL:** Fiscal statement issued

WHAT THE MEASURE DOES: Provides legislative approval of Oregon Health Authority (OHA) proposals for Coordinated Care Organizations (CCOs). Requires authority to report quarterly to legislative committees on implementation of CCO model of health care delivery. Authorizes sharing and use of information between Department of Consumer and Business Services and authority for specified purposes. Prohibits discrimination against types of providers by CCOs and specified managed care organizations. Makes technical changes. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Remaining concerns: experience and risk; medical liability; and governance
- Possibility for amendments
- Process of developing Coordinated Care Organizations (CCO) implementation plan
- Role of Oregon Health Policy Board
- Ways and Means referral
- Importance of culturally-specific health providers
- Opportunities and challenges facing local communities
- CCO development will look different in each community
- Oregon's transformation efforts are work in progress
- Critical to include local community residents in CCO governance

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: In 2011, the Oregon Legislature created the Oregon Integrated and Coordinated Health Care System through House Bill 3650. The change was in response to the escalating costs due to the current health care delivery system. Under the new system, Coordinated Care Organizations (CCOs) will replace the current managed care organizations (MCOs), mental health organizations, and dental care organizations for the Medicaid/OHP populations. The proponents assert that the CCOs will improve health care delivery and will focus on wellness and prevention.