Senate Committee on Senate Health Care

MEASURE: SB 440 CARRIER:

## **REVENUE:** No revenue impact

| FISCAL: May have fiscal impact, statement not yet issued |                               |
|--|-------------------------------|
| Action:  |                               |
| Vote:  |                               |
| Yeas:  |                               |
| Nays:  |                               |
| Exc.:  |                               |
| Prepared By:   | Zena Rockowitz, Administrator |
| Meeting Dates:   | 3/2, 3/18, 4/15               |

WHAT THE MEASURE DOES: Creates the Health Plan Quality Metrics Committee (Committee) to develop health outcome and quality measures for Coordinated Care Organizations and plans offered by Public Employees' Benefit Board and Oregon Educators Benefit Board. Requires Committee to consist of an individual appointed by the Oregon Health Authority (OHA), Oregon Educators Benefit Board, and Public Employees' Benefit Board. Specifies appointees must have expertise in health care research and quality measures. Specifies appointees must represent insurers, consumers, and self-insured large employers. Requires Committee to publish recommendations and to consider other state and national health methodologies. Requires Committee to develop a format for collecting consumer responses to health outcome and quality measures and to encourage Oregon Health Authority and boards to publicly report findings. Requires consideration of health outcome and quality measures in contracting for health benefit plans. Eliminates the Metrics and Scoring Committee. Declares operative date of January 1, 2016. Declares emergency, effective on passage.

## **ISSUES DISCUSSED:**

- Move away from payment for procedures to payment for outcomes model
- Elimination of Metrics and Scoring Committee which identifies performance metrics
- Parties to be involved with determining metrics
- Streamline the metrics that health care providers are incentivized to meet by various payers
- Alignment across the health care system
- Reduction in duplication of effort
- All major forms of public and private coverage subject to different regulations
- Identifying data before measuring outcomes

**EFFECT OF COMMITTEE AMENDMENT: -2 Amendment:** Directs Oregon Health Policy Board in consultation with Public Employees' Benefit Board, Oregon Educators Benefit Board, and Department of Consumer and Business Services to develop strategic plan for collection and use of health care data. Requires performance measures developed by Health Plan Quality Metrics Committee (Committee) to be aligned with strategic plan. Changes Committee composition and requires it to be single body to align health outcome and quality measures. Specifies not all metrics must be used, but no metrics can be different. Specifies which measures Committee prioritizes. Requires committee to convene subcommittees. Requires two reports to Legislative assembly. Changes duties of Oregon Health Policy Board to require publish aggregate data for each coordinated care organization and each benefit plan on quality measures, costs, health outcomes. Requires OHA to implement a process to collect health outcome and quality measure data and report. Requires incorporating measures into contracts. Requires notification for changes in contract. Requires OHA to evaluate measures on ongoing basis. Requires Health Plan Quality Metrics Committee to develop measures on early learning outcomes. Changes operative dates.

**BACKGROUND:** Health care quality and outcome measures indicate how well health care services are being delivered and consider a variety of factors such as cost, utilization, satisfaction and access. Quality measurement provides comparable data on which to evaluate and make decisions regarding care. The federal Agency for Healthcare Research

4/14/2015 1:59:00 PM \* *This summary has not been adopted or officially endorsed by action of the committee.* Committee Services Form – 2015 Regular Session and Quality and the National Committee for Quality Assurance develop evidence based measures to evaluate quality. For example, the percentage of women age 50 to 74 years of age who had a mammogram to screen for breast cancer or percentage of adults who reported whether they were provided specific discharge information from a hospital. Measures are calculated by using insurance claims data, medical records and surveys.

In 2013, House Bill 2118 created the Health Plan Quality Metrics Workgroup to recommend core outcome and quality measures. The workgroup reports that the Oregon Health Authority, Oregon Educators Benefit Board and the Public Employees Benefit Board have no standard set of quality and outcome health care measures. While organizations collect a substantial number of measures, specifications and data sources used to calculate measures may vary across organizations. The workgroup recommends developing a common set of statewide health improvement priorities and goals to guide quality measurement efforts.