

A-Engrossed
Senate Bill 231

Ordered by the Senate April 23
Including Senate Amendments dated April 23

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Governor John A. Kitzhaber, M.D., 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.

[Requires Department of Consumer and Business Services to adopt rules for participation of prominent carriers in Primary Care Transformation Initiative implemented by Oregon Health Authority. Specifies criteria for initiative. Requires authority to convene primary care payment reform committee to advise and assist in development of initiative. Specifies membership.]

[Sunsets March 1, 2022.]

Requires certain carriers, Public Employees' Benefit Board and Oregon Educators Benefit Board to report to Department of Consumer and Business Services proportion of carrier's and board's total medical expenses allocated to primary care. Requires Oregon Health Authority and department to submit report to Legislative Assembly on information reported by carriers and boards.

Requires authority to convene primary care payment reform collaborative to advise and assist authority in developing Primary Care Transformation Initiative. Specifies membership.

Declares emergency, effective on passage.

A BILL FOR AN ACT

Relating to paying for primary care; and declaring an emergency.

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

SECTION 1. (1) As used in this section:

(a) "Carrier" means an insurer that offers a health benefit plan, as defined in ORS 743.730.

(b) "Prominent carrier" means:

(A) A carrier with annual premium income at a threshold established by the Department of Consumer and Business Services by rule.

(B) The Public Employees' Benefit Board.

(C) The Oregon Educators Benefit Board.

(2) All prominent carriers shall, and carriers other than prominent carriers may, report to the Department of Consumer and Business Services, no later than December 31, 2015, the proportion of the carrier's total medical expenses that are allocated to primary care.

(3) The department shall share with the Oregon Health Authority the information reported so that the authority may prepare the evaluation and report described in section 2 of this 2015 Act.

(4) The department, in collaboration with the authority, shall adopt rules prescribing the primary care services for which costs must be reported under subsection (2) of this section.

SECTION 2. (1) As used in this section:

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 (a) "Carrier" means an insurer that offers a health benefit plan, as defined in ORS
2 743.730.

3 (b) "Coordinated care organization" has the meaning given that term in ORS 414.025.

4 (c) "Primary care" means family medicine, general internal medicine, naturopathic
5 medicine, obstetrics and gynecology, pediatrics or general psychiatry.

6 (d) "Primary care provider" includes:

7 (A) A physician, naturopath, nurse practitioner, physician assistant or other health pro-
8 fessional licensed or certified in this state, whose clinical practice is in the area of primary
9 care.

10 (B) A health care team or clinic that has been certified by the Oregon Health Authority
11 as a patient centered primary care home.

12 (2) The Oregon Health Authority shall convene a primary care payment reform
13 collaborative to advise and assist the authority in developing a Primary Care Transformation
14 Initiative to develop and share best practices in technical assistance and methods of re-
15 imbursement that direct greater health care resources and investments toward supporting
16 and facilitating health care innovation and care improvement in primary care.

17 (3) The authority shall invite representatives from all of the following to participate in
18 the primary care payment reform collaborative:

19 (a) Primary care providers;

20 (b) Health care consumers;

21 (c) Experts in primary care contracting and reimbursement;

22 (d) Independent practice associations;

23 (e) Behavioral health treatment providers;

24 (f) Third party administrators;

25 (g) Employers that offer self-insured health benefit plans;

26 (h) The Department of Consumer and Business Services;

27 (i) Carriers;

28 (j) A statewide organization for mental health professionals who provide primary care;

29 (k) A statewide organization representing federally qualified health centers;

30 (L) A statewide organization representing hospitals and health systems;

31 (m) A statewide professional association for family physicians;

32 (n) A statewide professional association for physicians;

33 (o) A statewide professional association for nurses; and

34 (p) The Centers for Medicare and Medicaid Services.

35 (4) The authority shall convene the primary care payment reform collaborative no later
36 than October 1, 2015.

37 (5) A coordinated care organization shall report to the authority, no later than December
38 31, 2015, the proportion of the organization's total medical costs that are allocated to primary
39 care;

40 (6) The authority, in collaboration with the Department of Consumer and Business Ser-
41 vices, shall adopt rules prescribing the primary care services for which costs must be re-
42 ported under subsection (5) of this section.

43 **SECTION 3.** No later than February 1, 2016, the Oregon Health Authority and the De-
44 partment of Consumer and Business Services shall report to the Legislative Assembly, in the
45 manner provided in ORS 192.245:

1 (1) The percentage of the medical expenses of carriers, coordinated care organizations,
2 the Public Employees' Benefit Board and the Oregon Educators Benefit Board that is allo-
3 cated to primary care; and

4 (2) How carriers, coordinated care organizations, the Public Employees' Benefit Board
5 and the Oregon Educators Benefit Board pay for primary care.

6 **SECTION 4.** (1) The Legislative Assembly declares that collaboration among insurers,
7 purchasers and providers of health care to coordinate service delivery systems and develop
8 innovative reimbursement methods in support of integrated and coordinated health care de-
9 livery is in the best interest of the public. The Legislative Assembly therefore declares its
10 intent to exempt from state antitrust laws, and to provide immunity from federal antitrust
11 laws through the state action doctrine, any person participating in the Primary Care
12 Transformation Initiative, described in section 2 of this 2015 Act, that might otherwise be
13 constrained by such laws.

14 (2) The Director of the Oregon Health Authority or the director's designee shall engage
15 in appropriate state supervision of the Primary Care Transformation Initiative as necessary
16 to promote state action immunity under state and federal antitrust laws to ensure that the
17 initiative is implemented in accordance with section 2 of this 2015 Act.

18 (3) Groups that include, but are not limited to, health insurance companies, health care
19 centers, hospitals, health service organizations, employers, health care providers, health care
20 facilities, state and local governmental entities and consumers may meet to facilitate the
21 development, implementation and operation of the Primary Care Transformation Initiative
22 in accordance with section 2 of this 2015 Act.

23 (4) The Oregon Health Authority may conduct a survey of the entities and individuals
24 specified in subsection (3) of this section to assist in the evaluation of the Primary Care
25 Transformation Initiative.

26 (5) A survey or meeting under subsection (3) or (4) of this section is not a violation of
27 state antitrust laws and shall be considered state action for purposes of federal antitrust
28 laws through the state action doctrine.

29 **SECTION 5.** This 2015 Act being necessary for the immediate preservation of the public
30 peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect
31 on its passage.

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