

HB 2267

Relating to coordinated care organizations

HB 2267 authorizes the Oregon Health Authority to establish a reinsurance program to make payments to coordinated care organizations (or, CCOs) that face particularly high costs in caring for members who require new, exceptionally costly drugs or treatments. The bill also establishes the Tribal Advisory Council to serve as a channel of communication between CCOs and Indian tribes regarding the health of tribal communities. OHA is required to provide staff support to the council. In addition, the measure requires CCOs to collaborate with local public health authorities and hospitals to conduct a community health assessment and adopt a community health improvement plan. CCOs must post the plans to their websites.

OHA estimates the cost of administering the reinsurance program to be \$1.2 million total funds and 4 positions (2.42 FTE) for the 2019-21 biennium. These costs will be offset by a savings from reduced CCO administrative costs under the current reinsurance program, which has averaged more than \$3 million per year in recent years. OHA projects a \$1.5 million total funds savings in reduced CCO administrative costs for the 2019-21 biennium and \$4.8 million total funds in savings for the 2021-23 biennium.

The Human Services Subcommittee recommends HB 2267 be reported out do pass.