

A-Engrossed
Senate Bill 780

Ordered by the Senate April 16
Including Senate Amendments dated April 16

Sponsored by Senators STEINER HAYWARD, BEYER, HEARD; Senators DEMBROW, FREDERICK, GIROD, JOHNSON, KNOPP, LINTHICUM, RILEY, TAYLOR, Representatives NOBLE, NOSSE

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.

Directs Public Employees' Benefit Board and Oregon Educators Benefit Board to establish pilot program allowing public employees to obtain health services from coordinated care organizations.

Directs Public Employees' Benefit Board, Oregon Educators Benefit Board, Oregon Health Authority and Department of Consumer and Business Services to establish pilot program to consolidate health care coverage under health benefit plans offered by boards with coverage under state medical assistance program. Specifies requirements for pilot program. Requires authority and department to report on pilot program to committees of Legislative Assembly related to health care in 2021, 2023 and 2025.

[Takes effect on 91st day following adjournment sine die.]

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to coordinated care organizations; and declaring an emergency.

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

4 **SECTION 1. The Public Employees' Benefit Board and the Oregon Educators Benefit**
5 **Board shall establish a pilot program allowing public employees to obtain health services**
6 **from coordinated care organizations for plan years beginning on and after January 1, 2020.**

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

8 (a) "Cooperating agencies" means the Oregon Health Authority, the Public Employees'
9 Benefit Board, the Oregon Educators Benefit Board and the Department of Consumer and
10 Business Services.

11 (b) "Service region" means Josephine County, Jackson County, Curry County and south-
12 ern Douglas County.

13 (2) The cooperating agencies shall establish a pilot program to consolidate health insur-
14 ance plans offered by the Public Employees' Benefit Board, the Oregon Educators Benefit
15 Board and the state medical assistance program into one contract with distinct plan-specific
16 benefits. The cooperating agencies shall contract with one insurer to provide health insur-
17 ance to participants in health insurance plans offered by the Public Employees' Benefit
18 Board, the Oregon Educators Benefit Board and the state medical assistance program in the
19 service region. The pilot program must feature:

20 (a) A blended monthly payment applicable to participants in the health insurance plan
21 provided by the contracting insurer under the pilot program;

22 (b) A global budget for hospital services offered to participants in the health insurance
23 plan provided by the contracting insurer under the pilot program;

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 (c) A model in which the contracting insurer is responsible for an aligned care model and
2 payments to health care providers for participants in the health insurance plan provided by
3 the contracting insurer under the pilot program; and

4 (d) A model in which participants in health insurance plans offered by the Public
5 Employees' Benefit Board and the Oregon Educators Benefit Board are not required to par-
6 ticipate in the plan provided by the contracting insurer under the pilot program.

7 (3) The Oregon Health Authority and the Department of Consumer and Business Services
8 shall adopt rules no later than October 1, 2019, to implement the pilot program no later than
9 October 1, 2020, including but not limited to rules relating to:

10 (a) Contract procurement.

11 (b) Benefit design.

12 (c) Rate development.

13 (d) Payment.

14 (e) Quality metrics.

15 (f) Reporting requirements.

16 **SECTION 3.** The Oregon Health Authority and the Department of Consumer and Busi-
17 ness Services shall report on the pilot program established under section 2 of this 2019 Act
18 to a committee or interim committee of the Legislative Assembly related to health care no
19 later than July 1 of 2021, 2023 and 2025. The report must include:

20 (1) An analysis of reductions in the cost of care and the ability to comply with ORS
21 243.135 (8) and 243.866 (9).

22 (2) An analysis of improvements in quality performance measures, care coordination,
23 case management and health outcomes.

24 (3) Comparative data analysis illustrating performance of the pilot program in compar-
25 ison to the performance of health insurance plans offered by the Public Employees' Benefit
26 Board, the Oregon Educators Benefit Board and the state medical assistance program at the
27 statewide and regional levels.

28 **SECTION 4.** (1) Sections 1 and 2 of this 2019 Act are repealed on January 2, 2025.

29 (2) Section 3 of this 2019 Act is repealed on January 2, 2026.

30 **SECTION 5.** This 2019 Act being necessary for the immediate preservation of the public
31 peace, health and safety, an emergency is declared to exist, and this 2019 Act takes effect
32 on its passage.