

HB 2741 STAFF MEASURE SUMMARY

House Committee On Behavioral Health and Health Care

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Meeting Dates: 2/22

WHAT THE MEASURE DOES:

Increases duration of coordinated care organization (CCO) contracts from five to ten years. Modifies circumstances permitting Oregon Health Authority (OHA) termination or nonrenewal of CCO contract. Establishes process for renewal and nonrenewal of CCO contracts. Establishes conditions requiring OHA approval of CCO service area expansion request. Permits CCO member to transfer CCOs one time during each enrollment period. Declares emergency, effective on passage.

FISCAL: May have fiscal impact, but no statement yet issued.

REVENUE: May have revenue impact, but no statement yet issued.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

House Bill 3650 (2011) and Senate 1580 (2012) established the coordinated care model for delivering health care to Oregonians enrolled in the state's Medicaid program - the Oregon Health Plan (OHP). In this model, coordinated care organizations (CCOs) are responsible for arranging for the delivery of physical, behavioral, and oral health services, with a focus on prevention and chronic disease management. CCOs are regional partnerships of health care providers, community members, and other stakeholders responsible for coordinating the delivery of services under a global budget. There are currently 15 CCOs covering over 90 percent of the nearly 1.4 million OHP enrollees.

In 2013, the Legislative Assembly passed Senate Bill 725 establishing a five-year term for CCO contracts. The most recent CCO contracts began in 2020, with the five-year term scheduled to finish at the end of 2024.

House Bill 2741 would extend the term of coordinated care organization contracts to ten years and make other modifications regarding contract renewal, termination, and service area expansion.