

## HB 2215 -1 STAFF MEASURE SUMMARY

### House Committee On Behavioral Health and Health Care

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**Prepared By:** Brian Nieubuurt, LPRO Analyst

**Sub-Referral To:** Joint Committee On Ways and Means

**Meeting Dates:** 3/4, 4/1

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#### WHAT THE MEASURE DOES:

The measure establishes a process for the Oregon Health Authority (OHA) to determine global budgets for coordinated care organizations (CCOs).

#### Detailed Summary:

- Requires OHA to publish proposed global budget for 30--day public comment period. Requires publication to include sufficient actuarial or other analyses, calculations, or evaluations relied on by OHA. Requires OHA to post public comments received without delay.
- Requires OHA to notify CCO of preliminary decisions to approve, disapprove, or modify the proposed global budget.
- Requires OHA to provide CCO or any person adversely affected by preliminary decision the opportunity to meet with OHA to discuss decision.
- Requires OHA to issue a proposed order no later than 30 days after the issuance of the preliminary decision. Requires proposed order to be mailed to CCO and posted to OHA's website. Specifies components of measure, including notice of right to review.
- Specifies review process for CCO or person adversely affected by preliminary decision.
- Specifies components and timing of final orders.
- Permits OHA to open new public comment period if event occurs before effective date of approved global budget that material affects the decision to approve the global budget.
- Requires OHA to report to the Health Care Cost Growth Target program annually by December 31 on specified information related to CCO global budgets.
- Takes effect on 91st day following adjournment sine die.

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

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

#### ISSUES DISCUSSED:

- Processes utilized by Department of Consumer and Business Services to review health insurance rates.

#### EFFECT OF AMENDMENT:

##### -1 Replaces the measure.

- Clarifies information that must be public along with proposed global budget.
- Requires OHA Director to fully consider submitted comments before finalizing a capitation rate certification.
- Removes provisions allowing CCOs to meet with OHA director regarding preliminary rate decisions and request review of proposed orders.
- Clarifies information that must be reported to the Health Care Cost Growth Target program.

**FISCAL:** *Fiscal impact issued*

**REVENUE:** *No revenue impact*

#### BACKGROUND:

*This summary has not been adopted or officially endorsed by action of the committee.*

## HB 2215 -1 STAFF MEASURE SUMMARY

With the passage of House Bill 3650 (2011) and Senate Bill 1580 (2012), the Legislative Assembly established the coordinated care model for delivering care to Medicaid recipients in Oregon. With a focus on primary care and prevention, coordinated care organizations (CCOs) are local networks of providers that have agreed to work together under a budget that combines physical, oral, and behavioral health services (a.k.a. "global budget"). This global budget is intended to promote care coordination and management and encourage the efficient delivery of care to help manage the rate of growth within the state's Medicaid program. In determining a global budget for CCOs, OHA is required to consider the community health assessment conducted by the CCO and any innovative, nontraditional health services provided by the CCO. There are currently 16 CCOs providing Medicaid coverage to over 92 percent of Oregon's 1.4 million Medicaid enrollees.

For health insurance plans that are subject to regulation by the Department of Consumer and Business Services (DCBS), that department's Division of Financial Regulation conducts a yearly review of the premium rates that are charged to consumers to ensure that those rates adequately the plan's health care costs without being too high or too low. The rate review process includes public hearing and a public comment period to support transparency.

House Bill 2215 establishes a process for the Oregon Health Authority to determine global budgets for coordinated care organizations that is based on the Department of Consumer and Business Services' rate review process for health insurers.