

HB 3245 -2 STAFF MEASURE SUMMARY

House Committee On Behavioral Health and Health Care

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Meeting Dates: 3/4, 4/8

WHAT THE MEASURE DOES:

The measure requires the Oregon Health Authority (OHA) to develop a methodology for calculating a coordinated care organization's (CCO's) global budget that takes into consideration the CCO's investments in specified areas.

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

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

ISSUES DISCUSSED:

- Problems with using actuarial soundness to budget for CCOs.
- Original intent of Health System Transformation.

EFFECT OF AMENDMENT:

-2 Replaces the measure.

Requires the Oregon Health Authority (OHA) to study a methodology for calculating a coordinated care organization (CCO) budget that considers the CCO's investments in improving health outcomes, quality, access, and community health; and reducing inefficient and ineffectual care. Requires OHA to submit a report the Legislative Assembly by December 15, 2025. Declares an emergency, effective on passage.

FISCAL: Fiscal impact issued

REVENUE: No revenue impact

BACKGROUND:

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.

House Bill 3245 requires the Oregon Health Authority to develop a methodology for calculating a coordinated care organization's (CCO's) global budget that takes into consideration the CCO's investments in specified areas