

SB 609 A STAFF MEASURE SUMMARY

Senate Committee On Health Care

Action Date: 04/03/25

Action: Do pass with amendments and requesting referral to Ways and Means. (Printed A-Engrossed.)

Vote: 4-1-0-0

Yeas: 4 - Campos, Hayden, Patterson, Reynolds

Nays: 1 - Linthicum

Fiscal: Fiscal impact issued

Revenue: No revenue impact

Prepared By: Daniel Dietz, LPRO Analyst

Meeting Dates: 2/25, 4/3

WHAT THE MEASURE DOES:

The measure establishes minimum reimbursement rates for primary care, behavioral health, dental care, and optometry services covered by the Oregon Health Plan (OHP).

DETAILED SUMMARY:

- Requires the Oregon Health Authority (OHA) to reimburse providers in primary care, optometry, dental care, and behavioral health care at a rate no less than the average rates paid by health insurers, adjusted for inflation.
- Requires Coordinated Care Organizations (CCOs) to pay providers no less than the minimum rates set by OHA, allowing for alternative payment methods so long as they are at or above minimum reimbursement rates.
- Directs OHA to secure federal financial participation. Prohibits use of General Fund.
- Directs OHA to report back to the Legislative Assembly by December 31, 2031, on wait times, employment of traditional health workers, health outcomes and equity, and cost savings.
- Becomes operative upon federal approval.

ISSUES DISCUSSED:

- Adequacy of reimbursement rates for primary care and behavioral health providers

EFFECT OF AMENDMENT:

Removes conversion rate provisions.

BACKGROUND:

The Oregon Health Plan is funded jointly by the federal government and the State of Oregon. States establish Medicaid provider payment rates within federal requirements. Resource-based Relative Value Scale (RBRVS) is a payment system based on the principle that payments should reflect resource costs, including physician work, practice expense, and professional liability insurance—multiplied by a conversion factor that is adjusted for geographical differences.

In 2019, OHA developed the Value-based Payment (VBP) Roadmap for Coordinated Care Organizations (CCOs). Requirements included development of new VBP models in specific care areas, including incentives for quality of services and health outcomes. Individual CCOs determine the types of VBP arrangements to implement with contracted providers. In 2024, CCOs were required to make 70 percent of provider payments using qualifying VBP arrangements. ([2023 Oregon's VBP Roadmap Report](#), [OHA's VBP Roadmap site](#)). Other payment arrangements include fee-for-service, risk-based payments, and capitated payments.

Senate Bill 609 A requires the Oregon Health Authority to implement minimum reimbursement rates for primary care, behavioral health, dental care, and optometry services.

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

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Summary prepared by ALEYSÁ GARCÍA RIVAS.