

# A-Engrossed House Bill 2215

Ordered by the House April 7  
Including House Amendments dated April 7

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Behavioral Health and Health Care for Representative Rob 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. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act changes the process for adopting global budgets for CCOs. (Flesch Readability Score: 64.9).

*[Establishes a process for determining global budgets for coordinated care organizations that is similar to the rate review process for insurers.]* **Specifies the process the Oregon Health Authority must follow in determining a global budget for a coordinated care organization.**

Takes effect on the 91st day following adjournment sine die.

## A BILL FOR AN ACT

Relating to global budgets for coordinated care organizations; creating new provisions; amending ORS 414.065; and prescribing an effective date.

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

**SECTION 1. Section 2 of this 2025 Act is added to and made a part of ORS chapter 414.**

**SECTION 2. (1) When determining a global budget for a coordinated care organization for medical assistance, the Oregon Health Authority shall publish a proposed global budget reflecting the amounts that the coordinated care organization may be paid for the delivery of, management of, access to and quality of the health care delivered to members of the coordinated care organization. A proposed global budget must include sufficient information relied on by the authority to provide a reasonable opportunity for interested persons to be apprised of the authority's rationale for the proposed global budget.**

**(2) The authority shall open a 30-day public comment period on the proposed global budget. The authority shall post any comments received to the authority's website without delay.**

**(3) The Director of the Oregon Health Authority shall fully consider any comments received by the authority before finalizing a capitation rate certification for submission to the Centers for Medicare and Medicaid Services.**

**(4) No later than December 31 of each year, the authority shall report to the Health Care Cost Growth Target program established in ORS 442.386 and to the interim committees of the Legislative Assembly related to health, in the manner provided in ORS 192.245, the capitation rate certification for coordinated care organizations that the authority submitted to the Centers for Medicare and Medicaid Services.**

**SECTION 3. ORS 414.065, as amended by section 1, chapter 18, Oregon Laws 2024, is amended to read:**

**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.

1 414.065. (1)(a) Consistent with ORS 414.690, 414.710, 414.712 and 414.766 **and section 2 of this**  
 2 **2025 Act** and other statutes governing the provision of and payments for health services in medical  
 3 assistance, the Oregon Health Authority shall determine, subject to such revisions as it may make  
 4 from time to time and to legislative funding:

5 (A) The types and extent of health services to be provided to each eligible group of recipients  
 6 of medical assistance.

7 (B) Standards, including outcome and quality measures, to be observed in the provision of health  
 8 services.

9 (C) The number of days of health services toward the cost of which medical assistance funds  
 10 will be expended in the care of any person.

11 (D) Reasonable fees, charges, daily rates and global payments for meeting the costs of providing  
 12 health services to an applicant or recipient.

13 (E) Reasonable fees for professional medical and dental services which may be based on usual  
 14 and customary fees in the locality for similar services.

15 (F) The amount and application of any copayment or other similar cost-sharing payment that the  
 16 authority may require a recipient to pay toward the cost of health services.

17 (b) The authority shall adopt rules establishing timelines for payment of health services under  
 18 paragraph (a) of this subsection.

19 (2) In making the determinations under subsection (1) of this section and in the imposition of  
 20 any utilization controls on access to health services, the authority may not consider a quality of life  
 21 in general measure, either directly or by considering a source that relies on a quality of life in  
 22 general measure.

23 (3) The types and extent of health services and the amounts to be paid in meeting the costs  
 24 thereof, as determined and fixed by the authority and within the limits of funds available therefor,  
 25 shall be the total available for medical assistance, and payments for such medical assistance shall  
 26 be the total amounts from medical assistance funds available to providers of health services in  
 27 meeting the costs thereof.

28 (4) Except for payments under a cost-sharing plan, payments made by the authority for medical  
 29 assistance shall constitute payment in full for all health services for which such payments of medical  
 30 assistance were made.

31 (5) Notwithstanding subsection (1) of this section, the Department of Human Services shall be  
 32 responsible for determining the payment for Medicaid-funded long term care services and for con-  
 33 tracting with the providers of long term care services.

34 (6) In determining a global budget for a coordinated care organization **pursuant to section 2**  
 35 **of this 2025 Act:**

36 (a) The allocation of the payment, the risk and any cost savings shall be determined by the  
 37 governing body of the organization;

38 (b) The authority shall consider the community health assessment conducted by the organization  
 39 in accordance with ORS 414.577 and reviewed annually, and the organization's health care costs;  
 40 and

41 (c) The authority shall take into account the organization's provision of innovative, nontradi-  
 42 tional health services.

43 (7) Under the supervision of the Governor, the authority may work with the Centers for Medi-  
 44 care and Medicaid Services to develop, in addition to global budgets, payment streams:

45 (a) To support improved delivery of health care to recipients of medical assistance; and

1 (b) That are funded by coordinated care organizations, counties or other entities other than the  
2 state whose contributions qualify for federal matching funds under Title XIX or XXI of the Social  
3 Security Act.

4 **SECTION 4. Section 2 of this 2025 Act applies to global budget determinations for coor-**  
5 **dated care organizations initiated on or after the operative date specified in section 5 of**  
6 **this 2025 Act.**

7 **SECTION 5. (1) Section 2 of this 2025 Act becomes operative on January 1, 2026.**

8 **(2) The Oregon Health Authority may take any action before the operative date specified**  
9 **in subsection (1) of this section that is necessary to enable the authority to exercise, on and**  
10 **after the operative date specified in subsection (1) of this section, all of the duties, functions**  
11 **an powers conferred on the authority by section 2 of this 2025 Act.**

12 **SECTION 6. This 2025 Act takes effect on the 91st day after the date on which the 2025**  
13 **regular session of the Eighty-third Legislative Assembly adjourns sine die.**