

**Fiscal:** No Fiscal Impact

**Revenue:** No Revenue Impact

---

**Action Date:** 06/04/15

**Action:** Do Pass As Amended And Be Printed Engrossed.

**Meeting Dates:** 05/20, 06/04

**Vote:**

Yeas: 8 - Clem, Greenlick, Hayden, Kennemer, Keny-Guyer, Lively, Nosse, Weidner

Exc: 1 - Buehler

**Prepared By:** Sandy Thiele-Cirka, Committee Administrator

---

**WHAT THE MEASURE DOES:**

Requires Oregon Health Authority (OHA) to give coordinated care organizations (CCOs) at least 60 days' advance notice of any amendments proposed to existing contracts, or to contracts to be renewed, between OHA and coordinated care organizations. Directs OHA to submit proposed terms or proposed amendments to the CCO contract to the appropriate federal agency for review and approval no less than 135 days prior to contract expiration.

**ISSUES DISCUSSED:**

- Complications of contract review
- Need for adequate discussion time
- Involvement of the local communities
- Proposed amendments
- Clarification on 60-day review process

**EFFECT OF COMMITTEE AMENDMENT:**

Directs OHA to submit proposed terms or proposed amendments to CCO contract to the appropriate federal agency for review and approval no less than 135 days prior to the contract expiration; the proposed payment rates for a CCO not less than 90 days prior to the effective date of the proposed rates; and to allow a CCO a period of 60 days to review changes resulting from the federal review to proposed contract terms.

**BACKGROUND:**

A coordinated care organization is a network of health care providers who have agreed to work together in their local communities to serve people who receive health care coverage. There are 16 coordinated care organizations operating in Oregon. The Oregon Health Authority (OHA) enters into contracts with coordinated care organizations. ORS 414.652 requires that any contracts entered into between OHA and coordinated care organizations should be for five years, may not be amended more than once in each 12-month period (unless there is mutual agreement to amend the contract or federal law is changed) and may be terminated if a coordinated care organization does not meet outcome and quality measures as specified in the contract.