

Secretary of State  
**NOTICE OF PROPOSED RULEMAKING HEARING\***  
A Statement of Need and Fiscal Impact accompanies this form.

<b>Department of Human Services, Office for Oregon Health Policy and Research</b>	<b>409</b>	
Agency and Division	Administrative Rules Chapter Number	
<b>Zarie Haverkate</b>	<b>1225 Ferry Street SE, 1<sup>st</sup> Floor, Salem, OR 97301</b>	<b>503-373-1574</b>
Rules Coordinator	Address	Telephone

**RULE CAPTION**

**Community-based Health Care Improvement Program**

Not more than 15 words that reasonably identifies the subject matter of the agency's intended action.

<b>December 16, 2009</b>	<b>10:00 – 11:00 AM</b>	<b>Mt. Neahkanie Room, 1<sup>st</sup> Floor</b> <b>1225 Ferry Street SE, Salem, OR 97301</b>	<b>Zarie Haverkate</b>
Hearing Date	Time	Location	Hearings Officer

*Auxiliary aids for persons with disabilities are available upon advance request.*

**RULEMAKING ACTION**

Secure approval of new rule numbers (Adopted or Renumbered rules) with the Administrative Rules Unit prior to filing.

**ADOPT: OAR 409-040-0100, 409-040-0105, 409-040-0110, and 403-040-0115**

Stat. Auth.: **ORS 409.050 and 2009 Or. Laws Chapter 470 (SB 862)**

Stats. Implemented: **2009 Or. Laws Chapter 470 (SB 862)**

**RULE SUMMARY**

The Department of Human Services, Office for Oregon Health Policy and Research, is proposing to adopt administrative rules to govern the operation of the Community-based Health Care Improvement Program pursuant to Senate Bill 862, passed during the 2009 legislative session. The Office for Oregon Health Policy and Research will administer the Community-based Health Care Improvement Program.

Proposed rules are available on the OHPR Website: <http://www.oregon.gov/OHPPR/rulemaking/index.shtml>  
For hardcopy requests, call: (503) 373-1574.

The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing the negative economic impact of the rule on business.

**December 18, 2009, 5:00 pm**

**Last Day for Public Comment** (Last day to submit written comments to the Rules Coordinator)

	<b>Zarie Haverkate, OHPR Rules Coordinator</b>	<b>11/9/09</b>
Signature	Printed name	Date

\*Hearing Notices published in the Oregon Bulletin must be submitted by 5:00 pm on the 15th day of the preceding month unless this deadline falls on a weekend or legal holiday, upon which the deadline is 5:00 pm the preceding workday. ARC 920-2005

**STATEMENT OF NEED AND FISCAL IMPACT**

A Notice of Proposed Rulemaking Hearing or a Notice of Proposed Rulemaking accompanies this form.

**Department of Human Services, Office for Oregon Health Policy and Research**

**409**

Agency and Division

Administrative Rules Chapter Number

In the Matter of:

**The proposed adoption of OAR 409-040-0100, OAR 409-040-0105, OAR 403-040-0110, and 409-040-0115.**

Rule Caption: (Not more than 15 words that reasonably identifies the subject matter of the agency's intended action.)

**Establishes criteria for Community-based Health Care Improvement Program.**

Statutory Authority: **2009 Or. Laws Chapter 470 (SB 862, Sections 1-4), and ORS 409.050**

Other Authority:

Stats. Implemented: **2009 Or. Laws Chapter 470 (SB 862)**

Need for the Rule(s):

**The Office for Oregon Health Policy and Research (OHPR) is adopting rules to approve three community-based health care initiatives between the 2009 through 2013 biennia. Once approved, the initiatives will implement community-based health care improvement programs, to provide healthcare services to low-wage workers through contributions toward health care services from small business employers, employees, and the community.**

Documents Relied Upon, and where they are available:

**SB 862, Chapter 470, enacted by the 2009 legislative session. This document is available for public inspection at the Oregon State Archives located in Salem, Oregon or online at <http://www.leg.state.or.us/09reg/measpdf/sb0800.dir/sb0862.en.pdf>.**

Fiscal and Economic Impact:

**The 2009 legislature did not appropriate funds for this program. The Community-based health care improvement program will positively affect members of the public that are provided health care services as part of this program. The legislature directed OHPR to develop rules to monitor and assist three community-based healthcare initiatives in implementing the community-based health care improvement programs, beginning January 1, 2010 and ending June 30, 2013.**

Statement of Cost of Compliance:

1. Impact on state agencies, units of local government and the public (ORS 183.335(2)(b)(E)):

**The legislature directed OHPR to develop rules, monitor and coordinate the community-based health care improvement program's reporting requirements and annual reports to the Legislature. This program will require coordination between OHPR, Department of Consumer and Business Services and possibly other state agencies. Local units of government may be impacted as approved communities implement the community-based health care improvement programs.**

2. Cost of compliance effect on small business (ORS 183.336):

a. Estimate the number of small businesses and types of business and industries with small businesses subject to the rule: **Because participation in a community-based health care improvement program is entirely voluntary for small businesses that are located within a community-based health care initiative's geographic area it is not possible to estimate the number of small businesses that may choose to participate in the program.**

b. Projected reporting, record keeping and other administrative activities required for compliance, including costs of professional services:

**Small businesses that enroll in a community-based health care improvement program will be responsible for reporting, record-keeping, and other administrative activities associated with the program. The community-based health care initiative will administer these requirements and will coordinate reporting requirements with OHPR. It is possible there could be a fiscal impact as a result of additional reporting requirements but this impact can not be estimated because it is unknown whether small businesses will require additional staff to perform required reporting.**

c. Equipment, supplies, labor and increased administration required for compliance:

**These costs will vary by business and by community.**

How were small businesses involved in the development of this rule?

**A representative from the small business community participated in the rules advisory committee.**

Administrative Rule Advisory Committee consulted? If not, why?

**Yes. A meeting was held on 9/23/09. Members represented Health Matters of Central Oregon; Northeast Oregon Network; Lane Individual Practice Association; PacificSource Health Plans; and Cascade Insurance Center. These participants broadly represent community-based organizations and small business and are knowledgeable of the community-based health care improvement program and other "Multi-share Coverage Models".**

*Zarie HaverKate*

Zarie Haverkate, OHPR Rules Coordinator

11/9/09

Signature

Printed name

Date

Administrative Rules Unit, Archives Division, Secretary of State, 800 Summer Street NE, Salem, Oregon 97301. ARC 925-2007

**CHAPTER 409**  
**DEPARTMENT OF HUMAN SERVICES**  
**OFFICE FOR OREGON HEALTH POLICY AND RESEARCH**

**DIVISION 40**  
**COMMUNITY-BASED HEALTH CARE IMPROVEMENT PROGRAM**

**409-040-0100**

**Scope**

These rules (OAR 409-040-0100 to 409-040-0115) establish criteria for approval of a community-based health care initiative to implement a community-based health care improvement program.

Statutory Authority: ORS 409.050 and 2009 Or. Laws Chapter 470 (SB 862)

Statutes Implemented: 2009 Or. Laws Chapter 470 (SB 862)

**409-040-0105**

**Definitions**

The following definitions apply to OAR 409-040-0100 to 409-040-0115:

- (1) “Administrator” means the Administrator of the Office for Oregon Health Policy and Research (OHPR) as defined in ORS 442.011, or the administrator’s designee.
- (2) “Approved initiatives” means a community based health care initiative that has completed and submitted an OHPR approved Community-based Health Care Initiative Certification Application (CBI-1) or Community-based Health Care Improvement Certification Renewal Form (CBI-2).
- (3) “Community-based health care initiative” (initiative) means a locally governed non-profit corporation that is located in the community it serves and is approved by OHPR.
- (4) “Community-based Health Care Improvement Program” (program) means a program where the initiative contracts with community health care professionals for a set of health care services determined by the initiative and reimbursed through a combination of employer, employee, and community contributions.
- (5) “Qualified employer” means an employer that offers community-based health care services through a community-based health care improvement program.
- (6) “Qualified employee” means an individual who is employed by a qualified employer.

Statutory Authority: ORS 409.050 and 2009 Or. Laws Chapter 470 (SB 862)

Statutes Implemented: 2009 Or. Laws Chapter 470 (SB 862)

**409-040-0110**

**Community-based Health Care Improvement Requirements and Certification Process**

- (1) An initiative must meet the following requirements for approval:
  - (a) The board of directors must be comprised of representatives including but not limited to payers, health care professionals, and qualified employers from the community.
  - (b) An initiative must have multi-organizational stakeholder representation and may not be comprised of a single health care organization or health insurance organization.
  - (c) An initiative must represent a geographical or municipal boundary such as a city, county, or multi-county area.
- (2) An initiative must submit an application for certification using approved Community-based Health Care Initiative Certification Application (CBI-1) to OHPR. Approved initiatives shall be certified for one year.
- (3) An approved initiative must apply for annual recertification using the approved Community-based Health Care Improvement Certification Renewal Form (CBI-2). The form must be submitted to OHPR no later than 90 days prior to expiration of current certification. Approved initiatives shall be recertified for one year.
- (4) OHPR may not approve community-based health care initiatives for more than three communities during the period beginning January 1, 2010 and ending June 30, 2013.
- (5) There is no limit on the number of recertifications.

Statutory Authority: ORS 409.050 and 2009 Or. Laws Chapter 470 (SB 862)

Statutes Implemented: 2009 Or. Laws Chapter 470 (SB 862)

**409-040-0115**

**Program Reporting Requirements**

- (1) No later than 30 days following the end of each calendar year quarter, an approved initiative must provide the Administrator information required by OHPR using a Community-based Health Care Improvement Program Report Form (CBI-3) including but not limited to:
  - (a) The financial status of the program including but not limited to the costs per enrollee per month, number of claims made, number of claims paid; number of claims denied, amount of dues collected, and administrative expenses.

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- (b) The average resolution time complaints, which must specify the number of complaints resolved in over 45 days and the number of complaints resolved in less than 45 days.
- (2) An approved initiative must report to the Legislative Assembly no later than October 1 of each year with the elements reported to OHPH using a CBC-3 form. The elements include but are not limited to:
  - (a) Description of the return on investments.
  - (b) Program satisfaction of enrolled employees, enrolled employers, and participating health care providers.

Statutory Authority: ORS 409.050 and 2009 Or. Laws Chapter 470 (SB 862)  
Implemented: 2009 Or. Laws Chapter 470 (SB 862)