

# Oregon Health Fund Board Reform Strategies and Proposed Legislation

Working Draft- For Discussion Only 3/19/2009

Oregon Health Fund Board Health Care Reform Strategy	HB 2009-1 Amendments Circulated on 2/27/09 (Note: Does not reflect committee discussion since 2/27)	Bills on Behalf of the Governor and DHS
<b>The Keystone for Reform, The Oregon Health Authority</b>		
Create an Oregon Health Authority to act as an integrator of health care and community services, a smart purchaser, and an instigator of community-based innovation.	Establishes authority established within state government to implement health reform initiatives, monitor progress, and develop health policy (Sections 1, 10, & 11). Advisory bodies created (Section 8). Moves all health functions of DHS and OPHP to the Authority except long-term and community-based care for seniors. Eliminates the Health Insurance Reform Advisory Committee and the Health Policy Commission (Section 20).	<b>SB 453/HB 2128</b> makes the Oregon Health Fund Board (OHFB) a permanent entity and allows the group to continue its work to develop and implement a comprehensive health reform plan. Directs the OHFB to create advisory committees including the following: health care payment reform, evidence-based practice guidelines and comparative effectiveness, health insurance exchange, and medical malpractice insurance.
<b>Bring Everyone Under the Tent</b>		
Expand coverage for all children and low-income adults.	Expands coverage through a sliding-scale premium assistance program for individuals up to 300% FPL (Sections 126 & 127). Reduces enrollment barriers and conduct aggressive outreach (Section 125). Establishes health care assessments on insurers, managed care plans, large hospitals (excluding small rural hospitals) (Sections 129-143).	<b>HB 2117</b> Expands coverage for children up to 300% FPL, reduce enrollment barriers, includes outreach and enrollment initiatives, and the Governor's Recommended budget reopens OHP Standard. <b>HB 2116</b> establishes a provider tax on 25 DRG hospitals (excluding small rural hospitals) and managed care organizations.
Expand coverage for all Oregonians.	Establishes a basic benefit package for all insurance offered through the Oregon Health Insurance Exchange. (Section 10(1)(c)&(i)). Investigates and report to the Legislative Assembly on the feasibility and advisability of future changes including financing for coverage expansions (Section 10(1)(j)).	<b>SB 453/HB 2128</b> continues the work of the Oregon Health Fund Board to develop and implement a comprehensive health reform plan.
<b>Set High Standards, Measure &amp; Report</b>		
Establish an all payer, all claims data collection program.	Establishes a data collection program to work with insurers, Medicaid Managed Care Organizations, and other state agencies to access insurer, health plan and health plan network information in order to provide comparative information to consumers (Section 11(2)).	<b>SB 453/HB 2128</b> creates and implements an all-payer, all-claims data collection program. <b>SB 454/HB 2130</b> requires health insurers and third party administrators to submit specific information to the Department of Consumer and Business Services (DCBS).
Empower the Authority to set standards.	Empowers the Authority to set standards for reviewing the administrative expenses of health insurers and deny rate increases based upon excessive administrative expense portions of	<b>SB 454/HB 2130</b> authorizes DCBS to establish uniform statewide standards for the administrative functions of all licensed health insurers. <b>SB 456/HB 2131</b> authorizes OHP to

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	premiums. Develops uniform contracting standards for the purchase of health care services (Section 11(2)(d)&(f)). Empowers the Authority to develop uniform contracting standards for the purchase of health care services by state agencies (Section 11(2)(f)).	develop quality indicators (as part of an Integrated Health Home Program – see below).
Create a Clinical Improvement Assessment Project.	Empowers the Authority to develop uniform contracting standards for the purchase of health care services by state agencies will include: uniform quality performance measures; evidence-based guidelines for major chronic diseases, health care services with unexplained variations in frequency or cost; and comparative effectiveness guidelines for select new technologies and medical equipment (Section 11(2)(f)(A-C)).	<b>SB 455/HB 2129</b> requires the Health Resources Commission to conduct comparative effectiveness research about new and existing technologies and the Health Services Commission to develop clinical guidelines based on this research. It also requires PEBB, OEGB, The Department of Corrections, and the Department of Human Services and encourages other public bodies to develop purchasing strategies that encourage the adoption of these guidelines.
Establish an Oregon Quality Institute.	The Quality Care Institute is created within the Authority (Section 17(1)). Establishes and continuously refine uniform, statewide health care quality standards for use by all purchasers of health care, third party payers and health care providers as quality performance benchmarks (Section 10(1)(d)).	<b>SB 453/HB 2128</b> Establishes a data collection program to monitor quality and establish rules to allow reporting for performance evaluation for the state as deemed appropriate.
<b>Unify Purchasing Power</b>		
Create a Public Employers Health Cooperative.	The Authority Board is authorized to undertake joint contracting for health care services on behalf of PEBB, OEGB and City and County governments beginning for the 2011-13 biennium (Section 10(2)(a)).	No legislative language.
Establish a health insurance exchange.	Creates an Oregon Health Insurance Exchange (Section 18).	No legislative language.
Implement regulatory actions to contain health care costs.	The Authority is authorized to develop methodologies and standards for reviewing the administrative expenses of health insurers and deny rate increases based upon excessive administrative expense portions of premiums (Section 11(2)(d)). Establishes annual maximum limits on price increases charged by health care providers (Section 11(2)(e)).	<b>SB 454/HB 2130</b> requires insurers and third party administrators to report to DCBS their administrative expenses on a per member per month basis and to justify changes. Requires insurers/TPAs report contracted prices with providers to OHP. OHP authorized to publicly report annual changes in contracted rates.

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<b>Stimulate System Innovation &amp; Improvement</b>		
Implement the integrated health homes model.	No legislative language.	<b>SB 456/HB 2131</b> establishes within OHPR the Oregon Integrated Health Home Program. Through this program, OHPR will establish criteria and a simple process for certifying integrated health homes and develop a set of uniform quality indicators for integrated health homes and acute facilities. OHPR will create an advisory committee to advise the office on this program. Directs DHS, PEBB, and OEBC to establish uniform contract standards to promote the provision of integrated health homes for public employees, especially those with chronic diseases. Directs DHS to provide reimbursement in the state's medical assistance program for services provided by certified integrated health homes. Establishes a collaborative in which state agencies and certified integrated health homes can share best practices.
Integrate behavioral health services with physical health services.	No legislative language.	<b>SB 156</b> Develop policies and incentives to integrate behavioral health care.
Establish a Payment Reform Council.	No legislative language.	<b>SB 453/HB 2128</b> establishes a payment reform subcommittee of the Oregon Health Fund Board.
Provide high quality and dignified end-of-life care to all Oregonians.	No legislative language.	<b>SB 451/HB 2132</b> requires DHS to establish a statewide voluntary, electronic POLST registry and creates an advisory committee to advise DHS on the registry.
Establish programs to promote community based innovation.	Creates a community-centered health initiatives (Section 11(1)(e)).	<b>SB 456/HB 2131</b> includes funding for one or more grants to support community-based primary and secondary prevention activities focused on chronic diseases, and in line with the goals of the Statewide Health Improvement Program to prevent chronic disease and reduce the utilization of expensive and invasive acute treatments.

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Expand public health throughout Oregon.	Establishes the Health Authority to guide and support, with the authorization of the Authority Board, community-centered health initiatives designed to address critical behavioral risk factors, especially those that contribute to chronic disease (Section 10(1)(f) and 11(1)(e)).	<b>SB 456/HB 2131</b> (See above) requires DHS to establish aggressive goals for the reduction of tobacco use, obesity, and other chronic disease risk factors and to collaborate with community partners to develop and implement a strategic plan to achieve the goals. HB 2122 increases the tobacco taxes to fund public health and health promotion programs, maintenance and expansion of the Oregon Health Plan, and senior transportation services.
Establish a Medical Liability Reform Council.	No legislative language.	<b>SB 453/HB 2128</b> establishes a medical liability reform subcommittee of the Oregon Health Fund Board.
Promote the adoption of health information technology throughout Oregon.	The Authority will investigate and report to the Legislative Assembly on the feasibility and advisability of future changes to the health insurance market in Oregon including, but not limited to the implementation of a system of interoperable electronic health records utilized by all health care providers in this state (Section 10(1)(j)(G)).	<b>SB 452/HB 2142</b> establishes within DHS a Health Information Technology (HIT) Oversight Council and defines membership and terms. The Council will coordinate: statewide HIT policy; activities to move the adoption of HIT, achieve interoperability, and ensure privacy and security standards; and resources spent on HIT across the state. The Council will provide oversight for a public-private purchasing collaborative or alternative mechanism to help providers identify high quality HIT products and services and obtain affordable rates for electronic health records. The Council will also educate the public and providers about HIT,
<b>Ensure Health Equity for All</b>		
Prevent health disparities before they occur, reduce barriers to care, and improve quality of care.	The Board will Implement a program to provide health insurance premium assistance to all low and moderate income families legally residing in Oregon. The Board will investigate and report to the Legislature to cover all low and moderate income Oregon families and advance reforms of the insurance market (Sections 10(1)(b)&(j)(A-G)). The Authority is responsible for conducting targeted and aggressive outreach to multicultural communities, individuals living in geographic isolation, and individuals with other barriers to	<b>HB 2117</b> would establish the Healthy Kids Plan where all children in Oregon would be eligible for the program (with restrictions on public assistance based on income). <b>HB 2117</b> (Healthy Kids) includes funding for outreach at the community level. <b>SB 456/HB 2131</b> establishes within OHPR the Oregon Integrated Health Home Program with a certification process and directs the office to pilot community-based strategies to enhance culturally and linguistically competent services provided by integrated health homes.

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	<p>accessing care (Section 124, Section 125). Establishes a data collection program to work with insurers and other state agencies to access insurer, health plan and health plan network information in order to provide comparative information to consumers (Section 11(2)). The Quality Institute implements initiatives to enhance quality (Section 17).</p>	<p>OHPR will create an advisory committee to advise the office on this program including standards that ensure patients receive culturally and linguistically-sensitive care. <b>HB 2124</b> requires regulatory boards for health profession licensing to collect demographic information for OHPR. <b>SB 453/HB 2128</b> Establishes a data collection program to monitor quality including but not limited to race, ethnicity, and primary language. Rules shall be adopted establishing requirements for provider training on protocols for collecting race and ethnicity data. <b>SB 452/HB 2142</b> Establishes the Health Information Technology Oversight Council within DHS to develop a strategic health information technology plan for the state including expansion of access to medical interpreter services across the state.</p>
<b>Train a New Health Care Workforce</b>		
<p>Ensure Oregon's health care workforce is sufficient.</p>	<p>No legislative language.</p>	<p><b>SB 457/HB 2143</b> directs OHPR to establish a data collection program using the health professions' licensing process and provide routine data analysis so Oregon has the capacity to: (1) understand Oregon's health care workforce; (2) inform public and private educational and workforce investments; and (3) inform policy recommendations for the Governor's Office, legislative leadership and state agencies regarding Oregon's health care workforce.</p>
<b>Advocate for Federal Change</b>		
<p>Align federal policy with Oregon's reform efforts.</p>	<p>Provides Legislative authorization for the Authority to pursue change at the federal level (Section 10(1)(h)).</p>	<p><b>SB 453/HB 2128</b> gives the OHFB the authority to request federal waivers needed to implement its comprehensive reform plan, upon legislative approval of the plan, and makes the Oregon Health Fund Board (OHFB) a permanent entity and allows the group to continue its work to develop and implement a comprehensive health reform plan.</p>