2016 Legislative Highlights

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Oregon Health Authority

Oregon is at the national forefront of health system transformation and achieving our vision of a healthy Oregon. The 2016 legislative session advanced key aspects of Oregon's health transformation agenda of better health, better care and lower costs for all Oregonians. This is an overview of health-related legislation, which also addressed regulation of legal marijuana, expansion of behavioral health services and improving access and care for rural Oregonians.

Health system transformation

HB 4017 — Basic health plan/primary care report/clinical trials

The Department of Consumer and Business Services (DCBS), in collaboration with the Oregon Health Authority (OHA) and in consultation with a stakeholder advisory group, is directed to develop and present a blueprint for a Basic Health Plan to the Legislature's interim committees.

The bill also requires OHA to report annually on the proportion of medical expenses allocated to primary care services by carriers, coordinated care organizations, the Public Employees' Benefit Board, and Oregon Educators Benefit Board.

The bill also clarifies who is responsible for coverage of routine services to Oregon Health Plan (OHP) clients participating in clinical trials. The amendment defines "routine health care" and clarifies that a CCO may not discriminate against an OHP client on the basis of the client's participation in a clinical trial. It also states that a CCO is not liable for the results of the client's participation in a clinical trial. The primary care report is due by February 1 every year.

House Bill 4030 — Emergency medical services reimbursement

The Oregon Health Authority is required to develop a program to provide supplemental payment to qualified emergency medical services (EMS) providers through an intergovernmental transfer program. The intent of the program is to reduce the gap between current EMS reimbursement and the actual cost of providing those services. The bill requires OHA to convene a work group to develop recommendations for the program. The work group is required to include representatives from fire departments, coordinated care organizations and other interested stakeholder groups. General Funds shall not be used to implement the program and that OHA shall be reimbursed for administration of the program with fees paid by program participants. The bill also makes implementation of the program subject to the approval of the Centers for Medicare and Medicaid Services (CMS).

HB 4124 — Prescription monitoring information/naloxone

This bill requires Oregon Health Authority to make prescription monitoring information available to pharmacists, practitioners, and their staffs through health information technology. It requires OHA to periodically ensure that the health information technology complies with privacy and security standards including the Health Insurance Portability and Accountability Act (HIPAA). It also permits pharmacists and certain health care professionals to prescribe and pharmacists to distribute unit-of-use packages of naloxone, an anti-overdose drug. And it permits certain employees of social service agencies to administer naloxone under specified conditions. The bill became effective on passage.

House Bill 4107 — Retroactive CCO contract amendments

This bill clarifies the circumstances in which the Oregon Health Authority can retroactively apply amendments to coordinated care organization (CCO) contracts. The bill limits the applicability of retroactive amendments to: (1) amendments that do not result in a claim by OHA for the recovery of amounts already paid to CCOs; or (2) situations in which the Centers for Medicare and Medicaid Services (CMS) have notified OHA, in writing, that the amendment is

a condition for CMS approval of the contract. House Bill 4107 makes clear that the bill's requirements apply to CCO contract and amendment changes made after January 1, 2016.

House Bill 4141 — CCO service area changes

Establishes the circumstances under which the Oregon Health Authority may determine that there is a need to make a change in the coordinated care organization(s) that serve a geographic area and solicit applications from other CCOs to expand into that area. The bill clarifies that OHA can solicit applications from other CCOs only when: (1) the CCO already serving the geographic area withdraws from all or part of that area; and (2) other CCOs operating in that same area do not have adequate capacity to enroll the affected members. This provision sunsets on December 31, 2018.

Marijuana regulation

SB 1511 — THC concentration/early retail sales of edibles/Medical Marijuana Program administration

The bill requires OHA to adopt rules establishing tetrahydrocannabinol (THC) concentration limits and serving sizes for medical and non-medical marijuana products. Permits OHA-registered medical marijuana dispensaries to sell no more than one single-serving low-dose unit of marijuana edibles per day to anyone who is not a registered Oregon Medical Marijuana Program (OMMP) cardholder.

Retailers are prohibited from collecting tax on marijuana sold to registered cardholders or caregivers. OHA is permitted to disclose information about registered cardholders and caregivers to the Oregon Department of Revenue (DOR) for tax collection purposes.

Entities who are licensed with the Oregon Liquor Control Commission (OLCC) in the recreational marijuana market are required to register with OLCC in order to sell products for medical use. Marijuana produced for OMMP cardholders is exempt from the OLCC canopy limits. OHA is required to provide OMMP registration information to OLCC.

An individual who is responsible for a marijuana grow site that was registered with OHA before January 1, 2015, must notify OHA that the person responsible for the grow site was also registered with OHA prior to January 1, 2015. This notice also must state the number of registered cardholders that the responsible person was producing marijuana for on December 31, 2014.

The bill also permits cities and counties to adopt ordinances that would under certain conditions allow a medical marijuana dispensary to be located within 500 feet of a public elementary or secondary school as long as the city or county informs OHA about the ordinance. The bill also requires OHA to develop supplemental curricula for marijuana abuse prevention.

House Bill 4014 — Youth marijuana use prevention/local ordinance/residency requirement/clinical guidelines

This bill eliminates state residency requirements for a person responsible for a medical marijuana grow site, a medical marijuana processing site or a medical marijuana dispensary, and changes the application process for cardholders.

The bill provides for registered medical growers, processors and dispensaries to transition to OLCC licensure, subject to OLCC's tracking requirements. It permits local governments to repeal ordinances that prohibited the establishment of marijuana businesses. It also prohibits a city or county from adopting an ordinance that would ban any of the privileges of being a cardholder or designated caregiver, including possession of medical marijuana.

The bill directs OHA to establish a statewide evidence-based pilot project to increase youth awareness of the effects of using marijuana and to implement a multimedia public information campaign targeting youth between 12 and 20 years of age, parents and teachers. OHA must convene a work group to develop clinical guidelines for physicians who diagnose individuals as having a debilitating medical

condition and who recommend the medical use of marijuana to mitigate the effects of such a condition.

The bill directs OHA to give notice to applicants the day a complete application is received. The report on the pilot project is due by January 1, 2017.

Senate Bill 1598 — Land use/local ordinances/ non-profit dispensaries/cannabis research

This bill removes the requirement to obtain a land use compatibility statement for certain growers who were registered with the Oregon Health Authority before January 1, 2015.

Local governments are allowed to adopt an ordinance after January 1, 2015, that imposes a setback requirement for an agricultural building used to produce marijuana as well as reasonable conditions on the transfer of marijuana between a cardholder and designated grower. Setback requirements may not be imposed on sites registered on or before January 1, 2015.

Permits OHA to require fingerprints for the purposes of conducting nationwide criminal records check on anyone listed on a medical marijuana processing or dispensary application.

Allows a marijuana processing site to transfer medical cannabinoid products to a cardholder or designated primary caregiver if the marijuana was provided by the cardholder or caregiver to be processed.

Allows multiple growers at a grow site to designate one of the site's registered growers to report to OHA. The bill specifies that the grow site of a person who is designated to produce marijuana for a cardholder is subject to inspection by OHA.

Creates non-profit dispensaries where cardholders with income at or below the federal poverty level can get marijuana products free of charge or for a discounted price. It also directs OHA to study methods for dispensaries to provide medical marijuana products to geographically isolated cardholders; OHA must report results of the study to the Legislature on or before January 1, 2017.

OHA must consult with OLCC on the establishment of a program to identify and certify private and public cannabis research. Directs OHA to solicit proposals in order to choose one or more entities to conduct research that will enable OHA to develop public health and safety standards.

Senate Bill 1524 – Waiver of physician's statement for some service-disabled veterans

This bill exempts cardholders who are totally and permanently disabled veterans from the annual recertification of the medical condition that qualifies them for the Medical Marijuana Program registry. They do not have to submit updated annual documentation from their attending physician stating that they still have a debilitating medical condition and that the medical use of marijuana may mitigate its effects.

Senate Bill 1601 — Prohibits taxes on medical marijuana

This bill prohibits the imposition of a tax on the retail sale of marijuana items to cardholders or their caregivers. The bill requires the Department of Revenue (DOR) to adopt rules establishing procedures for retailers to document which consumers hold valid identification cards. DOR will also establish procedures for verifying that marijuana retailers collect the marijuana tax from consumers who are not cardholders or caregivers. The bill allows OHA to disclose information in the cardholder registry to DOR so that Revenue can carry out the provisions of the bill. OHA cannot disclose any personally identifiable information to Revenue. The bill also directs OHA to enter into an agreement with DOR to establish rules or procedures.

Prohibits marijuana retailers from discounting or giving away marijuana items in conjunction with the retail sale of other items.

Senate Bill 1597 — Youth marijuana prevention campaign

Section 17 transfers $3,974,824 from the Oregon Liquor Control Commission Account to the Public Health Account on April 27, 2016. It requires OHA to spend the money to implement a campaign to prevent youth marijuana use, per HB 4014, section 71.

House Bill 4060 — Industrial hemp

This bill allows the state Department of Agriculture to enter into an agreement with OHA to develop standards for testing industrial hemp's tetrahydrocannabinol (THC) content.

House Bill 4094 — Banking services for marijuana businesses

This bill protects financial institutions from criminal liability if they provide financial services regulated by the Bank Act or ORS to a registered or licensed marijuana dispensary, wholesaler, processor, producer or laboratory.

The bill also directs the Department of Consumer and Business Services to study the provision of depository and related financial services and how applicable laws, rules, regulations and acts apply to businesses that produce, process or sell marijuana-derived products.

Youth behavioral health services

HB 4002 — Chronic absenteeism program

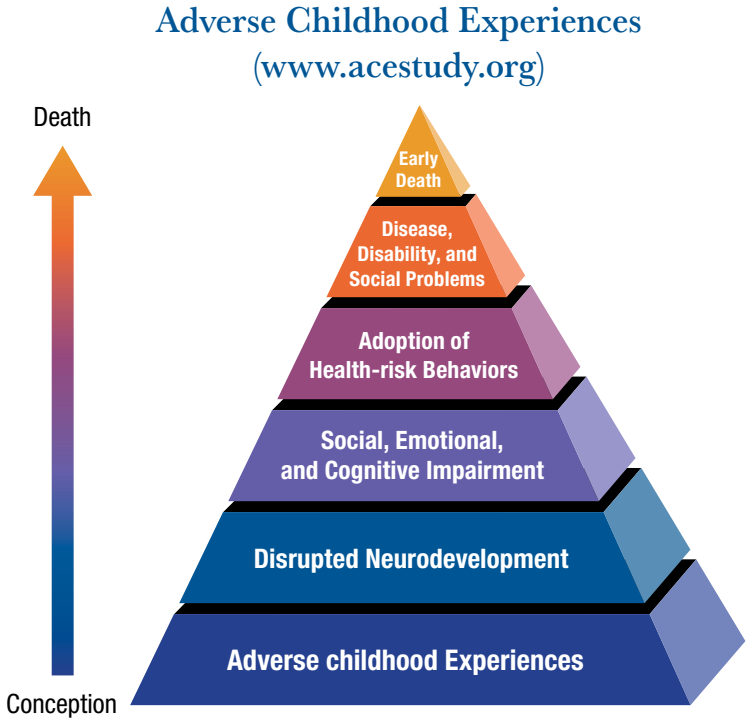
House Bill 4002 directs the Oregon Department of Education (ODE) to develop and implement a statewide plan and pilot program to address chronic absences of students in public schools. The plan will be developed in collaboration with the Department of Human Services (DHS), the Oregon Health Authority, the Oregon Department of Education's Early Learning Division (ELD), and community and education stakeholders. ODE is directed to submit a report on the plan to the interim legislative committees no later than December 1, 2016.

The pilot program will use trauma-informed approaches to education, health services and intervention strategies to decrease school absenteeism rates. The bill directs the Chief Education Office, (CEdO), OHA, ODE, and the selected nonprofit organization to report to the legislative interim committees no later than October 15, 2019. The report must evaluate the pilot program's outcomes and recommend legislation. The legislation creating the pilot program will sunset January 2, 2020.

The pilot program will last three years, with separate grant allocations to fund each year. The Legislative Fiscal Office recommended that the CEdO include a policy option package in its Agency Request Budget for the 2017–2019 biennium for the remainder of the pilot program funding.

HB 4075 — Student safety hotline

House Bill 4075 directs the Oregon State Police (OSP) to establish a statewide tip line for reports of threats to student safety. The line must accept information by telephone, text message, electronically through the Internet, and must be connected to other hotlines. Tips are to be confidential. Information on threats must be relayed to local service providers and school officials, in addition to OSP and local law enforcement. Before it establishes the tip line, the department has to adopt policies and procedures that address matters including the processing of calls, logging reports, verifying authenticity of reports, relaying information to local law enforcement and school district officials, and protecting the identity of the caller while enabling return contact.



Mechanisms by which adverse childhood experiences influence health and well-being throughout the lifespan

Other bills of potential interest

HB 4016 — Oregon's Health Professionals' Services Program

House Bill 4016 allows boards that participate in the Health Professionals' Services Program (HPSP) to contract directly with a vendor to provide monitoring services for health professionals who have a substance use disorder, a mental health disorder or both. The Board of Dentistry, the Board of Nursing, the Board of Pharmacy and the Medical Board participate in HPSP. The Oregon Health Authority (OHA) has contracted with a vendor to provide HPSP with monitoring services. The HPSP was created in 2009. Since then, OHA has contracted with one vendor, Reliant Behavioral Health.

Allows the participating boards, and any future participating boards, to provide the administrative role to contract directly with a vendor to provide the monitoring services. In addition, HB 4016 establishes a work group, staffed by the Oregon Medical Board, to facilitate and direct the new program. The bill directs all state agencies to assist the work group as needed.

Senate Bill 1503 — Physician assistant and nurse practitioner payment parity

In 2013, the Legislature passed House Bill 2902, which required insurers to reimburse licensed physician assistants and certified nurse practitioners at the same rate as licensed physicians when they provide primary care or mental health services. Senate Bill 1503 removes the scheduled December 31, 2017, sunset to these payment parity requirements. The bill also requires the Oregon Health Policy Board and the Department of Consumer and Business Services to collect data from insurers and report on the implementation of House Bill 2902 no later than January 31, 2017.

House Bill 4042 — General Assistance Program

House Bill 4042 implements the recommendation of the General Assistance study funded in 2014 to reestablish the General Assistance Program that was defunded in 2005. The bill establishes General Assistance for OHP members who are homeless and have a disability that qualifies them for federal disability assistance. The bill caps the caseload of the program to a maximum monthly average of 200 cases. It appropriates $1.6 million to the Department of Human Services to administer the program.

House Bill 4105 — Biological products

House Bill 4105 requires pharmacies and pharmacists dispensing a biological product to communicate details about the product dispensed to the prescribing practitioner within five business days. The bill also requires the State Board of Pharmacy to adopt definitions for "biological product" and "interchangeable" that are consistent with federal regulations. House Bill 4105 sunsets the notification requirements on January 2, 2022.

Investments in health transformation

Rural health

A one-time investment of $10 million over three years was allocated for rural hospital transformation and sustainability. The investment recommendations were brought forward by a work group required by a budget note in Senate Bill 5507 (2015). They include: a transitional post-acute care program that allows patients to return to their local community sooner; support for the work of Oregon's Graduate Medical Education Consortium to help recruit more family physicians to rural Oregon; establishment of virtual clinics in rural areas with practitioner shortages; and training money for rural hospital executives to learn best practices.

An additional $2 million was included to continue the Medicaid Primary Care Loan Repayment Program. The program provides loan repayment to primary care clinicians who serve Medicaid patients in underserved areas of Oregon.

Expanding coverage

OHA has been directed to develop a plan and recommendations for extending medical assistance to children not eligible for the Oregon Health Plan. In developing its recommendations, OHA will engage stakeholders and legislators, and draw on other states' experiences. OHA is required to report during the 2017 legislative session.

Youth marijuana use prevention

SB 1597 transfers $3.9 million from the Oregon Liquor Control Commission account to the Public Health Account. The Oregon Health Authority is required to spend the money to implement a youth marijuana use prevention campaign (see HB 4014). This bill transfers the same amount of money plus 2 percent from the Oregon Marijuana Account to the Oregon Liquor Control Commission Account.

February session (highlighted) presentations and reports from OHA

- ONE Eligibility System 1/15/16
- E-Cigarette use in Oregon 2/24/16
- Meningitis Outbreak Response 1/14/16
- Opioid use in Oregon 1/13/16
- Medical Marijuana Program Update 1/13/16
- Medical Marijuana Fee Program 2/15/16
- Veterans Access to Medical Marijuana 2/4/16
- Sodium Reduction Grant 2/15/16
- Adult Foster Homes Rate Changes 2/24/16
- Behavioral Health Town Halls 1/14/16
- Crisis Intervention Training 2/25/16
- Portland Air Toxics 2/23/16
- Rural Hospital Transformation 2/17/16
- REAL +D Project 2/3/16
- Health Information Technology Systems 2/3/16
- PEBB mitigation plan for Excise Tax
- Oregon Health Plan and Employment Report
- SB 231: Insurers 2014 Primary Care Spend Study
- SB 594: Medical Practitioner Common Credentialing Program
- HB 2231: Behavioral Health Providers Common Credentialing Database
- HB 2828: Health Care Financing Options Study
- HB 3396: Rural and Medically Underserved Area Provider Incentives Study
- HB 4124 (2014): Youth Suicide Intervention and Prevention Strategic Plan and Annual Report
- HB 5507: Employed Members of OHP 1/14/16
- HB 5526: New Investments in Behavioral Health
- HB 5526: Rural Hospital Transformation
- HB 844: Marijuana Research Task Force
- SB 770: Government-to-Government Report for Legislative Commission on Indian Services

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