

MEMO

To: Oregon Health Policy Board

From: Oregon Health Authority Executive Staff

Date: December 14, 2010

Action item: Accept the attached final report from the Public Employers Health Purchasing Committee.

About the report: The Public Employers Health Purchasing Committee was charged with: identifying and recommending strategies to align purchasing policy and standards, as well as foster collaboration across public employers and other interested parties. The attached report contains the Committee's 2010 recommendations in response to this charge and outlines the contracting process for public employers as well as their purchasing power in various parts of the state. It also identifies some potential topics to address in 2011. The report was also posted for public input although none was submitted.

Summary of Committee recommendations: The Committee recommended the following strategies:

- Support the broad adoption of uniform standards for electronic exchange of information between providers and carriers, and recommend that employers encourage their carriers or third party administrators to participate and support the work of the Administrative Simplification technical work group; and
- Endorse contract provisions relating to patient safety similar to those used by PEBB/OEBB, and recommend that public and private employers in Oregon discuss with their carriers or third party administrators including patient safety standards in their contracts;

The Committee also sent a letter of support to the Board endorsing a recommendation of the Incentives and Outcomes Committee that had not yet been accepted by the Board:

- Standardizing payment methods (but not rates) to Medicare. The Committee recognized that legislation may be required to accomplish standardization. Should legislation be introduced at a later time, the Committee may choose to take action at that time.