

FACT SHEET: Transition of Oregon Health Fund Board and  
All-Payer, All-Claims Reporting Program

SB 453A

**Concept:** SB 453A allows the Office for Oregon Health Policy and Research (OHPR) to continue work to develop and implement recommendation from the Oregon Health Fund Board (OHFB) health reform plan and creates an all-payer claims reporting program.

**Purpose:** The purpose of this bill is to: 1) allows OHPR to continue the work of the OHFB while transitioning towards the Oregon Health Authority and 2) provide OHPR authority to establish a reporting system to collect health claims information from licensed health insurers, third party administrators, Medicaid managed care organizations, pharmacy benefit managers, and the Centers for Medicare and Medicaid Services.

This bill sunsets the OHFB on January 1, 2010. OHPR will continue development and implementation of elements of the OHFB statewide reform plan. The OHFB and its committees spent significant time creating its reform plan “Aim High: Building a Healthy Oregon”. Implementation and oversight is needed to continue pursuing and implementing recommendations during the transition period for the Oregon Health Authority Board.

The bill also creates an all-payer, all-claims data collection program, which will enable the state to monitor and provide analysis of health care utilization and costs in the state. Through this collection, analysis, and public reporting, providers can benchmark their performance, identify opportunities for quality improvement, and design effective quality improvement initiatives. Purchasers can identify and reward high-performing providers who delivery high-quality, high-value care to their patients, and consumers can access information to help guide critical health care decisions. Policy makers can make improved strategic decisions for the priorities of Oregon, both by providing funding and also through the development of public-private partnerships at the local level for development of community specific initiatives. The utility of claims information is that it can be used to assess utilization of services (Answering questions such as: Is there significant unexplained variation of utilization of specific services in specific areas and if so why? Examine conditions or procedures: How many people in Medford have an asthma diagnosis and how many are being hospitalized with asthma compared to other areas of the state? Compare payments for specific services: What is the variation in cost for diabetes care in the Portland metropolitan area versus the Bend-Redmond area?).

**Impact if Not Approved:** The OHFB’s comprehensive plan would remain a plan without an implementation process during the transition period to the Oregon Health Authority. It is important that Oregon build on momentum gained through the OHFB and the Legislative process at this critical time. By allowing OHPR to oversee continued development and implementation, key reform efforts can begin. There would be limited, inconsistent ability to begin key design pieces of the plan or evaluate the effectiveness of any reforms without an all-claims, all-payer, including delivery system redesign, payment reform, primary care revitalization, and transparency in cost and quality reporting. These are all keystone elements of the first stage of health care reform in the state. Later stages of reform require strategic and implementation planning.

**Facts:**

Studies show that:

- Health care accounts for approximately 13% of the state’s gross domestic product and has grown an average of 8% annually since 1991.
- Family premium costs and medical inflation continue to outstrip growth in income.
- Almost 600,000 Oregonians are uninsured and over 60% of the uninsured live below 200% of poverty.
- The state, as a major purchaser of health services, and DHS as a provider for poor and vulnerable Oregonians, is directly impacted by these statistics.

**Other Possible Solutions:** The alternative to continuing the work of the OHFB is to attempt these planning and design efforts in individual agencies in a less integrated and perhaps less effective manner while waiting until the Oregon Health Authority Board is operational. Without the continuing work of a highly-focused entity like the OHFB, progress toward containing health care costs, as well as improving access and quality will be impaired.

**Other Supporters:** Governor’s Office, OHFB, DHS, DCBS, DMAP, OPHP, OPHD, DCBS, PEBB.

**Fiscal Impact:** \$3,243,619 TF (\$1,695,295 GF, \$1,355,666 FF, \$192,658 OF).

**Contact:**

Jeanene Smith, MD, Administrator Phone: 503-373-1625 E-mail: [jeanene.smith@state.or.us](mailto:jeanene.smith@state.or.us)  
Tina Edlund, Deputy Administrator Phone: 503-373-1848 E-mail: [tina.d.edlund@state.or.us](mailto:tina.d.edlund@state.or.us)