

Oregon Health Fund Board
2009 Legislation Related to Board Recommendations

Health Authority

HB 2009 Health Authority Law creates the Oregon Health Authority and integrates state health policy and health insurance planning, policy and functions under a citizen Board similar to the current state Transportation Commission. The bill creates a Quality Care Institute and an Oregon Health Insurance Exchange under the Health Authority. Further, it establishes a provider tax on managed care organizations and hospitals to fund coverage initiatives and a cigarette tax to fund community-centered health initiatives, tobacco use and chronic disease prevention and reduction programs.

Coverage

HB 2116 Provider Tax

HB 2116 fully funds the Healthy Kids Plan, which will provide health insurance to all Oregon children under the age of 19 and funds rebuilding the Oregon Health Plan Standard program, adding about 75,000 uninsured people to the current 25,000 enrollees.

HB 2117 Healthy Kids outlines implementation of the Healthy Kids program.

Public Health and Healthy Communities

HB 2122 Tobacco Tax to fund investments in the public's health: prevention and reduction of tobacco use, obesity and other major chronic diseases; and local public health systems improvement.

End of Life Care

SB 451/HB 2132 POLST Registry (\$451,400 GF, \$740,000 TF)

SB 451/HB 2132 establishes an electronic registry of patients' end-of-life medical orders. A Physician Orders for Life Sustaining Treatment (POLST) registry documents patients' wishes and provides necessary medical orders that emergency personnel can act upon. Often, appropriate documentation of patients' end of life care preferences do not get transferred across care settings or are not available in a time of need. This registry would ensure that information about end-of-life preferences is available and can be acted on, regardless of the care setting.

SB 451/HB 2132 creates a statewide POLST (Physician Orders for Life-Sustaining Treatment) registry and provides funding for the Health Services Commission to develop clinical guidelines for the provision of Palliative Care Services.

Cost Containment and Delivery System Reform

This series of bills initiate some of the first steps of comprehensive health care reform recommended by the Oregon Health Fund Board (OHFB). They focus on the Board's key cost containment strategies and improving quality and consistency through payment reform, primary care revitalization, and better public information about cost and quality of healthcare in Oregon. These are all keystone building blocks for the foundation of health care reform in Oregon.

SB 453/HB 2128 Board continuation and policy analysis (\$2.5 m GF, \$3.9 m TF)

This bill would continue the work of the Oregon Health Fund Board (OHFB) and provide additional resources for health policy planning and analysis. The data collection elements of SB 453/HB 2128 are essential to monitoring health care spending and outcomes as reforms are initiated.

- Collect, compile, analyze and interpret healthcare, comparative effectiveness, and health services data; and

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- Develop state policy related to electronic health records in support of the Governor's Executive order creating the Health Information Infrastructure Advisory Committee (HIIAC) within OHP.
- Provide resources to the OHFB specifically to establish committees to support the development of an Oregon Health Insurance Exchange, to study healthcare payment reform in support of delivery system reform and primary care revitalization, and to make recommendations to address medical liability and tort reform in Oregon. The Committees shall make recommendations to the 2011 Legislature.
- Create 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.
- Support data-driven quality initiatives that help communities advance the quality of chronic care through improved use of data—creating feedback that will help health care providers improve their ability to delivery quality care; measure and report their performance and help consumers understand their role in demanding high-quality care.

SB 455/HB 2129 Clinical Improvement Assessment Project (\$421,880 GF, \$610,858 TF)

SB 455/HB 2129 broadens the state's work in evidence-based clinical improvement assessment by bringing Oregon's healthcare providers together to improve the quality and value of the health care. It includes the necessary resources and broadens the responsibility for the Health Services Commission (HSC) and the Health Resources Commission (HRC) to other public purchasers to improve Oregon's healthcare delivery system.

SB 455/HB 2129 will:

- Support the Health Resources Commission to partner with existing state, national and international efforts already investing in comparative effectiveness research, support high quality comparative effectiveness research and use the best available data and evidence to make policy decisions public and transparent. By using comparative effectiveness research, resources in publicly-funded health programs can be focused on medicines and treatments that work. By partnering with private health plans, uniform criteria and evidence could be made available to all of Oregon's healthcare providers for patient care in both public and private sectors
- Support the Health Services Commission (HSC) to develop standard sets of evidence-based guidelines for all providers serving Oregonians, starting with the treatment of chronic conditions, by reviewing and endorsing existing high-quality guidelines whenever possible, and convening experts to create them when they don't exist. As developed, policies can be developed to require providers serving patients in publicly funded programs to follow these evidence-based guidelines. The HSC will work with private purchasers and health plans in the development of these guidelines, and common policies can be developed that encourage the utilization across both the public and private sectors.

SB 454/HB 2130 Improved Transparency in Healthcare Reporting (\$114,159 GF, \$165, 192 TF)

SB 454/HB 2130 is aimed at improving the accuracy and comprehensiveness of public reporting of health care facility and health plan financial performance. Increased transparency will provide purchasers with information to negotiate better prices and encourage providers to be more efficient. This bill provides the tools necessary to:

- Require all regulated health insurers and third party administrators to submit data to a OHP on their contracted prices with health care providers and develop reports that disclose the changes in

contracted prices from one year to the next for hospitals, ambulatory surgery centers, and free-standing ambulatory centers.

- Report by carrier premium increases by regions to facilitate consumer/purchaser awareness of the relationship between changes in contracted prices between providers and insurers or third party administrators (TPAs) and the cost of health insurer locally.
- Require all regulated health insurers and TPAs to report their respective membership by line of business and zip code.
- Report on the administrative costs incurred by Oregon's regulated health insurers, including comparisons by line of business, percent of premium and per member per month basis.
- DCBS reviews any regulated health insurer that submits an increase in administrative costs that exceeds the cost of living index for the previous year and may disapprove any increase determined not to be justified.
- Require all hospitals and ambulatory surgery centers to report to their respective communities through a public hearing when the annual capital investment plan pending approval by the Board of Directors of such facility exceeds a specified threshold or whenever the plan includes financing through the hospital financing authority.
- Convene a committee to develop standards applicable to all regulated health insurers relating to the formats and processes for determining eligibility, claims processing, payment transactions and other administrative functions in an effort to streamline and standardize administrative processes.

SB 456/HB 2131 Integrated Health Homes and Healthy Communities (\$444,712 GF, \$889,424 TF)

Research demonstrates better health outcomes, higher patient satisfaction and lower cost per capita in countries with strong primary care systems; however, the current delivery system in Oregon is not equipped to meet the longitudinal primary care health needs of the population. Care is fragmented and many Oregonians do not have regular and convenient access to a provider who can deliver preventive and chronic disease management services, as well as treat acute problems that arise. In many cases, people do not receive recommended care or receive duplicative services from many sources. Chronic diseases are not always optimally managed and largely preventable episodes result in severe illness and hospitalizations.

The integrated health home model can serve as a blueprint for delivery system redesign that encourages patient-centered, cost-efficient care and stresses the importance of wellness, prevention and effective disease management. SB 456/HB 2131 will lead to common standards for integrated health home and quality outcomes measurements, which can drive improvements necessary to ensure that Oregonians get the right care, in the right place, at the right time. These changes will strengthen the effectiveness of primary care services, improve care coordination and health outcomes, increase the focus on prevention and disease management, improve the quality of care delivered, and contribute to reducing the cost of health care.

SB 456/HB2131 will:

- Establish a common definition of integrated health home to be used by public and private stakeholders, based on organizational and structural requirements and performance criteria. Develop a standard set of integrated health home quality measures.
- Develop a standard and simple process to certify health care practices as integrated health homes. All public and private health insurers will be required to utilize this designation process.

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- Establish a collaborative for state agencies and all certified integrated health homes to share information about quality improvement and best practices.
- Assist DMAP, in partnership with other purchasers and health plans, including PEBB and OEBB, to develop and evaluate strategies to provide rewards/incentives to public health plan participants who enroll in integrated health homes, seek preventive and wellness services, practices health behaviors and effectively manage chronic disease.
- Assist DMAP, in collaboration with PEBB and OEBB, to establish standard requirements for contracts with any health plans providing insurance to enrollees in publicly funded programs to promote the provision of integrated health home services, especially for enrollees with chronic conditions.

SB 452/HB 2142 Maximize Electronic Health Record Adoption, (\$345,000 GF, \$500,000 TF)

Increased adoption of health information technology (HIT) has the potential to improve health system efficiency, safety, and performance and reduce costs in the long-term by reducing duplicative or unnecessary care, strengthening disease management efforts, and improving care coordination. Providers working in small practices in rural areas face particular barriers including cost, lack of proper preparation for adoption and integration of new technologies into practice workflow, and uncertainty about which systems are appropriate.

SB 452/HB 2142 will:

- Establish a Health Information Technology Oversight Council (Council) that represents the diversity of the state and a wide range of stakeholder representatives, including consumers, providers, and privacy and security experts. The Council would be responsible for: setting ambitious goals for the state related to health information technology utilization, developing a strategic plan to meet these goals, and measuring statewide progress in achieving these goals.
- Accelerate the adoption of electronic health records, particularly in small and rural practices and aids the eventual development of a statewide Oregon Health Information System by supporting the planning and development of a purchasing collaborative. The state, through an RFP process, can offer an aggressive price point for vendors and service companies that meet quality, performance, privacy, and service standards.

SB 457/HB 2143 Healthcare Workforce Initiative (\$473,961 GF, \$473,961 TF)

An effective health care delivery system requires an adequate supply and distribution of qualified health providers. Past Oregon provider workforce surveys and information from the Oregon Health and Sciences University suggest an increasing number of physicians retiring or leaving practice without adequate replacements being trained. Oregon, like most of the country, is facing an aging "baby boomer" population with increased chronic disease health care needs that will potentially overwhelm the current health care workforce. In Oregon we do not have consistent, comparable health care workforce data over time that allows us to track these trends.

SB 457/HB 2143 will:

- Implement a data collection plan using the health professions' licensing process and provide routine data analysis so Oregon has ongoing capacity to: (1) understand Oregon's healthcare 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 healthcare workforce.