A-Engrossed
Senate Bill 832

Ordered by the Senate April 28
Including Senate Amendments dated April 28

Sponsored by Senators MONNES ANDERSON, WINTERS, BATES; Senators GELSER, KNOPP, STEINER HAYWARD, Representatives BUEHLER, KENNEMER, WHISNANT

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Requires Oregon Health Authority to [*provide grants*] **prescribe by rule standards** for integrating mental health and physical health services [*to*] **in** coordinated care organizations [*that meet standards prescribed by authority*]. [*Prohibits coordinated care organization from restricting members' access to mental health services.*] Permits patient centered primary care homes to use billing codes applicable to mental health services provided in primary care and urgent care settings.

[*Requires metrics and scoring committee to adopt quality measure based on percentage of coordinated care organization members participating in patient centered primary care homes that offer integrated behavioral health care.*]

Declares emergency, effective on passage.

A BILL FOR AN ACT

Relating to integrated health care; creating new provisions; amending ORS 413.260, 414.025, 414.153, 414.655, 414.736, 414.740 and 442.210; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. Section 2 of this 2015 Act is added to and made a part of ORS chapter 414.

SECTION 2. The Oregon Health Authority shall prescribe by rule standards for achieving the integration of mental health services into the delivery of physical health services by coordinated care organizations.

SECTION 3. ORS 414.025 is amended to read:

414.025. As used in this chapter and ORS chapters 411 and 413, unless the context or a specially applicable statutory definition requires otherwise:

(1)(a) "Alternative payment methodology" means a payment other than a fee-for-services payment, used by coordinated care organizations as compensation for the provision of integrated and coordinated health care and services.

(b) "Alternative payment methodology" includes, but is not limited to:

(A) Shared savings arrangements;

(B) Bundled payments; and

(C) Payments based on episodes.

(2) "Behavioral health clinician" includes:

(a) A licensed psychiatrist;

(b) A licensed psychologist;

(c) A certified nurse practitioner with a specialty in psychiatric mental health;

(d) A licensed clinical social worker;

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

(e) A licensed professional counselor or licensed marriage and family therapist;

(f) A clinical social work associate; and

(g) An intern or resident who is working under a board-approved supervisory contract in a clinical mental health field.

[*(2)*] **(3)** "Category of aid" means assistance provided by the Oregon Supplemental Income Program, aid granted under ORS 412.001 to 412.069 and 418.647 or federal Supplemental Security Income payments.

[*(3)*] **(4)** "Community health worker" means an individual who:

(a) Has expertise or experience in public health;

(b) Works in an urban or rural community, either for pay or as a volunteer in association with a local health care system;

(c) To the extent practicable, shares ethnicity, language, socioeconomic status and life experiences with the residents of the community where the worker serves;

(d) Assists members of the community to improve their health and increases the capacity of the community to meet the health care needs of its residents and achieve wellness;

(e) Provides health education and information that is culturally appropriate to the individuals being served;

(f) Assists community residents in receiving the care they need;

(g) May give peer counseling and guidance on health behaviors; and

(h) May provide direct services such as first aid or blood pressure screening.

[*(4)*] **(5)** "Coordinated care organization" means an organization meeting criteria adopted by the Oregon Health Authority under ORS 414.625.

[*(5)*] **(6)** "Dually eligible for Medicare and Medicaid" means, with respect to eligibility for enrollment in a coordinated care organization, that an individual is eligible for health services funded by Title XIX of the Social Security Act and is:

(a) Eligible for or enrolled in Part A of Title XVIII of the Social Security Act; or

(b) Enrolled in Part B of Title XVIII of the Social Security Act.

[*(6)*] **(7)** "Global budget" means a total amount established prospectively by the Oregon Health Authority to be paid to a coordinated care organization for the delivery of, management of, access to and quality of the health care delivered to members of the coordinated care organization.

[*(7)*] **(8)** "Health services" means at least so much of each of the following as are funded by the Legislative Assembly based upon the prioritized list of health services compiled by the Health Evidence Review Commission under ORS 414.690:

(a) Services required by federal law to be included in the state's medical assistance program in order for the program to qualify for federal funds;

(b) Services provided by a physician as defined in ORS 677.010, a nurse practitioner certified under ORS 678.375 or other licensed practitioner within the scope of the practitioner's practice as defined by state law, and ambulance services;

(c) Prescription drugs;

(d) Laboratory and X-ray services;

(e) Medical equipment and supplies;

(f) Mental health services;

(g) Chemical dependency services;

(h) Emergency dental services;

(i) Nonemergency dental services;

(j) Provider services, other than services described in paragraphs (a) to (i), (k), (L) and (m) of this subsection, defined by federal law that may be included in the state's medical assistance program;

(k) Emergency hospital services;

(L) Outpatient hospital services; and

(m) Inpatient hospital services.

[*(8)*] **(9)** "Income" has the meaning given that term in ORS 411.704.

(10) "Integrated behavioral health care" means care provided to individuals and their families in a patient centered primary care home by licensed primary care clinicians, behavioral health clinicians and other care team members, working together, to address one or more of the following:

(a) Mental illness.

(b) Substance use disorders.

(c) Health behaviors that contribute to chronic illnesses.

(d) Life stressors and crises.

(e) Developmental risks and conditions.

(f) Stress-related physical symptoms.

(g) Preventive care.

(h) Ineffective patterns of health care utilization.

[*(9)*] **(11)** "Investments and savings" means cash, securities as defined in ORS 59.015, negotiable instruments as defined in ORS 73.0104 and such similar investments or savings as the department or the authority may establish by rule that are available to the applicant or recipient to contribute toward meeting the needs of the applicant or recipient.

[*(10)*] **(12)** "Medical assistance" means so much of the medical, mental health, preventive, supportive, palliative and remedial care and services as may be prescribed by the authority according to the standards established pursuant to ORS 414.065, including premium assistance and payments made for services provided under an insurance or other contractual arrangement and money paid directly to the recipient for the purchase of health services and for services described in ORS 414.710.

[*(11)*] **(13)** "Medical assistance" includes any care or services for any individual who is a patient in a medical institution or any care or services for any individual who has attained 65 years of age or is under 22 years of age, and who is a patient in a private or public institution for mental diseases. "Medical assistance" does not include care or services for an inmate in a nonmedical public institution.

[*(12)*] **(14)** "Patient centered primary care home" means a health care team or clinic that is organized in accordance with the standards established by the Oregon Health Authority under ORS 414.655 and that incorporates the following core attributes:

(a) Access to care;

(b) Accountability to consumers and to the community;

(c) Comprehensive whole person care;

(d) Continuity of care;

(e) Coordination and integration of care; and

(f) Person and family centered care.

[*(13)*] **(15)** "Peer wellness specialist" means an individual who is responsible for assessing mental health service and support needs of the individual's peers through community outreach, assisting

individuals with access to available services and resources, addressing barriers to services and providing education and information about available resources and mental health issues in order to reduce stigmas and discrimination toward consumers of mental health services and to provide direct services to assist individuals in creating and maintaining recovery, health and wellness.

[*(14)*] **(16)** "Person centered care" means care that:

(a) Reflects the individual patient's strengths and preferences;

(b) Reflects the clinical needs of the patient as identified through an individualized assessment; and

(c) Is based upon the patient's goals and will assist the patient in achieving the goals.

[*(15)*] **(17)** "Personal health navigator" means an individual who provides information, assistance, tools and support to enable a patient to make the best health care decisions in the patient's particular circumstances and in light of the patient's needs, lifestyle, combination of conditions and desired outcomes.

[*(16)*] **(18)** "Quality measure" means the measures and benchmarks identified by the authority in accordance with ORS 414.638.

[*(17)*] **(19)** "Resources" has the meaning given that term in ORS 411.704. For eligibility purposes, "resources" does not include charitable contributions raised by a community to assist with medical expenses.

SECTION 4. ORS 414.153 is amended to read:

414.153. In order to make advantageous use of the system of public health care and services available through county health departments and other publicly supported programs and to [*insure*] **ensure** access to public health care and services through contract under ORS chapter 414, the state shall:

(1) Unless cause can be shown why such an agreement is not feasible, require and approve agreements between coordinated care organizations and publicly funded providers for authorization of payment for point of contact services in the following categories:

(a) Immunizations;

(b) Sexually transmitted diseases; and

(c) Other communicable diseases;

(2) Allow [*enrollees in*] **members of** coordinated care organizations to receive from fee-for-service providers:

(a) Family planning services;

(b) Human immunodeficiency virus and acquired immune deficiency syndrome prevention services; and

(c) Maternity case management if the Oregon Health Authority determines that a coordinated care organization cannot adequately provide the services;

(3) Encourage and approve agreements between coordinated care organizations and publicly funded providers for authorization of and payment for services in the following categories:

(a) Maternity case management;

(b) Well-child care;

(c) Prenatal care;

(d) School-based clinics;

(e) Health care and services for children provided through schools and Head Start programs; and

(f) Screening services to provide early detection of health care problems among low income

women and children, migrant workers and other special population groups; and

(4) Recognize the responsibility of counties under ORS 430.620 to operate community mental health programs by requiring a written agreement between each coordinated care organization and the local mental health authority in the area served by the coordinated care organization, unless cause can be shown why such an agreement is not feasible under criteria established by the Oregon Health Authority. The written agreements:

(a) May not [*limit the ability of*] **prevent** coordinated care organizations [*to contract*] **from contracting** with other public or private providers for mental health or chemical dependency services;

(b) Must include agreed upon outcomes; and

(c) Must describe the authorization and payments necessary to maintain the mental health safety net system and to maintain the efficient and effective management of the following responsibilities of local mental health authorities, with respect to the service needs of members of the coordinated care organization:

(A) Management of children and adults at risk of entering or who are transitioning from the Oregon State Hospital or from residential care;

(B) Care coordination of residential services and supports for adults and children;

(C) Management of the mental health crisis system;

(D) Management of community-based specialized services**,** including but not limited to supported employment and education, early psychosis programs, assertive community treatment or other types of intensive case management programs and home-based services for children; and

(E) Management of specialized services to reduce recidivism of individuals with mental illness in the criminal justice system.

SECTION 5. ORS 414.655 is amended to read:

414.655. (1) The Oregon Health Authority shall establish standards for the utilization of patient centered primary care homes in coordinated care organizations.

(2) Each coordinated care organization shall implement, to the maximum extent feasible, patient centered primary care homes, including developing capacity for services in settings that are accessible to families, diverse communities and underserved populations**, including the provision of integrated behavioral health care**. The organization shall require its other health and services providers to communicate and coordinate care with the patient centered primary care home in a timely manner using electronic health information technology.

(3) Standards established by the authority for the utilization of patient centered primary care homes by coordinated care organizations may require the use of federally qualified health centers, rural health clinics, school-based health clinics and other safety net providers that qualify as patient centered primary care homes to ensure the continued critical role of those providers in meeting the needs of underserved populations.

(4) Providers in patient centered primary care homes may use billing codes applicable to mental health services delivered in primary care or urgent care settings in order to promote the full integration of behavioral health care.

[*(4)*] **(5)** Each coordinated care organization shall report to the authority on uniform quality measures prescribed by the authority by rule for patient centered primary care homes.

[*(5)*] **(6)** Patient centered primary care homes must participate in the learning collaborative described in ORS 442.210 (3).

SECTION 6. ORS 413.260 is amended to read:

413.260. (1) The Oregon Health Authority, in collaboration with health insurers and purchasers of health plans including the Public Employees' Benefit Board, the Oregon Educators Benefit Board and other members of the patient centered primary care home learning collaborative and the patient centered primary care home program advisory committee, shall:

(a) Develop, test and evaluate strategies that reward enrollees in publicly funded health plans for:

(A) Receiving care through patient centered primary care homes that meet the [*core attributes*] **required functions** established in ORS 442.210;

(B) Seeking preventative and wellness services;

(C) Practicing healthy behaviors; and

(D) Effectively managing chronic diseases.

(b) Develop, test and evaluate community-based strategies that utilize community health workers to enhance the culturally competent and linguistically appropriate health services provided by patient centered primary care homes in underserved communities.

(2) The authority shall focus on patients with chronic health conditions in developing strategies under this section.

(3) The authority, in collaboration with the Public Employees' Benefit Board and the Oregon Educators Benefit Board, shall establish uniform standards for contracts with health benefit plans providing coverage to public employees to promote the provision of patient centered primary care homes, especially for enrollees with chronic medical conditions, that are consistent with the uniform quality measures established by the [*Office for Oregon Health Policy and Research*] **authority** under ORS 442.210 (1)(c).

(4) The standards established under subsection (3) of this section may direct health benefit plans to provide incentives to primary care providers who serve vulnerable populations to partner with health-focused community-based organizations to provide culturally specific health promotion and disease management services.

SECTION 7. ORS 442.210 is added to and made a part of ORS chapter 413.

SECTION 8. ORS 442.210 is amended to read:

442.210. (1) There is established in the [*Office for Oregon Health Policy and Research*] **Oregon Health Authority** the patient centered primary care home program. Through this program, the [*office*] **authority** shall:

(a) Define [*core attributes*] **required functions** of the patient centered primary care home to promote a reasonable level of consistency of services provided by patient centered primary care homes in this state. In defining [*core attributes*] **required functions** related to ensuring that care is coordinated, the [*office*] **authority** shall focus on determining whether these patient centered primary care homes offer comprehensive primary **and preventive** care, [*including prevention*] **integrated behavioral health care** and disease management services;

(b) Establish a simple and uniform process to identify patient centered primary care homes that meet the [*core attributes*] **required functions** defined by the [*office*] **authority** under paragraph (a) of this subsection;

(c) Develop uniform quality measures that build from nationally accepted measures and allow for standard measurement of patient centered primary care home performance;

(d) Develop uniform quality measures for acute care hospital and ambulatory services that align with the patient centered primary care home quality measures developed under paragraph (c) of this subsection; and

(e) Develop policies that encourage the retention of, and the growth in the numbers of, primary care providers.

(2)(a) The Director of the Oregon Health Authority shall appoint an advisory committee to advise the [*office*] **authority** in carrying out subsection (1) of this section.

(b) The director shall appoint to the advisory committee 15 individuals who represent a diverse constituency and are knowledgeable about patient centered primary care home delivery systems**, integrated behavioral health care** and health care quality.

(c) Members of the advisory committee are not entitled to compensation, but may be reimbursed for actual and necessary travel and other expenses incurred by them in the performance of their official duties in the manner and amounts provided for in ORS 292.495. Claims for expenses shall be paid out of funds appropriated to the [*office*] **authority** for the purposes of the advisory committee.

(d) The advisory committee shall use public input to guide policy development.

(3) The [*office*] **authority** will also establish, as part of the patient centered primary care home program, a learning collaborative in which state agencies, private health insurance carriers, third party administrators and patient centered primary care homes can:

(a) Share information about quality improvement;

(b) Share best practices that increase access to culturally competent and linguistically appropriate care;

(c) Share best practices that increase the adoption and use of the latest techniques in effective and cost-effective patient centered care;

(d) Coordinate efforts to develop and test methods to align financial incentives to support patient centered primary care homes;

(e) Share best practices for maximizing the utilization of patient centered primary care homes by individuals enrolled in medical assistance programs, including culturally specific and targeted outreach and direct assistance with applications to adults and children of racial, ethnic and language minority communities and other underserved populations;

(f) Coordinate efforts to conduct research on patient centered primary care homes and evaluate strategies to implement [*the*] patient centered primary care [*home*] **homes that include integrated behavioral health care** to improve health status and quality and reduce overall health care costs; and

(g) Share best practices for maximizing integration to ensure that patients have access to comprehensive primary **and preventive** care, [*including preventative*] **integrated behavioral health care** and disease management services.

(4) The Legislative Assembly declares that collaboration among public payers, private health carriers, third party purchasers and providers to identify appropriate reimbursement methods to align incentives in support of patient centered primary care homes is in the best interest of the public. The Legislative Assembly therefore declares its intent to exempt from state antitrust laws, and to provide immunity from federal antitrust laws, the collaborative and associated payment reforms designed and implemented under subsection (3) of this section that might otherwise be constrained by such laws. The Legislative Assembly does not authorize any person or entity to engage in activities or to conspire to engage in activities that would constitute per se violations of state or federal antitrust laws including, but not limited to, agreements among competing health care providers or health carriers as to the prices of specific levels of reimbursement for health care services.

(5) The [*office*] **authority** may contract with a public or private entity to facilitate the work of the learning collaborative described in subsection (3) of this section and may apply for, receive and accept grants, gifts, payments and other funds and advances, appropriations, properties and services from the United States, the State of Oregon or any governmental body or agency or from any other public or private corporation or person for the purpose of establishing and maintaining the collaborative.

SECTION 9. ORS 414.736 is amended to read:

414.736. As used in ORS 192.493, this chapter[,] **and** ORS chapter 416 [*and section 9, chapter 867, Oregon Laws 2009*]:

(1) "Designated area" means a geographic area of the state defined by the Oregon Health Authority by rule that is served by a prepaid managed care health services organization.

(2) "Fully capitated health plan" means an organization that contracts with the authority on a prepaid capitated basis under ORS 414.618.

(3) "Physician care organization" means an organization that contracts with the authority on a prepaid capitated basis under ORS 414.618 to provide the health services described in ORS 414.025 [*(7)(b)*] **(8)(b)**, (c), (d), (e), (f), (g) and (j). A physician care organization may also contract with the authority on a prepaid capitated basis to provide the health services described in ORS 414.025 [*(7)(k)*] **(8)(k)** and (L).

(4) "Prepaid managed care health services organization" means a managed physical health, dental, mental health or chemical dependency organization that contracts with the authority on a prepaid capitated basis under ORS 414.618. A prepaid managed care health services organization may be a dental care organization, fully capitated health plan, physician care organization, mental health organization or chemical dependency organization.

SECTION 10. ORS 414.740 is amended to read:

414.740. (1) Notwithstanding ORS 414.738 (1), the Oregon Health Authority shall contract under ORS 414.651 with a prepaid group practice health plan that serves at least 200,000 members in this state and that has been issued a certificate of authority by the Department of Consumer and Business Services as a health care service contractor to provide health services as described in ORS 414.025 [*(7)(b)*] **(8)(b)**, (c), (d), (e), (g) and (j). A health plan may also contract with the authority on a prepaid capitated basis to provide the health services described in ORS 414.025 [*(7)(k)*] **(8)(k)** and (L). The authority may accept financial contributions from any public or private entity to help implement and administer the contract. The authority shall seek federal matching funds for any financial contributions received under this section.

(2) In a designated area, in addition to the contract described in subsection (1) of this section, the authority shall contract with prepaid managed care health services organizations to provide health services under [*ORS 414.631, 414.651 and 414.688 to 414.745*] **this chapter**.

SECTION 11. Section 2 of this 2015 Act is repealed on June 30, 2017.

SECTION 12. This 2015 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect on its passage.