

House Bill 2492

Sponsored by COMMITTEE ON HEALTH AND HUMAN SERVICES

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 **as introduced**.

Modifies health services included in state's medical assistance program.
Declares emergency, effective July 1, 2005.

A BILL FOR AN ACT

1
2 Relating to health care; amending ORS 414.705, 414.707, 414.736 and 414.740; and declaring an
3 emergency.

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

5 **SECTION 1.** ORS 414.705 is amended to read:

6 414.705. (1) As used in ORS 414.705 to 414.750, "health services" means at least so much of each
7 of the following as are approved and funded by the Legislative Assembly:

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

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

13 (c) Prescription drugs;

14 (d) Laboratory and X-ray services;

15 (e) Medical supplies;

16 (f) Mental health services;

17 (g) Chemical dependency services;

18 (h) Emergency dental services;

19 [*i*] *Nonemergency dental services*;

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

23 [*k*] (j) Emergency hospital services;

24 [*L*] (k) Outpatient hospital services; and

25 [*m*] (L) Inpatient hospital services.

26 (2) Health services approved and funded under subsection (1) of this section are subject to the
27 prioritized list of health services required in ORS 414.720.

28 **SECTION 2.** ORS 414.707 is amended to read:

29 414.707. (1) Subject to funds available:

30 (a) Persons who are categorically needy as described in ORS 414.025 (2)(n) and (o), and persons
31 under 19 years of age and pregnant women who are eligible to receive health services under ORS

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.

1 414.706, are eligible to receive all the health services approved and funded by the Legislative As-
 2 ssembly.

3 (b) Persons described in ORS 414.708 are eligible to receive the health services described in ORS
 4 414.705 (1)(c), (f) and (g).

5 (c) Persons 19 years of age and older who are eligible to receive health services under ORS
 6 414.706 are eligible to receive the health services described in ORS 414.705 (1)(b) to [(m)] (L).

7 (2) Persons who are categorically needy as described in ORS 414.025 (2)(n) and (o), and persons
 8 under 19 years of age and pregnant women who are eligible to receive health services under ORS
 9 414.706, must be provided, at a minimum, the health services described in ORS 414.705 (1)(a) to (g).

10 (3) Persons 19 years of age and older who are eligible to receive health services under ORS
 11 414.706 must be provided, at a minimum, health services described in ORS 414.705 (1)(b) to (h).

12 (4) Persons described in ORS 414.708 must be provided, at a minimum, the health services de-
 13 scribed in ORS 414.705 (1)(c).

14 (5) The Department of Human Services shall:

15 (a) Develop at least three benefit packages of provider services to be offered under ORS 414.705
 16 [(l)(j)] (1)(i); and

17 (b) Define by rule the services to be offered under ORS 414.705 [(l)(k)] (1)(j).

18 (6) Notwithstanding ORS 414.735, the Legislative Assembly shall adjust health services funded
 19 under ORS 414.705 (1) by increasing or reducing benefit packages or health services and, subject to
 20 ORS 414.709, by increasing or reducing the population of eligible persons.

21 **SECTION 3.** ORS 414.736 is amended to read:

22 414.736. As used in this section and ORS 414.725, 414.737, 414.738, 414.739, 414.740, 414.741,
 23 414.742, 414.743 and 414.744:

24 (1) “Designated area” means a geographic area of the state defined by the Department of Human
 25 Services by rule that is served by a prepaid managed care health services organization.

26 (2) “Fully capitated health plan” means an organization that contracts with the Department of
 27 Human Services on a prepaid capitated basis under ORS 414.725 to provide an adequate network
 28 of providers to ensure that the health services provided under the contract are reasonably accessi-
 29 ble to enrollees.

30 (3) “Physician care organization” means an organization that contracts with the Department of
 31 Human Services on a prepaid capitated basis under ORS 414.725 to provide an adequate network
 32 of providers to ensure that the health services described in ORS 414.705 (1)(b), (c), (d), (e), (g) and
 33 [(j)] (i) are reasonably accessible to enrollees. A physician care organization may also contract with
 34 the department on a prepaid capitated basis to provide the health services described in ORS 414.705
 35 (1)(j) and (k) [and (L)].

36 (4) “Prepaid managed care health services organization” means a managed physical health,
 37 dental, mental health or chemical dependency organization that contracts with the Department of
 38 Human Services on a prepaid capitated basis under ORS 414.725. A prepaid managed care health
 39 services organization may be a dental care organization, fully capitated health plan, physician care
 40 organization, mental health organization or chemical dependency organization.

41 **SECTION 4.** ORS 414.740 is amended to read:

42 414.740. (1) Notwithstanding ORS 414.738 (1), the Department of Human Services shall contract
 43 under ORS 414.725 with a prepaid group practice health plan that serves at least 200,000 members
 44 in this state and that has been issued a certificate of authority by the Department of Consumer and
 45 Business Services as a health care service contractor to provide health services as described in ORS

1 414.705 (1)(b), (c), (d), (e), (g) and [(j)] (i). A health plan may also contract with the Department of
2 Human Services on a prepaid capitated basis to provide the health services described in ORS 414.705
3 (1)(j) and (k) [and (L)]. The Department of Human Services may accept financial contributions from
4 any public or private entity to help implement and administer the contract. The Department of Hu-
5 man Services shall seek federal matching funds for any financial contributions received under this
6 section.

7 (2) In a designated area, in addition to the contract described in subsection (1) of this section,
8 the Department of Human Services shall contract with prepaid managed care health services or-
9 ganizations to provide health services under ORS 414.705 to 414.750.

10 **SECTION 5. This 2005 Act being necessary for the immediate preservation of the public**
11 **peace, health and safety, an emergency is declared to exist, and this 2005 Act takes effect**
12 **July 1, 2005.**