



SENATE MAJORITY OFFICE

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Next step in Health Care Transformation approved in Senate *SB 1580 will establish Coordinated Care Organizations*

SALEM – The Oregon Senate approved major legislation this morning that develops a first-in-the-nation integrated health care system for Oregon Health Plan participants as approved by the Legislature in 2011. SB 1580 establishes a coordinated delivery system using “Coordinated Care Organizations” that will drive down health care costs and produce better outcomes for Oregon’s 600,000 Medicaid beneficiaries with far-reaching benefits for all health care consumers in the future.

“This proposal puts the brakes on the shifting of health care costs that drives insurance premiums, and as a result it will help put high-quality, effective health care back within the reach of middle-class families. It puts the patient first and will create a system of professionals that look out for the health of individual Oregonians while making better use of the state’s limited resources,” said Senator Alan Bates (D-Medford), a practicing family physician of 36 years who has helped lead the transformation movement from its inception. “We must get health care costs under control or the spiraling cost of taking care of Oregonians in need will completely overwhelm the ability of the state to provide other essential services, like quality schools and safe neighborhoods.”

Coordinated care organizations (CCOs) will offer integrated care for Medicaid patients in Oregon with the goal of bringing down the barriers to improving health. Because each community is different, there may be different models for a CCO. SB 1580 includes criteria to ensure that CCOs create a robust provider network, offer excellent health care quality, and control costs. Under the health-focused system outlined in SB 1580, Oregon’s vulnerable populations, seniors, poor and middle class families will have increased access to physicians, nurses, and specialized health care practitioners working together to better serve patients.

“This bill will cut waste in the system while providing greater comprehensive and preventative care for low-income and elderly Oregonians,” said Senator Laurie Monnes Anderson (D-Gresham), a retired public health nurse who chairs the Senate Health Care, Human Services, and Rural Health Policy Committee. “These are significant changes in how we provide care and Oregon’s families and small businesses stand to benefit from them. With these changes in place, Oregon will continue to be a national model in serving its citizens with a health care system that is efficient and prioritizes the ongoing health of the individual.”

Health care reform has been a long-standing priority for Senate Democrats, who have made major advances in expanding care for the last several sessions. SB 1580 takes the next step in a process started in 2009 to

achieve better health outcomes by integrating and coordinating health care and using a global budget to control costs.

“Senate Democrats are committed to continuing our work to transform the delivery of health care for Oregonians. Senate Bill 1580 is a crucial part of our strategy to provide affordable and effective health care to Oregon Health Plan recipients,” said Senate Majority Leader Diane Rosenbaum (D-Portland). “It is clear that our current health care system doesn’t adequately protect our most vulnerable or promote preventative care. We must improve health outcomes and save tax dollars and swift passage of this bill by the Legislature will do both.”

The proposals included in SB 1580 are the product of hundreds of hours of work by legislators, citizens, experts, and members of the Oregon Health Authority work appointed by Governor John Kitzhaber in 2011. SB 1580 now heads to the House of Representatives for consideration.

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