

A-Engrossed
House Bill 2294

Ordered by the House February 17
Including House Amendments dated February 17

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Health Care)

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 establish Oregon Health Information Technology program. Allows authority to participate in or fund health information technology partnerships or collaboratives. Revises membership and duties of Health Information Technology Oversight Council. Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to health information technology; creating new provisions; amending ORS 413.011, 413.300,
3 413.301, 413.303 and 413.308; repealing ORS 413.302 and 413.306; and declaring an emergency.

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

5 **SECTION 1. (1) The Oregon Health Authority shall establish and maintain the Oregon**
6 **Health Information Technology program to:**

7 (a) **Support the Oregon Integrated and Coordinated Health Care Delivery System estab-**
8 **lished by ORS 414.620;**

9 (b) **Facilitate the exchange and sharing of electronic health-related information;**

10 (c) **Support improved health outcomes in this state;**

11 (d) **Promote accountability and transparency; and**

12 (e) **Support new payment models for coordinated care organizations and health systems.**

13 (2) **The authority may engage in activities necessary to become accredited or certified**
14 **as a provider of health information technology and take actions associated with providing**
15 **health information technology.**

16 (3) **The authority may enter into agreements with other entities that provide health in-**
17 **formation technology to carry out the objectives of the Oregon Health Information Tech-**
18 **nology program.**

19 (4) **The authority may establish and enforce standards for connecting to and using the**
20 **Oregon Health Information Technology program, including standards for interoperability,**
21 **privacy and security.**

22 (5) **The authority may conduct or participate in activities to enable and promote the se-**
23 **ecure transmission of electronic health information between users of different health infor-**
24 **mation technology systems, including activities in other states. The activities may include,**
25 **but are not limited to, participating in organizations or associations that manage and enforce**
26 **agreements to abide by a common set of standards, policies and practices applicable to health**

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 **information technology systems.**

2 **(6) The authority may, by rule, impose fees on entities or individuals that use the**
3 **program's services in order to pay the cost of administering the Oregon Health Information**
4 **Technology program.**

5 **(7) The authority may initiate one or more partnerships or participate in new or existing**
6 **collaboratives to establish and carry out the Oregon Health Information Technology**
7 **program's objectives. The authority's participation may include, but is not limited to:**

8 **(a) Participating as a voting member in the governing body of a partnership or**
9 **collaborative that provides health information technology services;**

10 **(b) Paying dues or providing funding to partnerships or collaboratives;**

11 **(c) Entering into agreements with partnerships or collaboratives with respect to partic-**
12 **ipation and funding in order to establish the role of the authority and protect the interests**
13 **of this state when the partnerships or collaboratives provide health information technology**
14 **services; or**

15 **(d) Transferring the implementation or management of one or more services offered by**
16 **the Oregon Health Information Technology program to a partnership or collaborative.**

17 **(8) For the purpose of participating in a partnership or collaborative under subsection (7)**
18 **of this section, the authority is exempt from the Public Contracting Code. The authority**
19 **shall establish standards and procedures and specify the considerations to be applied to**
20 **contracting and procurement activities described in this subsection.**

21 **(9) At least once each calendar year the authority shall report to the Legislative As-**
22 **sembly, in the manner provided in ORS 192.245, on the status of the Oregon Health Infor-**
23 **mation Technology program.**

24 **SECTION 2.** ORS 413.011 is amended to read:

25 413.011. (1) The duties of the Oregon Health Policy Board are to:

26 (a) Be the policy-making and oversight body for the Oregon Health Authority established in ORS
27 413.032 and all of the authority's departmental divisions.

28 (b) Develop and submit a plan to the Legislative Assembly by December 31, 2010, to provide and
29 fund access to affordable, quality health care for all Oregonians by 2015.

30 (c) Develop a program to provide health insurance premium assistance to all low and moderate
31 income individuals who are legal residents of Oregon.

32 (d) Establish and continuously refine uniform, statewide health care quality standards for use
33 by all purchasers of health care, third-party payers and health care providers as quality performance
34 benchmarks.

35 (e) Establish evidence-based clinical standards and practice guidelines that may be used by
36 providers.

37 (f) Approve and monitor community-centered health initiatives described in ORS 413.032 (1)(h)
38 that are consistent with public health goals, strategies, programs and performance standards
39 adopted by the Oregon Health Policy Board to improve the health of all Oregonians, and shall reg-
40 ularly report to the Legislative Assembly on the accomplishments and needed changes to the initi-
41 atives.

42 (g) Establish cost containment mechanisms to reduce health care costs.

43 (h) Ensure that Oregon's health care workforce is sufficient in numbers and training to meet the
44 demand that will be created by the expansion in health coverage, health care system transforma-
45 tions, an increasingly diverse population and an aging workforce.

1 (i) Work with the Oregon congressional delegation to advance the adoption of changes in federal
2 law or policy to promote Oregon's comprehensive health reform plan.

3 (j) Establish a health benefit package in accordance with ORS 741.340 to be used as the baseline
4 for all health benefit plans offered through the Oregon health insurance exchange.

5 (k) Investigate and report annually to the Legislative Assembly on the feasibility and advis-
6 ability of future changes to the health insurance market in Oregon, including but not limited to the
7 following:

8 (A) A requirement for every resident to have health insurance coverage.

9 (B) A payroll tax as a means to encourage employers to continue providing health insurance to
10 their employees.

11 *[(C) The implementation of a system of interoperable electronic health records utilized by all health
12 care providers in this state.]*

13 (L) Meet cost-containment goals by structuring reimbursement rates to reward comprehensive
14 management of diseases, quality outcomes and the efficient use of resources by promoting cost-
15 effective procedures, services and programs including, without limitation, preventive health, dental
16 and primary care services, web-based office visits, telephone consultations and telemedicine consul-
17 tations.

18 (m) Oversee the expenditure of moneys from the Health Care Workforce Strategic Fund to sup-
19 port grants to primary care providers and rural health practitioners, to increase the number of pri-
20 mary care educators and to support efforts to create and develop career ladder opportunities.

21 (n) Work with the Public Health Benefit Purchasers Committee, administrators of the medical
22 assistance program and the Department of Corrections to identify uniform contracting standards for
23 health benefit plans that achieve maximum quality and cost outcomes and align the contracting
24 standards for all state programs to the greatest extent practicable.

25 **(o) Work with the Health Information Technology Oversight Council to foster health in-
26 formation technology systems and practices that promote the Oregon Integrated and Coordi-
27 nated Health Care Delivery System established by ORS 414.620 and align health information
28 technology systems and practices across this state.**

29 (2) The Oregon Health Policy Board is authorized to:

30 (a) Subject to the approval of the Governor, organize and reorganize the authority as the board
31 considers necessary to properly conduct the work of the authority.

32 (b) Submit directly to the Legislative Counsel, no later than October 1 of each even-numbered
33 year, requests for measures necessary to provide statutory authorization to carry out any of the
34 board's duties or to implement any of the board's recommendations. The measures may be filed prior
35 to the beginning of the legislative session in accordance with the rules of the House of Represen-
36 tatives and the Senate.

37 (3) If the board or the authority is unable to perform, in whole or in part, any of the duties
38 described in ORS 413.006 to 413.042 and 741.340 without federal approval, the authority is authorized
39 to request, in accordance with ORS 413.072, waivers or other approval necessary to perform those
40 duties. The authority shall implement any portions of those duties not requiring legislative authority
41 or federal approval, to the extent practicable.

42 (4) The enumeration of duties, functions and powers in this section is not intended to be exclu-
43 sive nor to limit the duties, functions and powers imposed on the board by ORS 413.006 to 413.042
44 and 741.340 and by other statutes.

45 (5) The board shall consult with the Department of Consumer and Business Services in com-

1 pleting the tasks set forth in subsection (1)(j) and (k)(A) of this section.

2 **SECTION 3.** ORS 413.300 is amended to read:

3 413.300. As used in ORS 413.300 to 413.308, **section 1 of this 2015 Act and ORS chapter 414:**

4 [(1) “Electronic health exchange” means the electronic movement of health-related information
5 among health care providers according to nationally recognized interoperability standards.]

6 [(2)] (1) “Electronic health record” means an electronic record of an individual’s health-related
7 information that conforms to nationally recognized interoperability standards and that can be cre-
8 ated, managed and consulted by authorized [*clinicians*] **health care providers** and staff [*across more*
9 *than one health care provider*].

10 [(3)] (2) “Health care provider” or “provider” means a person who is licensed, certified or oth-
11 erwise authorized by law in this state to administer health care in the ordinary course of business
12 or in the practice of a health care profession.

13 (3) **“Health informatics” means the interdisciplinary study of the design, development,
14 adoption and application of information technology based innovations in health care services
15 delivery, management and planning.**

16 (4) “Health information technology” means an information processing application using com-
17 puter hardware and software for the storage, retrieval, sharing and use of health care information,
18 data and knowledge for communication, decision-making, quality, safety and efficiency of a clinical
19 practice. “Health information technology” includes, but is not limited to:

20 [(a) *An electronic health exchange.*]

21 [(b)] (a) An electronic health record.

22 [(c) *A personal health record.*]

23 [(d)] (b) An electronic order from a **health care** provider for diagnosis, treatment or pre-
24 scription drugs.

25 [(e)] (c) An electronic **clinical** decision support system **that links health observations with
26 health knowledge to assist health care providers in making choices for improved health care,
27 for example by providing electronic alerts or reminders.** [*used to:*]

28 [(A) *Assist providers in making clinical decisions by providing electronic alerts or reminders;*]

29 [(B) *Improve compliance with best health care practices;*]

30 [(C) *Promote regular screenings and other preventive health practices; or*]

31 [(D) *Facilitate diagnoses and treatments.*]

32 [(f)] (d) Tools for the collection, analysis and reporting of information or data on adverse events,
33 the quality and efficiency of care, patient satisfaction and other health care related performance
34 measures.

35 (5) “Interoperability” means the capacity of **different health information technology systems
36 and software applications to communicate and exchange data and to make use of the data
37 that has been exchanged.** [*two or more information systems to exchange information or data in an
38 accurate, effective, secure and consistent manner.*]

39 [(6) “Personal health record” means an individual’s electronic health record that conforms to na-
40 tionally recognized interoperability standards and that can be drawn from multiple sources while being
41 managed, shared and controlled by the individual.]

42 **SECTION 4.** ORS 413.301 is amended to read:

43 413.301. (1) There is established a Health Information Technology Oversight Council within the
44 Oregon Health Authority[, *consisting of 11 members appointed by the Governor*]. **The Oregon Health
45 Policy Board shall:**

1 (a) Determine the terms of members on the council and the organization of the council.

2 (b) Appoint members to the council who, collectively, have expertise, knowledge or direct
3 experience in health care delivery, health information technology, health informatics and
4 health care quality improvement.

5 (c) Ensure that there is broad representation on the council of individuals and organiza-
6 tions that will be impacted by the Oregon Health Information Technology program.

7 (2) To aid and advise the council in the performance of its functions, the council may
8 establish such advisory and technical committees as the council considers necessary. The
9 committees may be continuing or temporary. The council shall determine the representation,
10 membership, terms and organization of the committees and shall appoint persons to serve
11 on the committees.

12 (3) Members of the council are not entitled to compensation, but in the discretion of the
13 board may be reimbursed from funds available to the board for actual and necessary travel
14 and other expenses incurred by the members of the council in the performance of their of-
15 ficial duties in the manner and amount provided in ORS 292.495.

16 [(2) The term of office of each member is four years, but a member serves at the pleasure of the
17 Governor. Before the expiration of the term of a member, the Governor shall appoint a successor whose
18 term begins on January 1 next following. A member is eligible for reappointment. If there is a vacancy
19 for any cause, the Governor shall make an appointment to become immediately effective for the unex-
20 pired term.]

21 [(3) The appointment of the Health Information Technology Oversight Council is subject to confir-
22 mation by the Senate in the manner prescribed in ORS 171.562 and 171.565.]

23 [(4) A member of the Health Information Technology Oversight Council is not entitled to compen-
24 sation for services as a member, but is entitled to expenses as provided in ORS 292.495 (2). Claims for
25 expenses incurred in performing the functions of the council shall be paid out of funds appropriated to
26 the Oregon Health Authority for that purpose.]

27 **SECTION 5.** ORS 413.303 is amended to read:

28 413.303. (1) The [Governor shall appoint] **Health Information Technology Oversight Council**
29 **shall select** one of the **council's** members [of the Health Information Technology Oversight Council
30 as chairperson and another as vice chairperson, for such terms] **as chairperson, for such term** and
31 with such duties and powers necessary for the performance of the functions of [those offices] **the**
32 **chairperson** as the [Governor] **Oregon Health Policy Board** determines.

33 (2) A majority of the members of the council constitutes a quorum for the transaction of busi-
34 ness.

35 (3) The council shall meet at least quarterly at a place, day and hour determined by the council.
36 The council may also meet at other times and places specified by the call of the chairperson or of
37 a majority of the members of the council.

38 **SECTION 6.** ORS 413.308 is amended to read:

39 413.308. The duties of the Health Information Technology Oversight Council are to:

40 [(1) Set specific health information technology goals and develop a strategic health information
41 technology plan for this state.]

42 [(2) Monitor progress in achieving the goals established in subsection (1) of this section and provide
43 oversight for the implementation of the strategic health information technology plan.]

44 [(3) Maximize the distribution of resources expended on health information technology across this
45 state.]

1 *[(4) Create and provide oversight for a public-private purchasing collaborative or alternative*
2 *mechanism to help small health care practices, primary care providers, rural providers and providers*
3 *whose practices include a large percentage of medical assistance recipients to obtain affordable rates*
4 *for high-quality electronic health records hardware, software and technical support for planning, in-*
5 *stallation, use and maintenance of health information technology.]*

6 *[(5) Identify and select the industry standards for all health information technology promoted by*
7 *the purchasing collaborative described in subsection (4) of this section, including standards for:]*

8 *[(a) Selecting, supporting and monitoring health information technology vendors, hardware, soft-*
9 *ware and technical support services; and]*

10 *[(b) Ensuring that health information technology applications have appropriate privacy and security*
11 *controls and that data cannot be used for purposes other than patient care or as otherwise allowed by*
12 *law.]*

13 *[(6) Enlist and leverage community resources to advance the adoption of health information tech-*
14 *nology.]*

15 *[(7) Educate the public and health care providers on the benefits and risks of information technol-*
16 *ogy infrastructure investment.]*

17 *[(8) Coordinate health care sector activities that move the adoption of health information technology*
18 *forward and achieve health information technology interoperability.]*

19 *[(9) Support and provide oversight for efforts by the Oregon Health Authority to implement a per-*
20 *sonal health records bank for medical assistance recipients and assess its potential to serve as a fun-*
21 *damental building block for a statewide health information exchange that:]*

22 *[(a) Ensures that patients' health information is available and accessible when and where they need*
23 *it;]*

24 *[(b) Applies only to patients who choose to participate in the exchange; and]*

25 *[(c) Provides meaningful remedies if security or privacy policies are violated.]*

26 *[(10) Determine a fair, appropriate method to reimburse providers for their use of electronic health*
27 *records to improve patient care, starting with providers whose practices consist of a large percentage*
28 *of medical assistance recipients.]*

29 *[(11) Determine whether to establish a health information technology loan program and if so, to*
30 *implement the program.]*

31 **(1) Identify and make specific recommendations related to health information technology**
32 **to the Oregon Health Policy Board to achieve the goals of the Oregon Integrated and Coor-**
33 **ordinated Health Care Delivery System established by ORS 414.620.**

34 **(2) Regularly review and report to the board on the Oregon Health Authority's health**
35 **information technology efforts, including the Oregon Health Information Technology pro-**
36 **gram, toward achieving the goals of the Oregon Integrated and Coordinated Health Care**
37 **Delivery System.**

38 **(3) Regularly review and report to the board on the efforts of local, regional and state-**
39 **wide organizations to participate in health information technology systems.**

40 **(4) Regularly review and report to the board on this state's progress in the adoption and**
41 **use of health information technology by health care providers, health systems, patients and**
42 **other users.**

43 **(5) Advise the board or the Oregon Congressional Delegation on changes to federal laws**
44 **affecting health information technology that will promote this state's efforts in utilizing**
45 **health information technology.**

1 **SECTION 7.** ORS 413.302 and 413.306 are repealed.

2 **SECTION 8.** (1) Section 1 of this 2015 Act, the amendments to ORS 413.011, 413.300,
3 413.301, 413.303 and 413.308 by sections 2 to 6 of this 2015 Act and the repeal of ORS 413.302
4 and 413.306 by section 7 of this 2015 Act become operative on July 1, 2015.

5 (2) The Oregon Health Authority may take any action before the operative date specified
6 in subsection (1) of this section that is necessary to enable the authority to carry out the
7 provisions of section 1 of this 2015 Act, the amendments to ORS 413.011, 413.300, 413.301,
8 413.303 and 413.308 by sections 2 to 6 of this 2015 Act and the repeal of ORS 413.302 and
9 413.306 by section 7 of this 2015 Act.

10 **SECTION 9.** This 2015 Act being necessary for the immediate preservation of the public
11 peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect
12 on its passage.

13
