

AOC Governance Steering Committee
Draft 2012 Workplan
2-6-2012

1. **Committee Jurisdiction-** Public policy issues, legislation and administrative rulemaking related to the operation and management of county government. Including, but not limited to:
 - Labor and Personnel issues
 - County finance and revenue
 - Public Purchasing and Contracting
 - Elections and Recording
 - Public Meetings, Public Records and Ethics
 - Local Budget law
 - Other issues related to the Governing process

2. **Committee Structure-** Committee co-chairs. Members of the committee include elected judges and commissioners as well as other elected and appointed county officers, including members of recognized affiliate and associate groups such as the County Administrators, Clerks, Treasurers, Assessors and Tax Collectors.

3. **Committee Mission Statement-** “Exploring and advancing ideas that promote the most efficient delivery of services and activities, while providing the necessary resources, governance processes, management activities, and accountability to ensure the effective operation of government.”

4. **Committee Meetings-** The Committee will generally meet monthly on the second Monday from 10:00 a.m. to 11:45 a.m. at the Local Government Center in Salem.

5. **Focus of Committee’s 2012 work-**
 - Defend and advocate for county interests during the February 2012 legislative session. Specific issues include:
 - i. Resist Employment Relations Board budget cost-shift to local government.
 - ii. Keep central assessment discussions narrowed to data-center issue.
 - iii. Defend county interests against cost-prohibitive public contracting legislation.
 - Develop policy issues and priorities in preparation for the 2013 legislative session. Focus on proposals to remove barriers in state law that impede counties from efficiently providing services and ideas to put counties on more stable financial ground.
 - Coordinate with City-County Insurance Services, Local Government Personnel Institute and other local government entities on activities that fit within AOC Governance committee principles.
 - Continue to maintain active involvement and communication with state and federal agencies on emerging and ongoing issues.
 - Work to enhance the abilities of counties to continue to provide the services necessary to the citizens of the state.

Proposed Health Care Transformation language that supports an enhanced county governance role.

(NOTE: These amendments have been prepared by staff and will be reviewed by the AOC Legislative Committee on Monday, February 6.)

Over the past few months AOC has attempted to influence health care transformation legislation regarding governance of coordinated care organizations (CCOs) through a variety of channels. AOC lobbied for a stronger role during the HB 3650 discussions, through the workgroups that met over the summer and through public testimony to the Oregon Health Policy Board. The Oregon Health Authority (OHA) developed the "Implementation Proposal" based on the feedback they received from every stakeholder group including AOC.

The current version of OHA's Implementation Proposal is silent on counties involvement in the governance of CCOs. While it does not prohibit county participation in governance, it does not make it necessary. In an attempt to strengthen this issue, AOC would like the endorsement of the legislative committee to support specific language to require county involvement in the governance of CCO. AOC has developed four potential options for legislative committee review.

- **OPTION 1 – HEALTH COUNCILS. Offers all counties the opportunity to form health councils, as was provided to Central Oregon in SB 204 (2011), Oregon Laws, Chapter 418.**

SECTION 1. (1) Any county or counties may form a health council when the governing body of each participating county adopts a resolution signifying the body's intention to do so.

SECTION 2. (1) The governing body of the health council shall consist of the following members, at a minimum:

(a) A formative governing body consisting of:

(A) One member each from the governing bodies of each county that is participating in the council, appointed by each body;

(B) The chief executive officers, or designees of the chief executive officers, of the health care systems serving the region; and

(C) The chief executive officers, or a designees of the chief executive officers, of the Medicaid contractors serving the region; and

(b) At least three members appointed by the formative council established under paragraph (a) of this subsection. Members appointed under this paragraph shall be representatives of:

(A) Consumers or consumer advocates of physical and behavioral health services;

(B) Health care professionals;

(C) School districts or educational service districts; or

(D) The business community

(2) The term of office of the members of the governing body is four years.

(3) A majority of the members of the governing body constitutes a quorum for the transaction of business.

(4) The governing body shall elect a member of the governing body to serve as the chairperson.

5) If there is a vacancy for any cause, the appointing authority shall make an appointment to the vacated position to become effective immediately.

(6) The governing body may enter into necessary contracts, apply for and receive grants, hold and dispose of property and take other actions necessary to carry out the activities, services and responsibilities assumed by the governing body.

(7) The governing body may adopt rules necessary for the operation of the governing body.

SECTION 3. (1) A health council formed under Section 1 of this act may enter into agreements with a coordinated care organization for the purpose of promoting effective delivery of integrated health care to residents of the participating county or counties.

(2) A council shall consult with the Oregon Health Authority in the formation and execution of health council functions.

(3) The council shall implement the requirements of the local mental health authority in determining local needs for mental health services and developing a comprehensive local plan for the delivery of mental health services, pursuant to ORS 430.620(11) and the local public health authority in developing the local annual plan pursuant to ORS 431.385.

- **OPTION 2 – FINANCIAL RISK. Specifies that counties have a financial risk in the coordinated care organization structure.**

Amend ORS 414.625 as follows:

(o) Each coordinated care organization has a governance structure that includes:

(A) A majority interest consisting of the persons **or entities** that share in the financial risk of the organization;

(B) The major components of the health care delivery system; and

(C) The community at large, to ensure that the organization's decision-making is consistent with the values of the members and the community.

(2) Recognizing the financial risk to counties as providers of last resort, the interests of public health authorities pursuant to ORS 431.375(2) and local mental health authorities pursuant to ORS 430.630(1) shall be represented in the coordinated care organization governance structure. Financial risks represented by county participation in the coordinated care organization include, but are not limited to:

- (a) Contributing general, special or in-kind funds to supplement community health needs;
- (b) Delivering health care safety net services;
- (c) Delivering health care for incarcerated adults and youths; or
- (d) Assuming financial responsibility for civilly committed persons.

(3) [(2)] The authority shall consider the participation of area agencies and other nonprofit agencies in the configuration of coordinated care organizations.

(4) [(3)] On or before July 1, 2014, each coordinated care organization must have a formal contractual relationship with any dental care organization that serves members of the coordinated care organization in the area where they reside. [2011 c.602 §4]

- **OPTION 3 – COMMUNITY VALUES.** Specifies that counties as the public health and mental health authorities express community values in determining community needs and creating community plans for public and mental health.

Amend ORS 414.625(1) as follows:

- (o) Each coordinated care organization has a governance structure that includes:
 - (A) A majority interest consisting of the persons that share in the financial risk of the organization;
 - (B) The major components of the health care delivery system; and
 - (C) The community at large, **including representatives of the local public health authority pursuant to ORS 431.375(2) and the local mental health authority pursuant to ORS 430.630(11)**, to ensure that the organization’s decision-making is consistent with the values of the members and the community.

- **OPTION 4 – LOCAL GOVERNING BODY REPRESENTATION.** Requires the coordinated care governing board to include a representative of the local governing board.

Amend ORS 414.625(1) as follows:

- (o) Each coordinated care organization has a governance structure that includes:
 - (A) A majority interest consisting of the persons that share in the financial risk of the organization;
 - (B) The major components of the health care delivery system; and
 - (C) The community at large to ensure that the organization’s decision-making is consistent with the values of the members and the community.
 - (D) **An elected official or designee representing the governing body of the local public health authority as defined in ORS 431.375 and the local mental health authority as defined in ORS 430.630 (11), unless the county declines to participate.**

Date: February 6, 2012

To: Governance Committee
Legislative Committee

From: Gil Riddell, policy coordinator

Subject: Tax exemption for property of Indian Tribe used exclusively for certain government services: HB 4041.

Requested Action: Renew AOC support for the tax exemption of property of an eligible Indian Tribe used exclusively for certain government services. The 2012 version (House Bill 4041) is even more narrow and manageable than the -5 amendments to HB 2566 (2011), which was supported by AOC.

Background: During the 2011 session, AOC spent months negotiating with the nine federally recognized Oregon Tribes on a tax exemption for property used exclusively for government services. Among the sticky issues was how to define and limit “government services”. With the -5 amendments to HB 2566, AOC agreed to the exemption. AOC did this “out of respect for and partnership with the Tribes, out of recognition of a fellow government, and to further good faith efforts to improve the vitality of all communities within our counties”. Nevertheless, the House Revenue Committee referred the bill to the interim for further work.

The 2012 version, HB 4041, is even more focused and manageable. A Tribe must exclusively own the property, or portion of property, and use that property exclusively for government services. “Government services” is defined as:

- Equivalent to services that a state, local government, or federal government customarily provides to its citizens; and
- Be related to tribal administration; tribal facilities or tribal health facilities; elementary, secondary, or higher education; transportation; fire or police; low-income housing; utility services (i.e., sanitation, sewer, storm drainage, and water); and cemeteries; and
- Do not generate income, other than fees to cover actual cost of goods or services.
- “Low-income housing” will likely be amended with more detail to refer to a relevant federal program and line up with Housing Authority law, i.e., permit certain leased property to be eligible, use the standard definition of “low-income” (at or below 60% of area median income), and permit some income generation; plus be limited to a county in which more than 10% of the enrolled tribal members reside.

Removed from -5 of HB 2566 (2011): archaeological sites, ceremonial sites, natural gas and electric distribution, internet service, telecommunication, radio and television, and education generally.

Moreover, AOC will offer amendments to require the Tribe to file for the exemption, specifying the properties effected, with the county assessor.



AOC Governance Committee Bills of Interest

Public Contracting

HB 4034- <http://www.leg.state.or.us/12reg/measpdf/hb4000.dir/hb4034.intro.pdf>
“Prompt Pay” bill addressing payments from general contractor to subcontractors.

HB 4115- <http://www.leg.state.or.us/12reg/measpdf/hb4100.dir/hb4115.intro.pdf>
Fee on state and local government public contracts to pay for audits by Secretary of State audits division.

HB 4130- <http://www.leg.state.or.us/12reg/measpdf/hb4100.dir/hb4130.intro.pdf>
Numerous burdensome contracting provisions.

HB 4142- <http://www.leg.state.or.us/12reg/measpdf/hb4100.dir/hb4142.intro.pdf>
Mandatory preference for Oregon-based providers of recycled paper.

HB 4144- <http://www.leg.state.or.us/12reg/measpdf/hb4100.dir/hb4144.intro.pdf>
Several burdensome contracting provisions.

Revenue/Assessment and Taxation

HB 4041- <http://www.leg.state.or.us/12reg/measpdf/hb4000.dir/hb4041.intro.pdf>
Tribal property tax exemption.

HB 4066- <http://www.leg.state.or.us/12reg/measpdf/hb4000.dir/hb4066.intro.pdf>
Central Assessment, Enterprise Zones and data centers (Rep. Gilliam version)

HB 4067- <http://www.leg.state.or.us/12reg/measpdf/hb4000.dir/hb4067.intro.pdf>
Central Assessment, Enterprise Zones and data centers (Rep. McLane version)

SB 1532- <http://www.leg.state.or.us/12reg/measpdf/sb1500.dir/sb1532.intro.pdf>
Central Assessment, Enterprise Zones and data centers (Senate version)

Elections & Recording

Still being drafted at time of writing, however, will address “destruction of unused ballots” in one bill and “cross-nominations and abbreviation of party names” in another bill.

Public Meetings

SB 1526- <http://www.leg.state.or.us/12reg/measpdf/sb1500.dir/sb1526.intro.pdf>

Intended to address the *Dumdi v. Handy* case and clarify what constitutes a meeting of a quorum of a governing body. Amended version is attached and likely to move forward in Senate Judiciary.

PERS/Other Benefits

HB 4099- <http://www.leg.state.or.us/12reg/measpdf/hb4000.dir/hb4099.intro.pdf>

Requires creating a reserve account to fund “implicit retiree health care rate subsidies” and other benefits given to retirees.