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**From:** Sen Prozanski  
**Sent:** Friday, June 12, 2015 10:10 AM  
**To:** KEELING Ryan W \* DCBS  
**Subject:** Proposed Sale of Agate Resources to Centene Corp.

Ryan,

Thank you for the opportunity to comment on the proposed sale of Agate Resources, the parent company of Trillium Community Health Plans, to Centene Corporation.

In its role as Lane County's Coordinated Care Organization, Trillium is the custodian of and conduit for approximately \$400 million a year in public funds that are intended to be used to provide services for the roughly 100,000 low-income Oregon Health Plan clients in Lane County. As such, Trillium serves a vital public function.

As Lane County's CCO, Trillium differs from other private-sector insurance companies in the state: It is not providing market-rate health insurance services to members of the general public who have the ability to pick and choose among providers in a competitive business environment. Rather, as the Lane County CCO, Trillium is in effect an extension of government, using public funds to provide health services to low-income individuals who have no choice but to subscribe to its coverage. These individuals have a legal right to the health insurance that Trillium is obligated to provide.

The proposed sale of Agate takes Oregon into uncharted territory. No CCO in Oregon has previously been sold to an out-of-state for-profit insurer.

Taking into account the above factors, this proposed sale demands extraordinary scrutiny by the Oregon Insurance Division. Should the Division approve the sale, it is vital to attach conditions that protect the rights of Trillium's clients to receive the care to which they are entitled, and ensure full transparency in the use of the substantial public funds that are involved.

Because OHP clients are in effect a captive market, and to ensure these clients get their full measure of taxpayer-funded health care services, the Division should consider limiting the insurer's annual profit-taking. To ensure transparency in the disposition of public funds flowing through the CCO, the insurer's budget-setting process should be open to public view and public comment. Further, the CCO's governing board should include representatives from a range of health-care providers in the CCO's market who provide direct services to OHP clients. This would ensure that a range of voices are heard.

The Trillium CCO plays a unique role in Lane County's health insurance market. Using public money, it serves a vulnerable population with many unique health-care needs that has no other health insurance provider it can turn to. Please ensure that this vulnerable population is well served with those funds.

Very truly,

Floyd Prozanski  
State Senator  
District 4