

Oregon's Health System Transformation

Update to House Health Care Committee

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The Context of Our Work

- Unsustainable health care costs
- Rising needs (caseload, economic conditions)
- Uncoordinated health care system
- Federal health reform (ACA)

Traditional Budget Balancing

- Cut people from coverage
- Reduce provider payment rates
- Cut benefits

Oregon's Response

Change how care is delivered

- Create local accountability for health, outcomes and cost
- Reduce waste
- Improve health
- Align financial incentives
- Pay for outcomes
- Create fiscal sustainability

Oregon's Response

- House Bill 3650 created Coordinated Care Organizations
- Senate Bill 1580 launched them
- Bi-partisan support from the legislature
- Followed a year of public input – more than 75 public meetings and tribal consultations

Coordinated Care Organizations

- A local network of all types of health care providers working together to deliver care for Oregon Health Plan clients.
- Governed by health providers, consumers, those taking financial risk

Coordinated Care Organizations

- Community-based, strong consumer involvement in governance that bring together the various providers of services
- Responsible for full integration of physical, behavioral and oral health
- Global budget
 - Revenue flexibility to allow innovative approaches to prevention, team-based care
 - Opportunities for shared savings
- Accountable for health outcomes

Progress Since Last Session

- Legislation signed
- Communities throughout Oregon respond with new partnerships, ideas, enthusiasm and lots of work
- Waiver submitted to CMS and approved in July
- Large procurement, RFP's, awards within 4 months
- Contracts finalized and first CCOs operational within 5 months of bill signing
- Rules process completed
- Fee for Service clients transitioned into CCO's
- Quality metrics established
- Terms and Conditions of Waiver finalized with CMS 12/17.

Oregon's Commitments to CMS:

- Reduce the annual increase in the per capita cost of care (the cost curve) by 2 percentage points
- Ensure that quality of care improves
- Ensure that population health improves
- Establish a 1% withhold for timely and accurate reporting of data
- Establish a quality pool and begin to shift payment from quantity to outcomes
- Establish primary care loan repayment program
- Train community health workers

CCO's

- Three waves of CCO's have come online
- Today, 15 CCO's are operational
- 600,000 OHP members (~90% of Medicaid recipients) have now been transitioned into a new CCO



**Across Oregon, unprecedented
collaboration**

First CCOs have been
operating 189 days
...and the youngest is
97 days old

Coordinated Care Organizations

Serving clients August 1, 2012

CCO Applicant Name	Service Area by County
AllCare Health Plan, Inc. - Mid Rogue Independent Physician Association, Inc.	Curry, Josephine, Jackson, Douglas (partial)
FamilyCare, Inc.	Clackamas, Marion (partial), Multnomah, Washington
Intercommunity Health Network CCO	Benton, Lincoln, Linn
PacificSource Community Solutions, Inc.	Crook, Deschutes, Jefferson, Klamath (partial)
Trillium Community Health Plan, Inc.	Lane
Umpqua Health Alliance - DCIPA, LLC	Most of Douglas
Western Oregon Advanced Health, LLC	Curry, Coos
Willamette Valley Community Health, LLC	Marion, most of Polk

Coordinated Care Organizations

Serving clients September 1, 2012

CCO Applicant Name	Service Area by County
Columbia Pacific Coordinated Care Organization, LLC	All of Clatsop, Columbia and Tillamook counties; parts of Coos and Douglas counties
Eastern Oregon Community Care Organization	Baker, Malheur, Union, Wallowa (Sept. 1); Sherman (Oct. 1); Morrow, Umatilla, Wheeler, Grant, Harney, Lake (Nov. 1); Gilliam (certified - date to begin serving clients pending)
Jackson Care Connect	Jackson County
PrimaryHealth of Josephine County, LLC	Josephine County and parts of Douglas and Jackson counties
Health Share of Oregon	Clackamas, Multnomah and Washington counties

Coordinated Care Organizations

Serving clients November 1, 2012

CCO Applicant Name	Service Area by County
Pacific Source - Columbia Gorge CCO	Hood River and Wasco counties
Yamhill County CCO	Yamhill County, parts of Marion, Clackamas and Polk counties

OHP member transition

- 600,000 OHP members transitioned into a new CCO without difficulty
- Special mail notices and customer service lines were established to aid in transition
- Information and enrollment system are stable – no major disruptions

Key Levers for System Transformation

- Care coordination throughout the system
- Alternative payment methodologies
- Integration of physical, behavioral, oral health
- Community-based focus
- Flexible services
- Testing, accelerating and spreading innovations

Supports for Transformation

- Transformation Center and Innovator Agents
- Learning collaboratives
- Peer-to-peer and rapid-cycle learning systems
- Community health assessments and community improvement plan
- Non-traditional healthcare workers
- Primary care home support
- Technical assistance in addressing health equity

Supports for Transformation

- Transformation Plans being developed by each CCO – first drafts are in, finalized in March.
- Rules filed for certifying non-traditional health worker training programs
- Innovator agents being hired

Metrics have been established and approved by CMS

17 metrics in seven areas:

- Addressing chronic conditions
- Reducing preventable and costly utilization
- Integrating physical and behavioral health care
- Improving access to effective and timely care
- Improving perinatal and maternity care
- Reducing preventable rehospitalizations
- Improving primary care for all populations

2% of budget to be paid for outcomes.

Reporting

- Metrics will be reported quarterly and posted on OHA website
- Financials posted quarterly
- Ability to compare CCO performance
- Transformation plans will be final in March and posted

CCO's Transforming Care

- In Southern Oregon, AllCare Health Plan is partnering with local hospitals to reduce unnecessary ER visits by referring patients to a primary care provider. More than half of their members are now enrolled and receiving care in a recognized primary care home.
- In Bend, PacificSource Community Solutions CCO is developing a complex care model for patients with chronic and complex conditions. In partnership with the community, they are building a specialized clinic to help people manage complex health needs.
- Metro tri-county area Health Share of Oregon is hiring 25 – 30 community outreach workers over the next three years to help people manage the most acute and chronic conditions.

CCO's Transforming Care

- Trillium Community Health Plan is setting aside \$10 per member per year from its global budget to help the Lane County public health department develop evidence-based tobacco prevention measures.
- In the Columbia Gorge, PacificSource Community Solutions CCO is moving ahead with health information technology that will allow the CCO to identify members for whom it is accountable, link members to providers, track the care each member receives, and assess care management.
- The Umpqua Health Alliance has been working to better integrate mental and physical health care. Has already seen the number of physician referrals increase from two or three referrals per month to 75 in the past month.
- Willamette Valley Community Health has hired a non-traditional health worker to work with patients with histories of high utilization and develop a patient-centered plan to meet the needs of the member.

Just Some of the Current and Future Challenges We Are Working to Address

- Time and resources
- Change is hard
- Integrating dental care
- Ensuring robust provider networks to meet client needs
- Transforming care and paying for outcomes
- Accounting for “flexible” services
- Anti-trust

Just Some of the Current and Future Challenges We Are Working to Address

- Penalties for failure to achieve cost, quality and access benchmarks
- Training and using new health care workers
- Increasing consumer engagement and personal responsibility for health
- Health Information Exchange
- Integrating with early learning and education systems