

**Oregon Health Policy Board
Proposed Recommendations**

Strengthening primary, preventive & chronic care infrastructure

Issue Background

Oregon is counting on primary care providers to transform care delivery but is not changing payment incentives at the same pace and not investing sufficiently in technical assistance to help providers adopt new models of care. There are numerous pilot projects occurring across the state but project design and payer participation vary widely, leaving some providers under-supported and others trying to juggle different initiatives and incentives across payers. Sustainability of these pilot projects is also a concern.

In fall of 2013, a majority of payers in the state signed a voluntary agreement to use the Oregon Health Authority's (OHA) Patient-Centered Primary Care Home (PCPCH) recognition as a common marker of primary care transformation and make variable payments to practices based on their level of recognition. Providers are reporting that the multi-payer primary care agreement signed in late 2013 has not resulted in meaningful payment changes for many. Uneven payer commitment means that some groups stand to reap the benefits of transformation without investing in the change. Subsequent to this agreement in December 2013, the Oregon Health Policy Board (OHPB) made a recommendation to the Governor to expand and improve the primary, preventive, and chronic care infrastructure, specifically by increasing resources directed toward that infrastructure.

Key Elements to Proposal

- Establish a multi-payer primary care collaborative. All major payersⁱ in Oregon should be required to participate to maximize the possibility for alignment across payers. Direct the collaborative to:
 1. Identify a limited set of alternative payment methods (APMs) for primary care that would be implemented broadly by all participating payers. A limited set of options means that providers are less likely to experience conflicting incentives. However, payers could also experiment with other payment models outside the collaborative.
 2. Develop a formula to ensure that payers contribute equitably to technical assistance for practice transformation. Actual technical assistance (TA) would be delivered by a network of existing TA entities and would include re-training for existing health professionals.
 3. Establish clear benchmarks for initiative success. If the benchmarks are not met, the initiative would sunset; if they are met, it would transition to routine business practice.
- This proposal is not tied to any particular model of primary care transformation (e.g. PCPCH) or provider specialties. The multi-payer collaborative would have broad flexibility to identify an innovative menu of APMs.

ⁱ Major payer means an insurer with annual premium income at a threshold established by the Department of Consumer and Business Services by rule or a third party administrator or self-insured employer that annually processes payments to health care providers in amounts established by the department rule.