
Oregon Health Authority Wrap-Up Governor's Balanced Budget 2017-2019

Presented to the Human Services
Legislative Sub-committee on Ways and Means
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Oregon Health Authority Priorities

Mission: Helping people and communities achieve optimum physical, mental and social well-being through partnerships, prevention and access to quality, affordable health care.



Strategic Business Priorities

Business Priority	Leads	Milestone	Q1 2016	Q2 2016	Q3 2016	Q4 2016
Make Oregon Health Plan member experience with Oregon's Medicaid program simpler, easier more timely and reliable	Mark Fairbanks	Comprehensive production scorecards				
		Predictive staffing plan				
	Dr. Varsha Chauhan	Employee satisfaction and retention				
		Stakeholder satisfaction				
		External Data Accuracy (ONE System)				
		Internal Data Accuracy (dashboards)				
Create behavioral health system that works for all Oregonians	Greg Roberts	USDOJ - Oregon's Performance Plan				
	Leslie Clement	BH Leadership				
	Dr. Jim Rickards	BH Collaborative				
Address inequities, disparities and disproportionate impact to achieve health equity in OHA health systems	Leann Johnson, Dr. Varsha Chauhan	Decrease the number of linguistically diverse OHP members missing re-enrollment deadline in the ONE System				
	Leann Johnson, Lillian Shirley	Increase behavioral health completion rates for ethnically and linguistically diverse populations				
	Leann Johnson, Lillian Shirley	Increase colorectal cancer screening in the Latino population				
Accelerate health systems transformation and maximize the value of our investment	Lori Coyner	Quarterly HST Reports				
	Leslie Clement	Action Plan for Health - OHPB roadmap for HST 2.0				
	Dr. Jim Rickards Dr. Varsha Chauhan	Future of COOs and next steps for Oregon's CCM				
Advance Oregon's Health system transformation through renewal of our 1115 Medicaid Demonstration Waiver	Leslie Clement	HTTP waiver amendment				
	Lori Coyner	Global Budget				
		Waiver Renewal with Community Health Partnerships				
Modernize Oregon's public health system	Lillian Shirley	Public Health Modernization Assessment Report; Report to Legislative Fiscal Office				
		Health outcome and economic analysis report				
		Public health modernization plan				
		Public health accountability metrics				

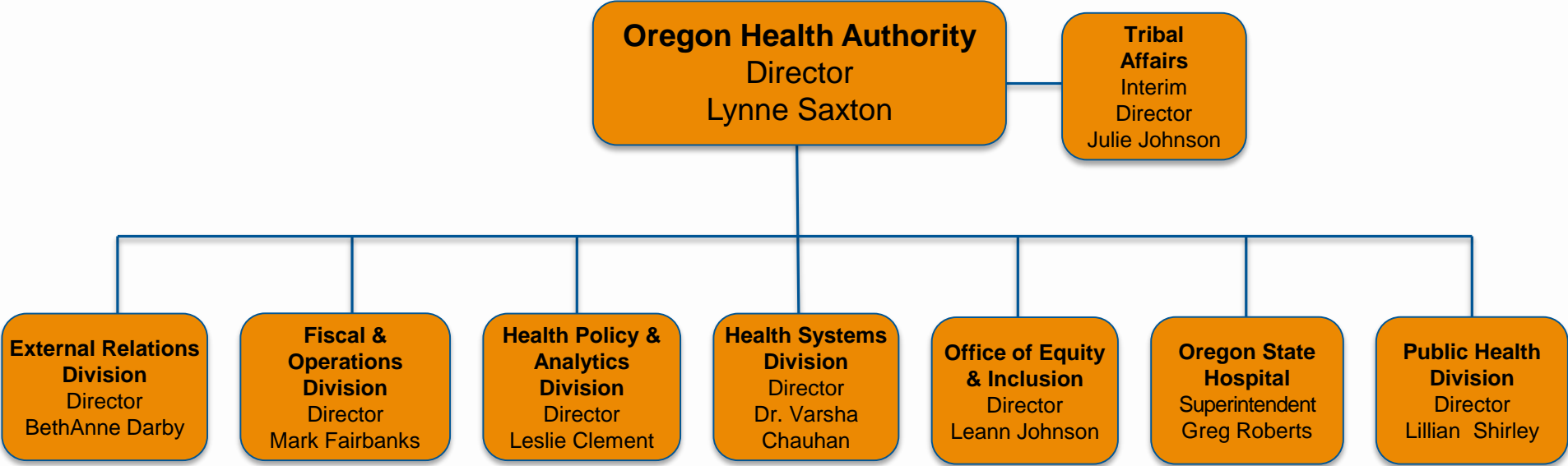
- Make OHP member experience simpler, easier, more timely and reliable
- Create behavioral health system that works for all Oregonians
- Address inequities and disparities to achieve health equity
- Accelerate health system transformation and maximize ROI
- Renewal of Medicaid waiver
- Modernize Oregon's public health system

Strategic Business Priorities, cont.

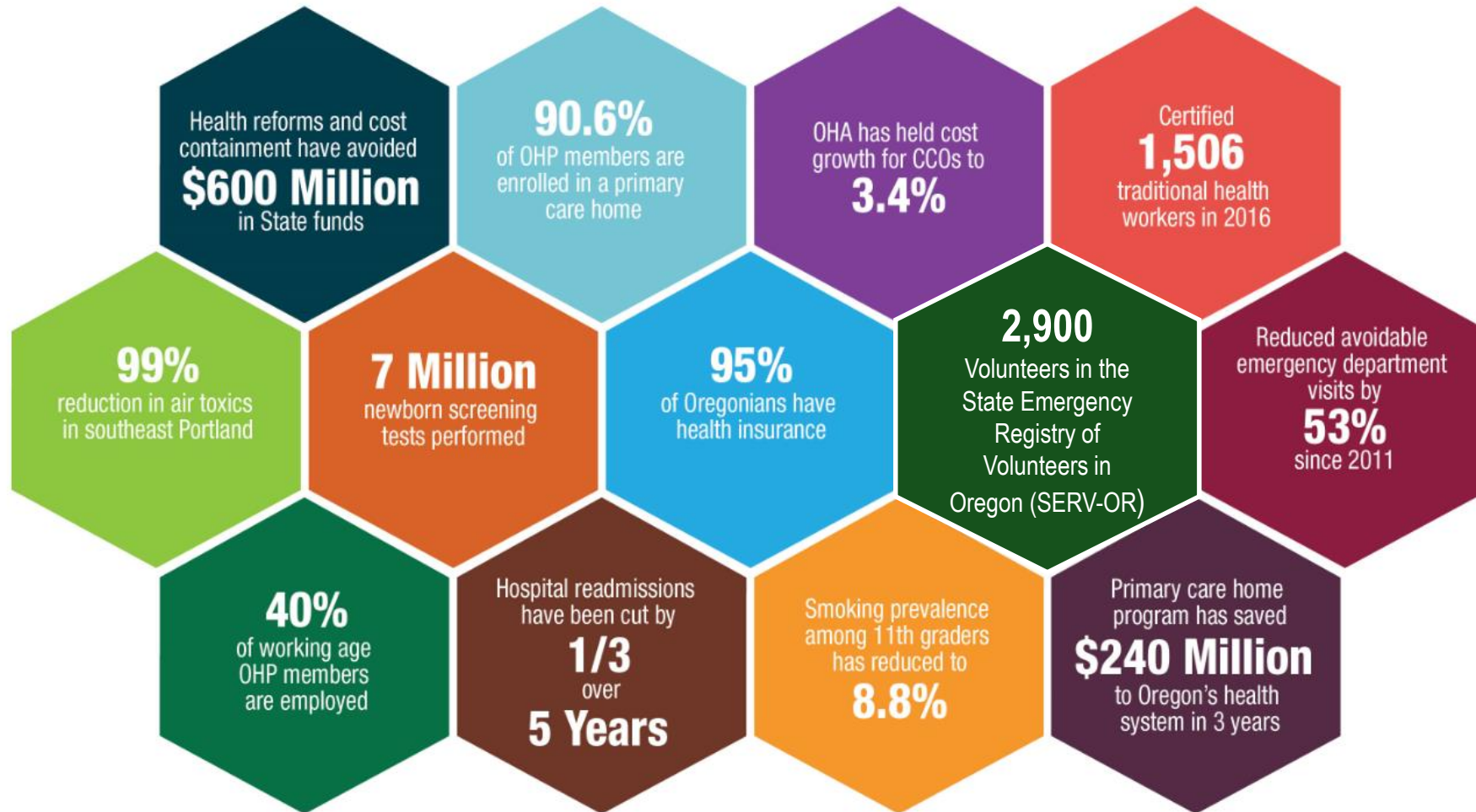
Address rising pharmaceutical costs	Dr. Jim Rickards	Pharmacy Cost Collaborative Formed - CCO's, OEBC/PEBB, OSH, OPDP				
	Dr. Varsha Chauhan	Begin participation in SMART D multi-stakeholder collaborative & foundational research begun				
		Alternative Payment Model (APM) development begun				
		CCO & FFS specialty drug alignment discussions initiated regarding purchasing leverage for lowest net cost to state				
		Development of OHA wide specialty drug def in context of waiver & CMS understanding to carve out of 3.4% test				
		Risk Corridor for Hep C in Development for CCO's with clinical performance element component included				
Implement Oregon's retail and medical marijuana laws to protect public health	Lillian Shirley	Adopt permanent rules implementing HB 3400 (Oregon Medical Marijuana Act)				
	Dr. Jim Rickards	Registration of dispensaries, processors and grow sites. Implement inventory tracking and reporting database				
		Youth Marijuana Prevention and Education curricula and pilot project				
Maintain a fiscally sustainable budget	Mark Fairbanks	2015-17 Budget Execution				
		Kate Nass	2017 CCO Rate Development			
	Janell Evans	2017-19 Budget Development				
		Audray Minnieweather	Develop NEO			
Empower and strengthen the skills and capabilities of OHA's employees	Audray Minnieweather	ID and develop talent pool for executive succession planning				
		Develop competencies for managers and executives by classification				
		Identify existing gaps for mid-level managers				
		Identify gaps existing for executive level managers				
		Employee Engagement and leadership Survey				

- Address pharmacy costs
- Implement Oregon's retail and medical marijuana laws to protect public health
- Maintain a fiscally sustainable budget
- Empower and strengthen skills and capabilities of employees

Oregon Health Authority Organizational chart



Oregon Health Authority Results



Oregon Health Authority Reorganization

2015 restructure of the agency to better serve Oregonians.

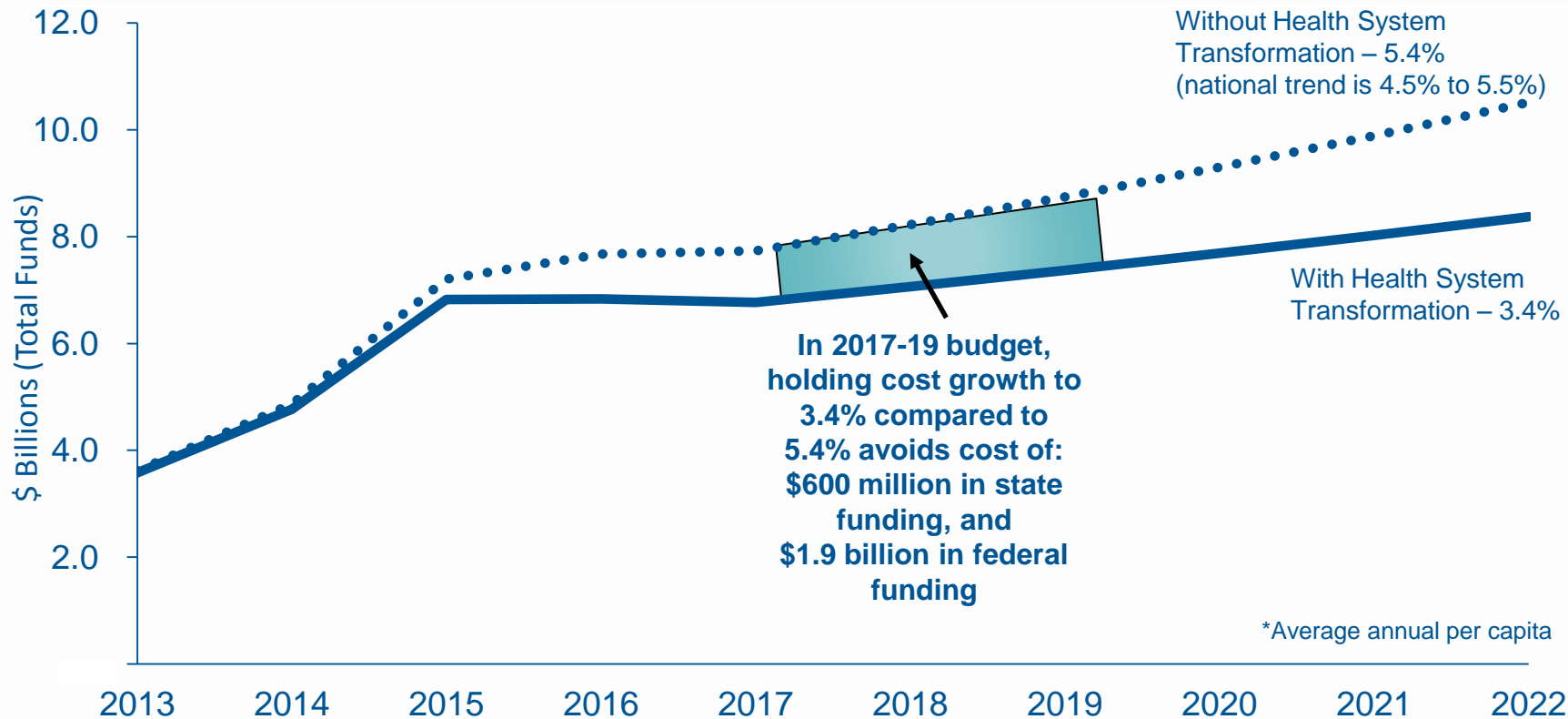
- Used the Lean model (performance management system)
- Structured the agency into seven divisions focused on performance
- Eliminated over 200 double fills
- Budget neutral
- Moved all divisions into stoplight/dashboard reporting including a review of positions, finance and performance on monthly basis

Cost Containment Commitment

2017-19 Medicaid/OHP Budget –

Oregon bends the cost curve and avoids billions in health care costs

Oregon met 3.4% average annual growth rate* through 2016 and commits to 3.4% through 2022

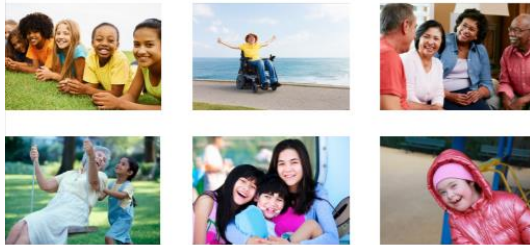


We're bending the cost curve!



Key Data Reports to Demonstrate Results

Oregon's Health System Transformation Quarterly Legislative Report Q2 & Q3 2016



Published January 2017



Quarterly Legislative CCO Reports

Hospital Financial and Spending Reports

Total Community Benefit Costs

100% of Community Benefit

In fiscal year 2015 hospitals provided nearly \$1.9 billion in total community benefit costs. The majority of these community benefit costs came from DRG hospitals, which accounted for nearly \$1.7 billion in 2015. Total community benefit costs have increased 19% since 2011. This compares with over \$23 billion in gross charges billed by hospitals and over \$10.5 billion received in net patient revenue in 2015.

Oregon hospitals provided \$1.9 billion in community benefit costs.
total unreimbursed costs in millions



Total Community Benefit Costs are the sum of all community benefit categories listed in this report. Community benefits are reported as costs, however it is important to note that not all community benefit items are directly reportable expenses. For example, charity care or unreimbursed Medicare costs cannot be accounted for as an expense for accounting purposes.

Total community benefit cost growth.
Percent change from previous year

Community Benefit Report 2015

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Oregon Health Authority
Office of Health Analytics

Oregon Public Health

State Health Improvement Plan



2015-2019



Primary Care Spending in Oregon

A report to the Oregon State Legislature



February 2017



State Health Improvement Plan

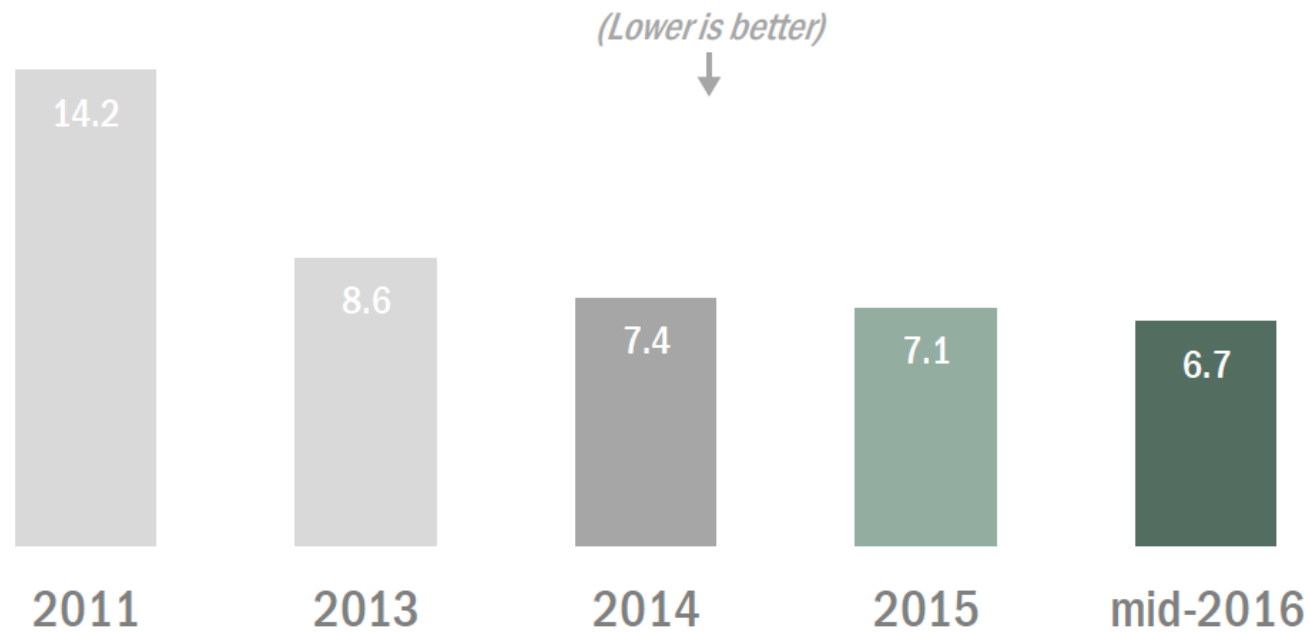
Spending across all health care payers



Metrics: Impact of Health System Transformation

Avoidable emergency department utilization, statewide.

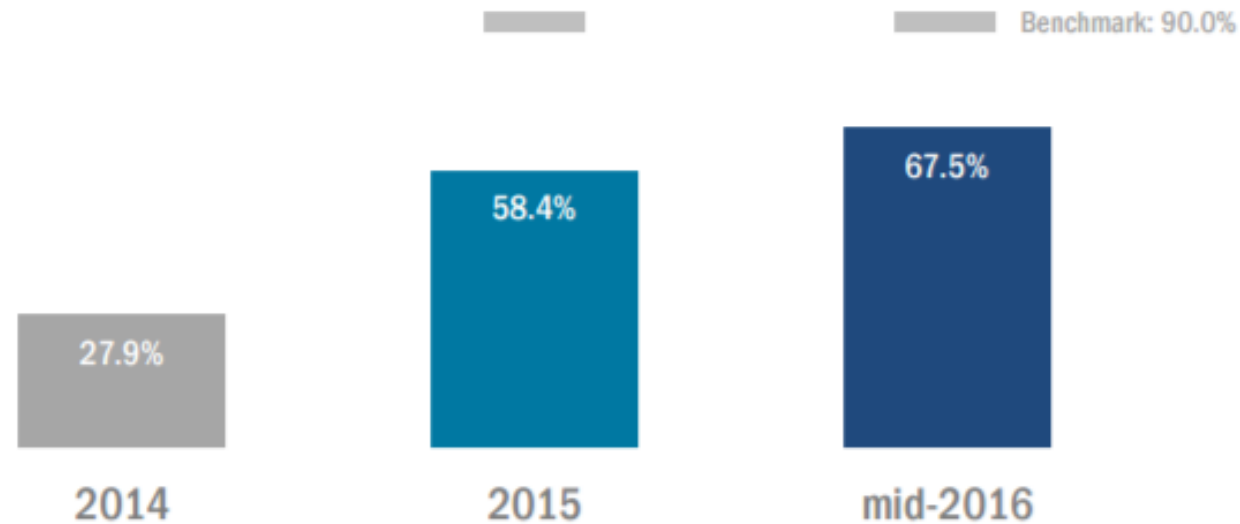
Data source: Administrative (billing) claims
Rates are per 1,000 member months



KPM: Mental and Physical Health Assessments for Children in DHS Custody

Percentage of children in DHS custody who received health assessments, statewide.

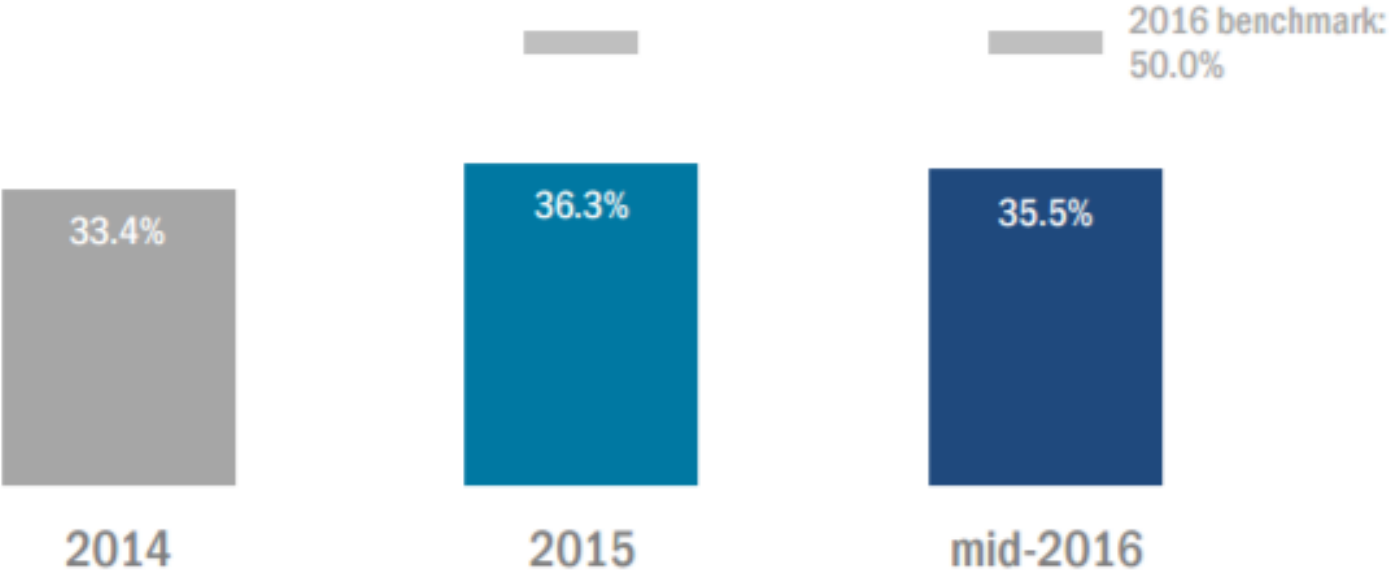
Data source: Administrative (billing) claims + ORKids



KPM: Effective Contraceptive Use (Medicaid)

Effective contraceptive use among adults, statewide.

Data source: Administrative (billing) claims
Benchmark source: Metrics and Scoring Committee consensus



Public Health Division



- Crisis response (Umpqua and Harney county)
- Modernization assessment
- Reducing opioid abuse
- Disease prevention and health promotion (Zika and Ebola)
- Cleaner Air Oregon

Oregon State Hospital

- Expanding Collaborative Problem Solving
- Reducing seclusion incidents and restraint events
- Performance Excellence Breakthrough Initiative
- Community Integration Demonstration Project
- Medication dispensing / electronic health record
- Sensory Garden
- Certified units to bill for federal reimbursement
- National recruitment for superintendent underway



Recognized as
national leader!

Challenges and Opportunities

- Uncertain federal policy
- Rising pharmacy costs
- Statewide public health capacity
- Workforce development
- Solving the provider reimbursement crisis
- Need for continuing progress on opioid crisis
- Release and implementation of Behavioral Health Collaborative recommendations
- Waiver implementation (e.g. value-based payments)

Questions?