



## Support SB 934 – Improve Outcomes, Reduce Cost

In 2015, the Legislature passed SB 231, which convened the Primary Care Payment Reform Collaborative to develop recommendations to “direct greater health care resources and investments toward supporting and facilitating health care innovation and care improvement in primary care.” Evidence shows that increased primary care spending results in better quality care, better health outcomes, and fewer high cost emergency room visits and hospitalizations.

The Collaborative brought together providers, commercial insurers, Coordinated Care Organizations (CCOs), hospitals, the Oregon Health Authority (OHA) and other stakeholders to discuss the SB 231 goals and collaborate on solutions. This diverse group produced recommendations, which have been supported by the Oregon Health Policy Board.

SB 934 seeks to implement the Collaborative’s recommendations by:

### Aligning and Fostering Value-based Payment Methodologies

Old-style Fee-For-Service payment strategies result in quantity, not quality. Oregon is fortunate to be a participant in Comprehensive Primary Care Plus (CPC+), a national multi-payer effort that aims to improve patients’ health and spend health care dollars more wisely by paying for value. CPC+ provides clinics with:

- 1) Per-member per-month payments, not “claims-based payments”.
- 2) Performance-Based Incentive Payments.
  - a. Based on how well the clinic does on patient experience measures, clinical quality measures, and utilization measures that drive total cost of care.

Unfortunately, many clinics are not eligible to participate in CPC+ and thus do not receive these alternative payments from CCOs and payers. The bill requires CCOs/commercial insurers participating in CPC+ to offer these alternative payment methodologies to all Patient-Centered Primary Care Homes.

### Strengthening Primary Care Investment

- 1) Requires payers not participating in CPC+ to increase investment in primary care (as defined in SB 231) by 1% annually until they reach the benchmark goal of 12% of their total medical spend.
- 2) Instructs OHA and DCBS to adopt by rule penalties for CCOs and insurers that fail to reach this benchmark.

### Extending the Collaborative

Lastly, this bill extends the Primary Care Payment Reform Collaborative through 2027 to support continued health care innovation, collaboration, and care improvement. The Collaborative will be tasked with recommending on a biannual basis the optimal primary-care spend.