

Joint Task Force on Universal Health Care



Task Force on Universal Health Care

June 9, 2021

Chair Bruce Goldberg
Vice-Chair Ed Junkins

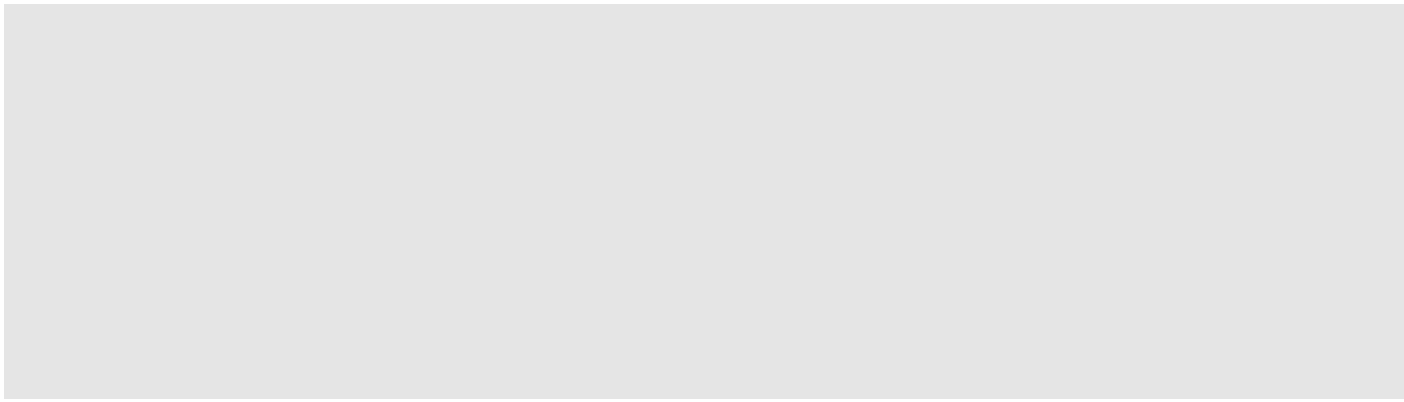
Agenda

- Public Comment
- Status Report Check-in
- Extension Plan
- Break
- Intermediate Strategies
- Legislator Update

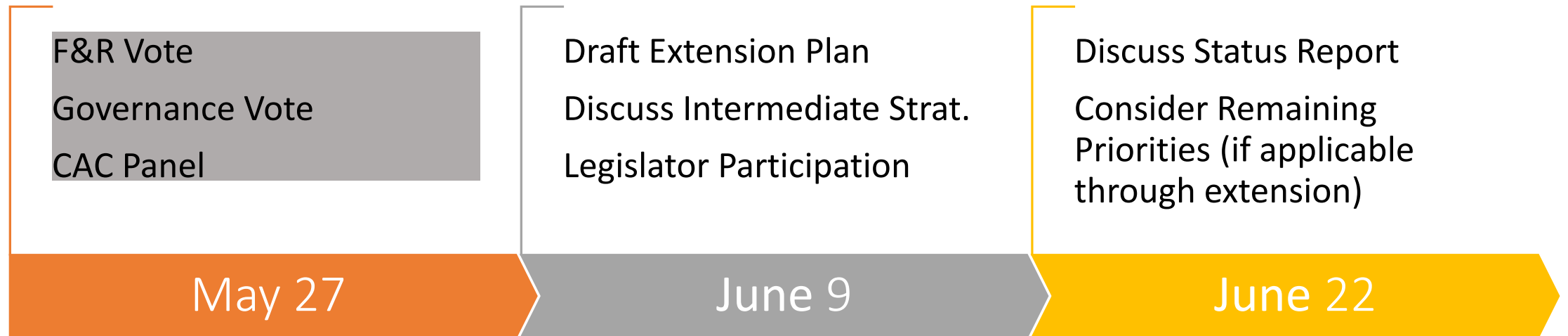
Public Testimony – June

June 9th (no written submissions)

Status report update



Task Force Meetings May and June 2021



June Status Report

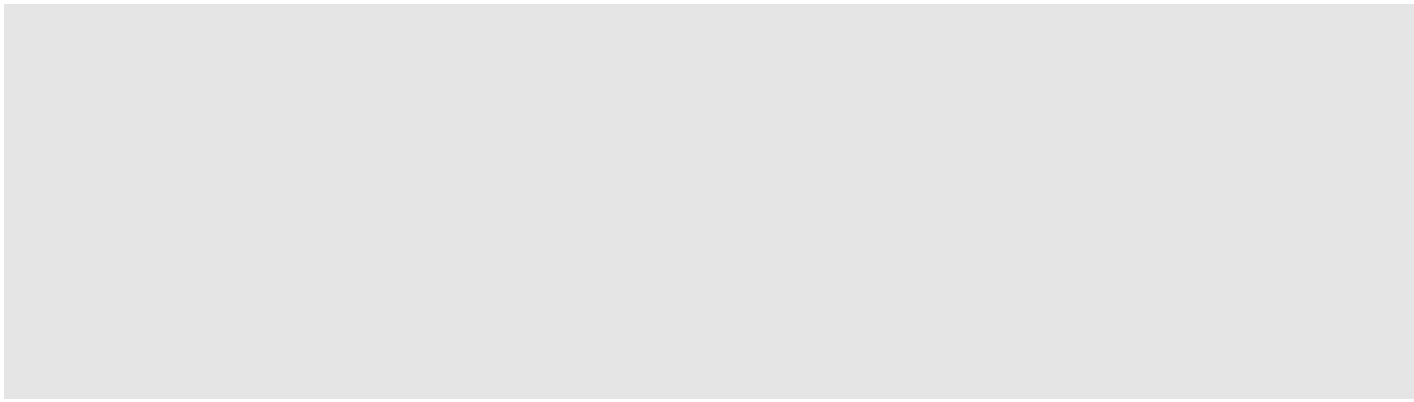
Purpose

- Update legislature on progress and next steps
- Solicit feedback from stakeholders

Timeline

- June 9 – Discuss Intermediate Strategies and Extension proposal
- June 14 – Deadline for high level feedback on Status Report
- June 16 – Submit document for formatting
- June 18 – Updated Status report sent to Task Force
- June 22 – Discuss final edits of full Status Report

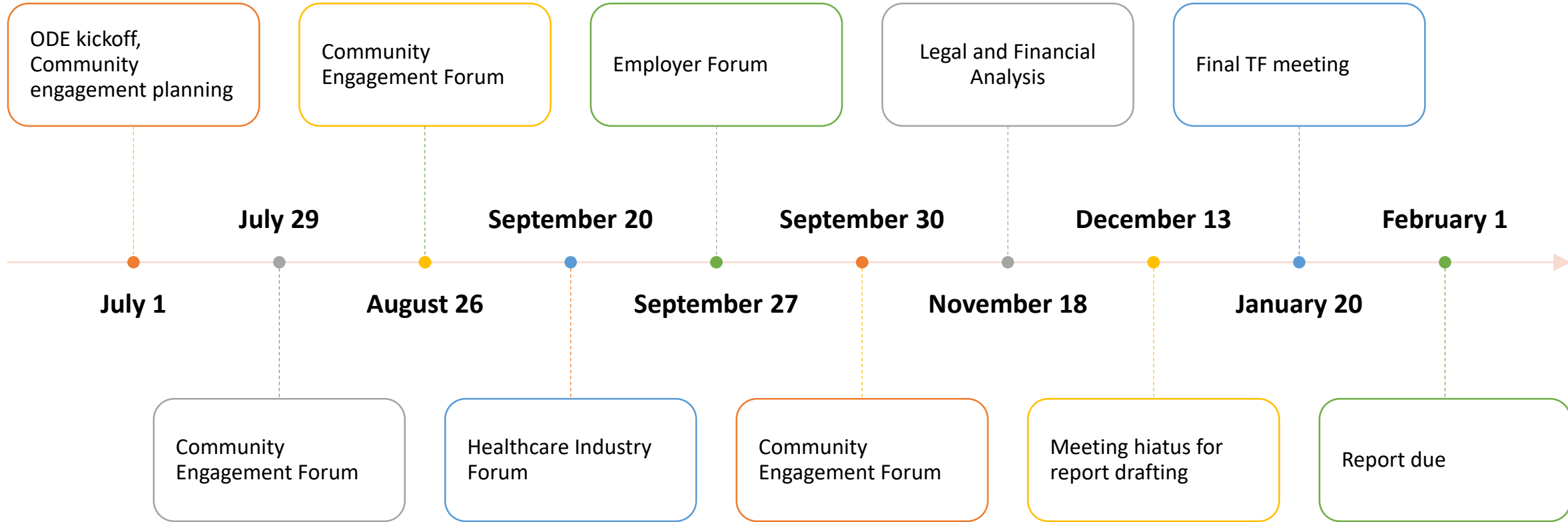
Extension workplan proposal



Structure

- TAGs and CAC sunset June 30, 2021
- Task Force continues to meet monthly
- Public Engagement
 - 3 Community Engagement Forums
 - 1 Healthcare Industry Forum
 - 1 Employer Forum
- Outstanding Design Elements (5-6 meetings)
- Legal and Financial Analysis

Timeline



Community Engagement Forums

- **Goal:** Solicit feedback on design element proposals outlined in June status report
- **When:** July, August, September TF meetings include approx. 1 hour of TF business and 2-hour engagement forum
- **TF support:** 1 planning meeting first week of July (2 hours)
- **Who:** Open invitation to general public; outreach to organizations representing BIPOC and rural Oregonians

Health Care Industry and Employer Forums

- **Goal:** Solicit feedback on the Provider/Governance TAG proposals and F&R TAG proposal respectively
- **When:** September (2 hours each); this is not during TF meetings
- **TF support:** 1 planning meeting each in early July (2 hours each)
- **Who:** Open invite to industry and business communities, with targeted invites to specific groups; only interested TF members attend

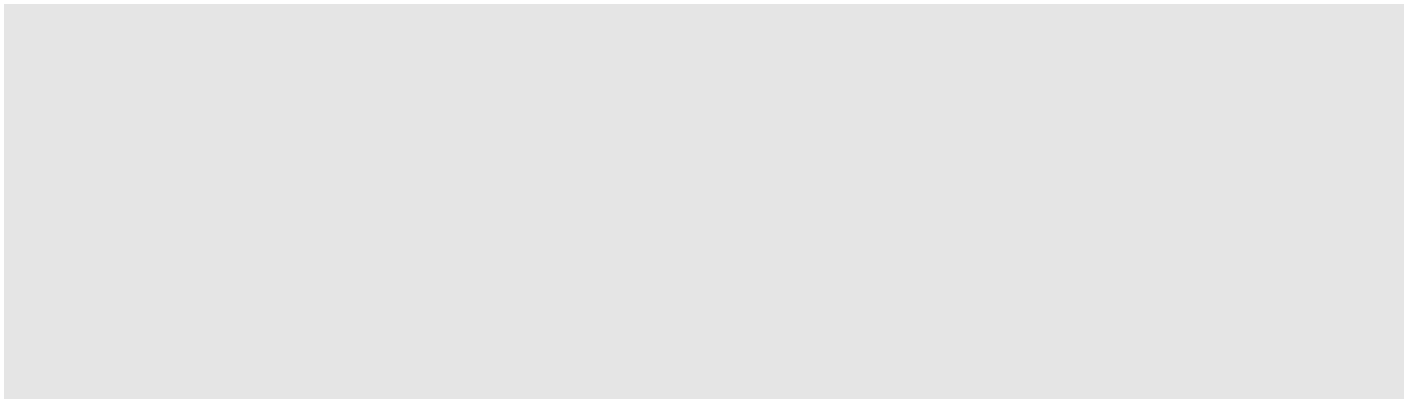
Outstanding Design Elements Workgroup

- 5-6 meetings
- **Goal:** Answer list of outstanding design element questions related to...
 - SDOH
 - Provider workforce
 - Financial emergency
 - Transition plan

Financial Proposal

- Legal analysis of federal and state authority to determine permissible federal and state financial contributions
- Total projected health care expenditures under the Plan, including estimated administrative savings
- Revenue estimates resulting from new revenue sources
- Analysis of combined costs and savings for households and select stakeholder groups (e.g., employers) under the Plan vs. status quo

Intermediate Strategies Workgroup



Goals for Intermediate Strategies

- Reminder of legislator request
- Hear brief overview of each strategy from each creator
- High level Q&A
- Discussion on inclusion of strategies in status report

Legislative letter: Charge & deliverables

January 27th letter from Senator Manning, Rep Hayden & Rep Wilde requested:

- A small work group, led by the Chair and Vice-chair, to identify intermediate strategies the legislature may consider to promote affordable universal coverage that will be consistent with and form a bridge to the Task Force's long-term, overall plan.
- Assess and prioritize policies in preparation for the 2022 legislative session: policies which Oregon lawmakers can act upon, are consistent with the goals of the Task Force, and continue to build on Oregon's history of innovation.
- Include these policy options in the report that is to be prepared by the Task Force in June.

Strategy 1: Individual Market Transformation

Chair Goldberg

- Reform ACA individual market with a standardized (single) benefit package that is more comprehensive and detailed than Oregon Benchmark plan, and brings consumer cost down significantly
- Utilize CMS 1332 waiver authority
- Plan has single 'tier', single benefit package
- Eliminate copays & deductibles
- Refine income-based premiums to assure affordability
- Carriers have a common global budget with cost growth cap ~3%; each carrier sets provider reimbursement rates
- State manages pool of blended dollars from: (1) federal subsidies; (2) individual premiums and distributes them to carriers

Strategy 1

Primary Goals

Reduce
uninsured

Bring more people into the individual market by making it more affordable

Strengthen
coverage for
underinsured

Create a better benefit at a more affordable price for those who are underinsured

Test Single
Payer concepts

Create an on-ramp to single payer by testing out elements of SP:

- Political feasibility
- Successfully negotiate 1332 waiver
- Achieving admin savings
- Single benefit package + global budget

Strategy 1 Outstanding Questions

What will be the relationship with the small group market?

How could this plan be used to further the goal of disconnecting employment from insurance?

How could drug companies be engaged so as to allow a common formulary?

How can administrative savings be maximized?

Strategy 2: Single Payer Medicare Advantage

Dr. Santa

- Create a state-run Medicare Advantage plan that is the only Medicare Advantage plan in the state, thereby serving as the Single Payer in the Medicare Advantage market.
- Lower premiums and cost-sharing levels for low- and middle-income enrollees; maintain premiums and cost-sharing levels for higher-income enrollees as a means of revenue.
- More robust mental health benefit than current MA plans. This would be funded using the cost savings accrued via the Single Payer model.
- Requires CMS approval of demonstration project

Strategy 2

Primary Goals

Pilot Single Payer

Test the Single Payer approach within the Medicare Advantage market.

Strengthen MA Coverage

Offer a more affordable Medicare Advantage plan with improved behavioral health coverage.

Strategy 2 Outstanding Questions

How would cost-sharing structure be established?

Would all Medicare providers be required to participate?

Would we need state legislation?

How could Oregon establish & maintain the necessary claims reserve?

How to ensure this sufficiently addresses concerns of BH field?

Strategy 3: CCO Consolidation

Dr. Chadwick

- Prohibit more than one CCO per region.
- Potentially require that CCOs be non-profit (public?) entities.

Strategy 3

Primary Goals

Reduce admin

Reduce administrative costs not related to clinical care

Support TF
Recommendations

Position CCOs for the role envisioned in Task Force recommendations

Strategy 3 Outstanding Questions

Would a CCO be permitted to operate in more than 1 region?

If so, what metrics would determine that decision?

How would the shift occur in regions with >1 CCO currently?

Strategy 4: VBP Expansion

Dr. Chadwick

- Expand on the notion of value-based payment to include community input & prioritization
- Community should have influence over what outcomes are most important & thus incentivized in payment arrangements
- Focus engagement on underserved communities (rural, tribes, racial/ethnic minorities)
- “Value To Whom?” is the key question

Strategy 4

Primary Goal

Community
buy-in

Aid in increasing community
buy-in of VBP and ensure it is
more aligned with community
priorities

Strategy 4 Outstanding Questions

Would there be a
role for existing CCO
CACs?

Who would be the
key partners in this
effort?

Strategy 5: Employer Health Cost Data Collection

Chuck Sheketoff

- Ask all businesses filing corporate excise or income tax forms or pass-thru entity forms, to report:
 - Total health insurance expenditures for the year
 - Total payroll for those FTE employees covered
 - Prorated for partial-year coverage
 - Self-insured would also include those costs

Strategy 5

Primary Goal

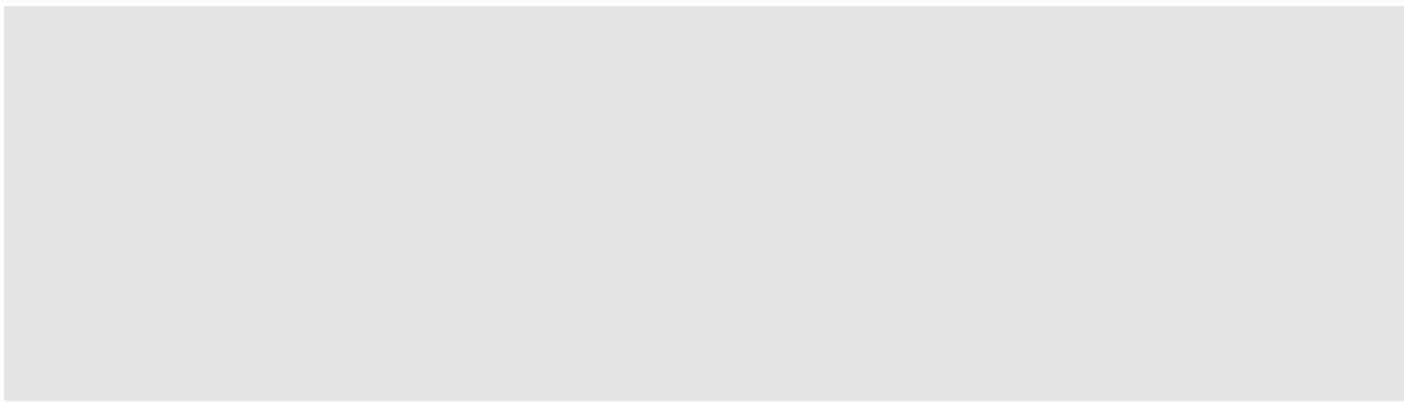
Address
crucial data
gap

We do not know what employers spend on health care. This would aid in determining cost of future universal coverage + payroll tax design.

Strategy 5 Outstanding Question

What are the primary
implementation barriers?

Legislator Update



Task Force Milestones (July 2020 – June 2021)

- COVID-19 Pandemic (March 2020); Legislature modifications (Aug. 2020)
- Task Force: 12 meetings, approx. 340 hours (1 meeting left)
- Established Technical Advisory Groups (4 TAGs)
 - Eligibility, Benefits, and Affordability: 8 meetings, 18 hours
 - Provider Reimbursement: 6 meetings, 12 hours
 - Finance and Revenue: 8 meetings, 16 hours (1 meeting left)
 - Governance: 4 meetings, 8 hours (2 meetings left)
- Recruited & Appointed Consumer Advisory Committee: 8 meetings, 16 hours (1 meeting left)
- Intermediate Strategies Work Group: 5 meetings, 10 hours
- Unparalleled effort and remarkable commitment among Task Force members amidst a global pandemic and legislative session

Preliminary Recommendations

Eligibility and Enrollment

- Everyone in Oregon is eligible for the Plan through a simple and easy enrollment process.
- Out-of-state residents who work for Oregon-based employers, and their dependents, are eligible for the Plan

Covered Benefits

- Benefits will be comparable to the Oregon PEBB (Public Employees Benefit Board) benefits package, which covers primary and preventive care, behavioral, and oral health
- Members will not pay premiums, copays, deductibles, or any other cost sharing.
- Long term care may be incorporated into the Plan under the current level of services and supports covered by Medicaid.

Preliminary Recommendations

Governance

- Create a Single Payer, which will be a public entity with fiduciary responsibility for the Plan; ensure transparency and public accountability.
- Establish Public trust fund separate from the General Fund.
- Entity establishes budgets for the Plan, regional delivery systems, and Regional Entities.

Provider Reimbursement

- Regional Entities advise the Single Payer on methods and rates of reimbursement that are regionally appropriate.
- Enrollees able to access preferred provider, who will be reimbursed based on region and populations served.
- Plan is to advance value-based payments and expand on the notion of “value-based payment” as historically used, to allow for community input and prioritization.

Preliminary Recommendations

Program Funding

- Assumes existing state and federal health care revenue will be applied to the Plan.
- Additional revenue to be generated by a combination of additional payroll and income taxes and other taxes, if needed, and established as a progressive tax structure.

The work of the Task Force is incomplete, and our initial set of preliminary recommendations require refinement, expertise, and public feedback in order to finalize a Plan for Oregon to consider as envisioned by SB 770

Legislative letter: Charge & deliverables

January 27th letter from Senator Manning, Rep Hayden & Rep Wilde requested:

- A small work group, led by the Chair and Vice-chair, to identify intermediate strategies the legislature may consider to promote affordable universal coverage that will be consistent with and form a bridge to the Task Force's long-term, overall plan.
- Assess and prioritize policies in preparation for the 2022 legislative session: policies which Oregon lawmakers can act upon, are consistent with the goals of the Task Force, and continue to build on Oregon's history of innovation.
- Include these policy options in the report that is to be prepared by the Task Force in June.

Intermediate Strategies Workgroup - Concepts

Strategy — Individual Market Transformation

- Reform ACA individual market with a better, standardized benefit package, greatly reduced cost-sharing & global budget

Strategy — Single Payer Medicare Advantage

- Create state-run Medicare Advantage plan; lower premiums and cost sharing for low and middle-income; offer robust mental health benefits

Strategy — CCO Consolidation

- Prohibit more than 1 CCO per region
- Potentially require CCOs be non-profit

Strategy — Value-based Payment (VBP) Expansion

- Expand VBP via community engagement, prioritization of outcomes

Strategy — Employer Health Cost Data Collection

- Require businesses and corporations to report total annual health expenditures and payroll for employees covered

Task Force Extension (SB 428)

Task Force continues to meet monthly

Public Engagement

- 3 Community forums
- 1 Healthcare Industry Forum and 1 Employer Forum

Outstanding Design Elements (5-6 meetings)

- SDOH
- Provider workforce
- Financial emergency
- Transition plan

Legal and Financial Analysis

- Legal analysis of federal and state authority to determine permissible federal and state financial contributions
- Total projected health care expenditures under new plan, including estimated administrative savings
- Revenue estimates from new revenue sources
- Analysis of combined costs and savings for households and select stakeholder groups (e.g., employers) under the Plan vs. status quo



June Task Force Schedule

- **June 22, 2021 – Task Force meeting**
 - Review status report, update extension plan