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March 7, 2019

TO: Co-Chair Beyer, Co-Chair Nosse, and Members of the Joint Committee on Ways and Means
Subcommittee on Human Services
FROM: Patrick Allen, Director, Oregon Health Authority
SUBJECT: March 6, 2019, Committee Questions

Dear Co-Chair Beyer, Co-Chair Nosse, and Members of the Joint Committee,

Thank you for the opportunity to present before the Joint Committee on Ways and Means Subcommittee on Human Services on March 6, 2019, regarding Health Policy & Analytics. Please find below responses to questions raised during that presentation. Please do not hesitate to contact me or my office if you have further questions.

1. Representative Hayden, regarding a slide showing the different sectors of the health care system, asked: What portion of spending in the health system goes to pharmaceuticals?

OHA has some data on pharmacy spending in the All Payer All Claims database by market, but it does not provide a complete picture across all markets. The database does not include all of the self-insured market (which only submits claims data on a voluntary basis to the database). We estimate we have claims for about 93% of Oregon's population. Additionally, for the commercial and Medicare markets, the database does not include rebate amounts, meaning we have gross amounts of spending on pharmaceuticals but do not have the net cost to payers after they are paid back rebates. The database is still useful for seeing trends in spending and prices on drugs, but at this time we cannot provide a full picture of pharmaceutical spending broken down by every market.

A very good article on national prescription drug pricing trends is available at <https://www.healthsystemtracker.org/chart-collection/recent-forecasted-trends-prescription-drug-spending>.

2. Representative Salinas asked: Who exactly is in the 6% of the population that is uninsured?

Roughly two-thirds of uninsured people in Oregon are eligible for Medicaid (especially children) or for financial assistance on the insurance exchange (especially adults 35-64), but are not enrolled. Some adults are not enrolled due to their immigration status, while others with low incomes have difficulty affording coverage even with a partial subsidy. Also, some people do not know they are eligible for coverage or subsidies, or incorrectly believe they are not eligible.

Demographically, uninsured persons are more likely than insured persons to be ages 19-34, male, and Hispanic or American Indian/Alaska Native.

A fact sheet with more detailed information on uninsured people in Oregon is available at <https://www.oregon.gov/oha/HPA/ANALYTICS/InsuranceData/2017-OHIS-Uninsurance.pdf>.

3. Representative Salinas, regarding a survey that said members were largely satisfied with OHP, asked: Was that satisfaction with their benefits or with their care?

This survey was conducted as part of planning for CCO 2.0. The exact survey questions were:

- Q1. How satisfied are you with the quality of health care you receive in Oregon?
- Q2. How satisfied are you with the Oregon Health Plan, or OHP for short?

The answers were, for Q1, 90% were very or somewhat satisfied, and for Q2, 89% were very or somewhat satisfied.

4. Representative Nosse asked: Does the federal government limit medical residencies in our state?

The federal government does not limit the number of residency spots in the state; however, there is a limit on the amount of federal funding that is available to the state for medical residency programs, via the Centers for Medicare & Medicaid Services. If a state wants to expand residency spots beyond that funding, it is free to do so but must fund them itself. A residency typically costs \$800,000 to \$1,500,000 per year per resident.

5. Senator Heard, regarding a chart on dental sealants, asked: What exactly does the percentage of dental sealants for children represent?

That chart shows the percentage of all children ages 6-14 enrolled in a CCO in a given year who received a sealant on a permanent molar in that year. Not all children need a sealant in any given year (thus, the ideal percentage is not 100%). Our data does not allow us to identify the exact number of children who do need a sealant, but the benchmark identified by the Metrics & Scoring Committee is 26.8%, so the 24% in 2017 is approaching the benchmark.

More detailed specifications, including codes, can be found at [https://www.oregon.gov/oha/HPA/ANALYTICS/CCOData/2019-specs-\(Dental-Sealants\)-FINAL.pdf](https://www.oregon.gov/oha/HPA/ANALYTICS/CCOData/2019-specs-(Dental-Sealants)-FINAL.pdf).

Again, please contact me or my office if you have any further questions. Thank you.