
Comparing feasibility analysis to Bridge Program vision

June 14, 2022

Tim Sweeney, Office of Health Policy, Senior Policy Analyst



Bridge Program vision

Little-to-no costs
for enrollees

Plan covers
robust set of benefits

Enrollees stay in CCOs to
keep their provider network

Reimbursement rates
above CCO rates



Feasibility analysis findings

How much federal funding would Oregon receive to implement a Basic Health Plan?

- Analysis suggests federal BHP funding would range from \$500-\$600 per member / per month, depending on whether ARPA subsidies are renewed
- Funding could be higher with CMS's proposed reinsurance "fix"

Will that funding support the Oregon Bridge Program vision?

- Analysis suggests funding would support a BHP with OHP-like services, no enrollee costs, and payment rates above CCO reimbursement rates
- Here's how we got there...

Disclaimers

LISTENER

DISCRETION

ADVISED

- References to **OHP covered services**
 - Refers to OHP covered services delivered through CCOs
 - Long term services and supports (LTSS) are covered by OHP but not delivered through CCOs
- References to **CCO reimbursement rates**
 - Reimbursement rates vary across CCOs and provider types, and are not set by the state
 - Multiple data sources are informing the rate comparison discussion in this presentation

Why the range: American Rescue Plan Act (2021)

- Temporarily enhanced Marketplace subsidies for 2021 & 2022
 - Means higher federal BHP funds if continued
 - Without ARPA, federal BHP funds approximately 15% lower
- Threat of ARPA expiration creates financing challenges; underscores importance of Bridge Program to keep people covered
 - Marketplace premiums for this population will go up dramatically w/o enhanced subsidy amounts
 - Increased ability to assess monthly premiums on BHP enrollees could close funding gap without ARPA

Comparing plan design elements

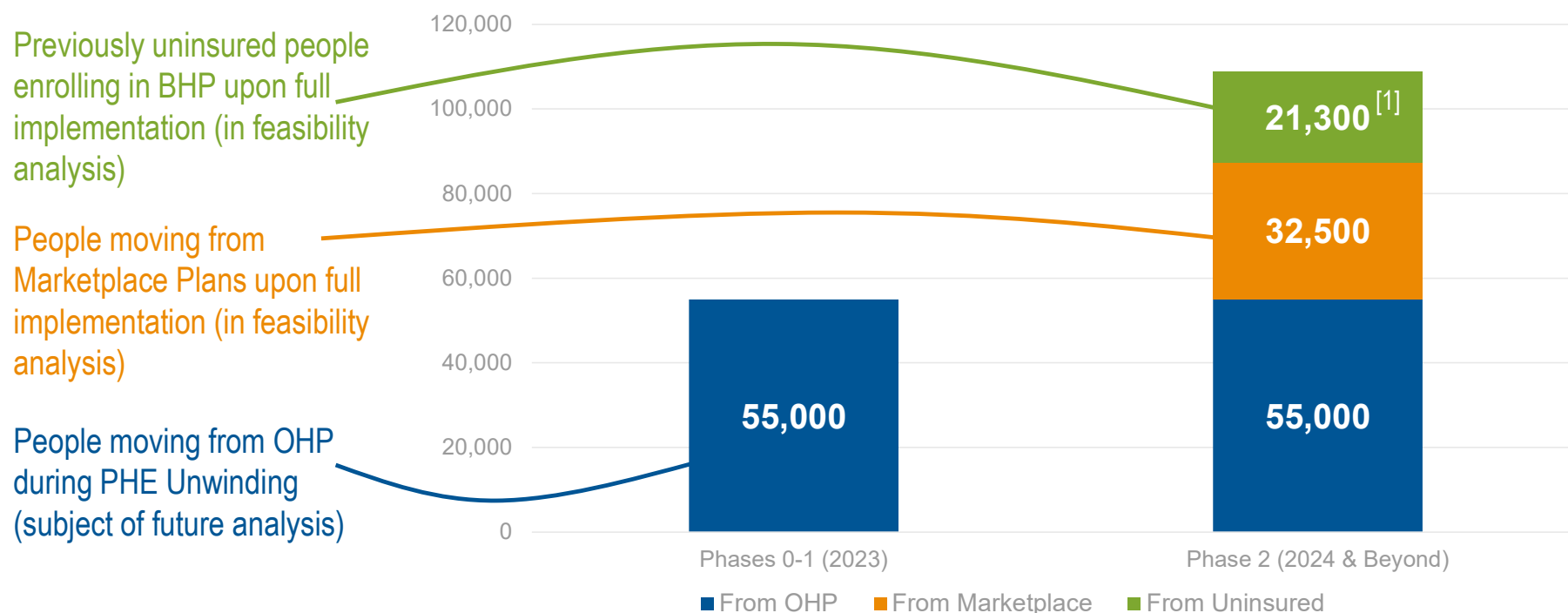
Population, covered services, enrollee costs, payment rates

Comparing feasibility analysis to BHP vision

	Feasibility analysis	BHP vision in HB 4035
Population	Marketplace + uninsured 138-200% FPL	Marketplace + uninsured + PHE OHP 138-200% FPL
Covered services	Essential Health Benefit (EHB) + Dental	OHP covered services
Enrollee costs	No premiums, no copays	No premiums, no copays
Payment rates	Below Marketplace rates	Greater than CCO rates

Analysis focused on subset of BHP population*

**initial population estimates, subject to revision*



[1] Some of the uninsured in this estimate may also be in the 55,000 moving over from Medicaid in the PHE unwinding.

Covered services comparison

- EHB and OHP covered services are roughly equivalent
- Obvious exceptions: adult dental, bariatric surgery, non-emergent medical transport
- Differences in quantity may vary
- Deeper analysis underway to identify substantive differences between Marketplace and OHP covered services



Feasibility analysis assumes no enrollee costs

- Task Force members indicated preference to avoid enrollee costs if possible
 - Initial analysis examines feasibility without enrollee costs
- Reduced federal funding or other scenarios could necessitate future consideration of enrollee costs to ensure program solvency
 - BHP states have used monthly premiums and co-payments



Payment rates comparison

- National data suggests Medicaid pays less than commercial plans
- Comparison challenging because Medicaid reimbursement strategies are nuanced
 - Quality incentive payments
 - Sub-capitated arrangements
 - Off-claim payments
- OHA is using multiple data sources to inform reimbursement rate comparisons to reflect projected costs relative to CCO rates



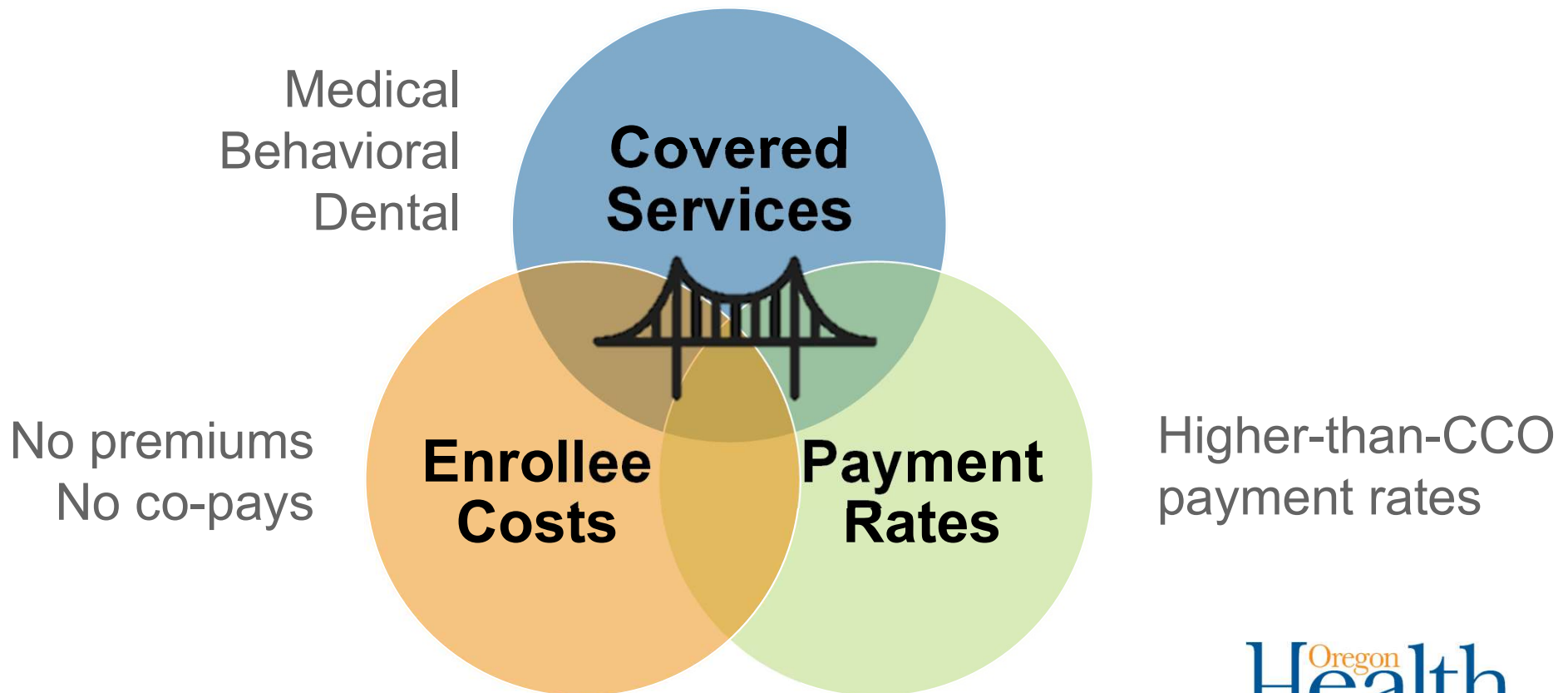
Preparing to reduce cost

Task Force guidance needed

Main takeaways

- The actuarial analysis suggests the federal dollars Oregon would receive to implement a Basic Health Program could fund the Bridge Program vision
- Additional analysis underway
- Ultimately, CMS will conduct its own actuarial analysis to determine funding
- **Task Force recommendations need to include guidance on how to reduce the underlying cost of a BHP if federal funds do not materialize as projected**

Bridge Program vision: straw proposal



Plan design levers

Covered services

- Potential for CCO **operational issues** if services not aligned with OHP
- **Health equity implications** of covering more than OHP services

Enrollee costs

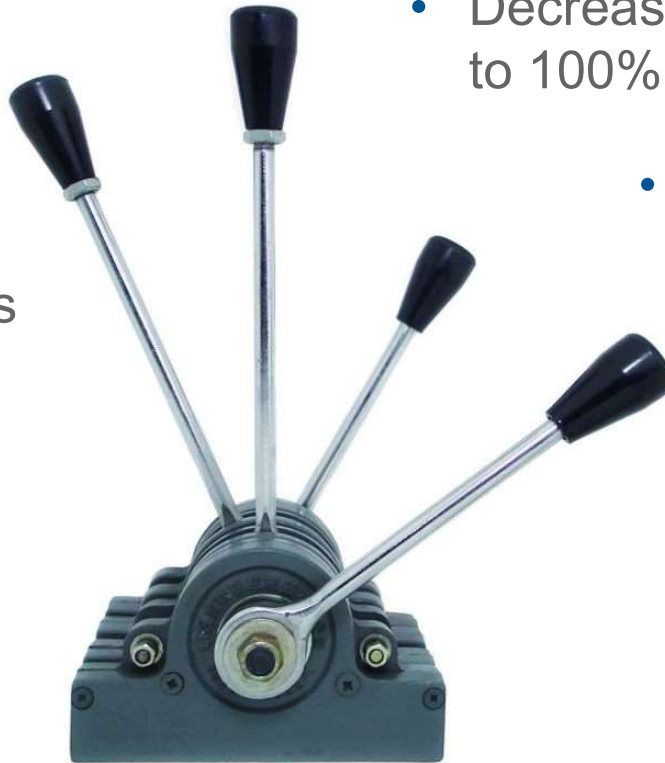
- **Monthly premiums:** less administrative burden; may deter enrollment
- **Co-pays:** greater provider burden, barriers to care; less likely to deter enrollment

Payment rates

- Point at which decreases to per member / per month **rates become untenable**

If needed, how should Oregon reduce the underlying costs of a BHP?

- Decrease services below OHP?
- Decrease reimbursement rates to 100% CCO payment rate?
- Introduce premiums?
- Introduce co-pays?



Thank You

