Agenda for Today

I. Plan Design: Benefits and Implementation
II. Plan Design: Framework Updates and Discussion
III. Update: Market Impacts and Mitigation Strategies
IV. Public Comment

Joint Task Force on the Bridge Health Care Program

Tuesday, July 26th

LEGISLATIVE POLICY & RESEARCH OFFICE

Objectives

- Report back on survey results
- Next steps on alternate scenarios for actuaries
- Next steps on plan design framework
- Confirming assumptions on other program design elements
- Next steps >> Task Force recommendations

Survey Results

WHAT YOU TOLD US

Who was surveyed and who responded?

The task force has 17 voting members and 4 non-voting members

The survey was sent to the 17 voting members

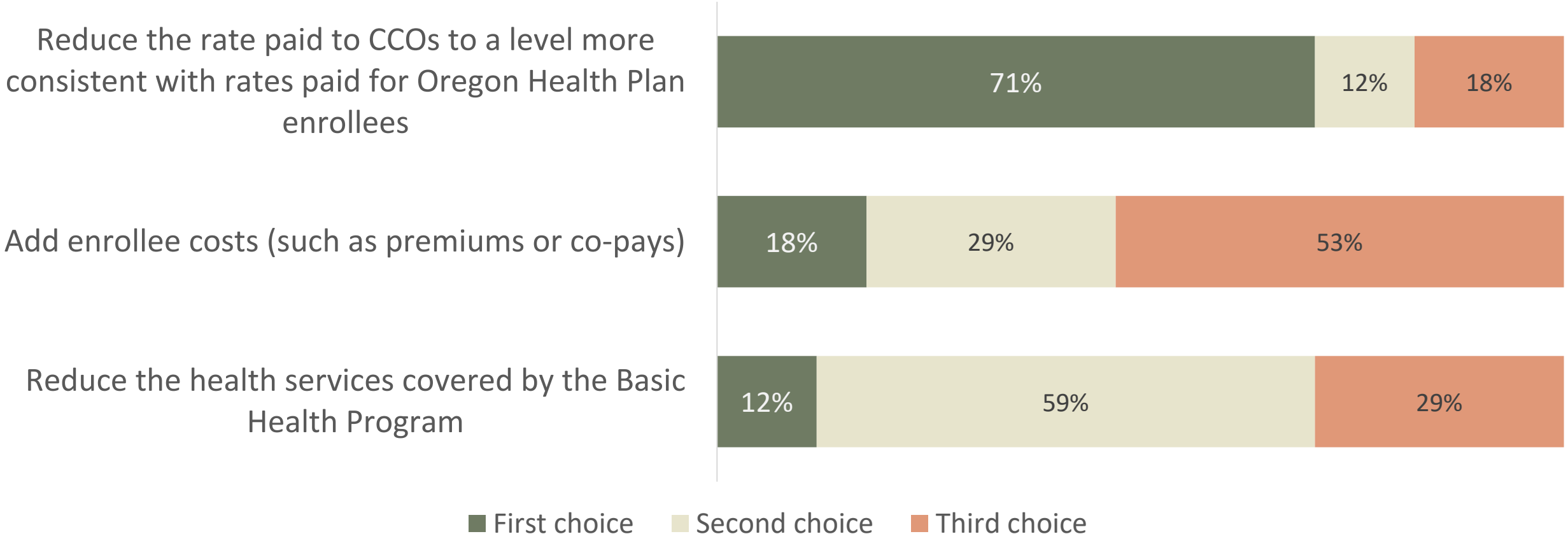
17 members responded (100%)

Key Questions

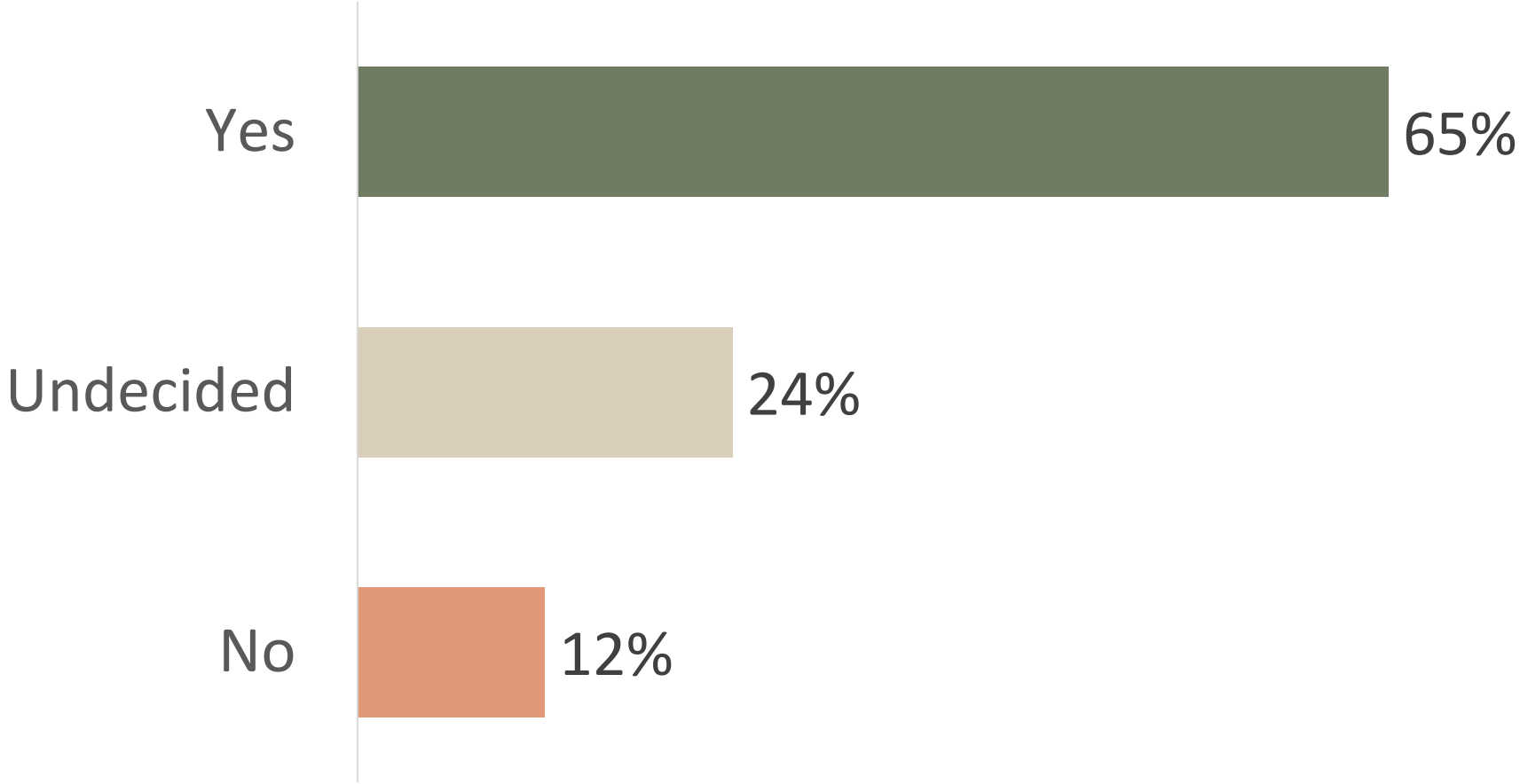
What alternative plan design scenarios does the Task Force want to see from actuaries?

If federal funds are meaningfully different than the Manatt feasibility study estimated, how should the plan design be adjusted?

If it is necessary to reduce program costs, what changes would you make first?



Would you support a Basic Health Program if it paid CCOs at capitation rates similar to rates paid for OHP enrollees?



Themes from Comments about Rates

Concern that OHP capitation may not support adequate provider networks (4)

Advantages of zero enrollee costs outweigh challenges of lower OHP rate (4)

Concern that OHP rates will reduce payments to providers (3)

Advantages of aligning to OHP design outweighs downside of lower OHP rate (3)

Concern that it is premature to discuss rates without actuarial analysis (3)

Workforce shortages / rising labor costs need consideration (2)

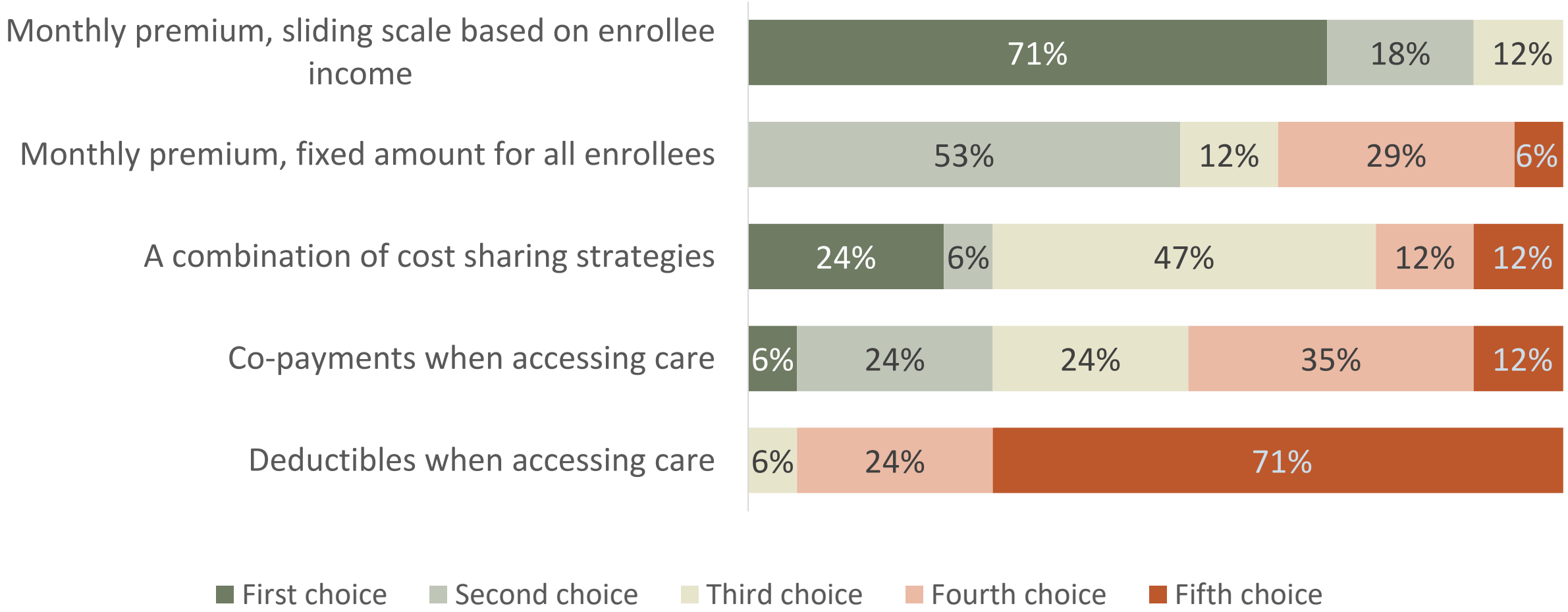
OHP rates are sufficient to provide access to care (2)

Important to tie payments to quality and outcome measures (1)

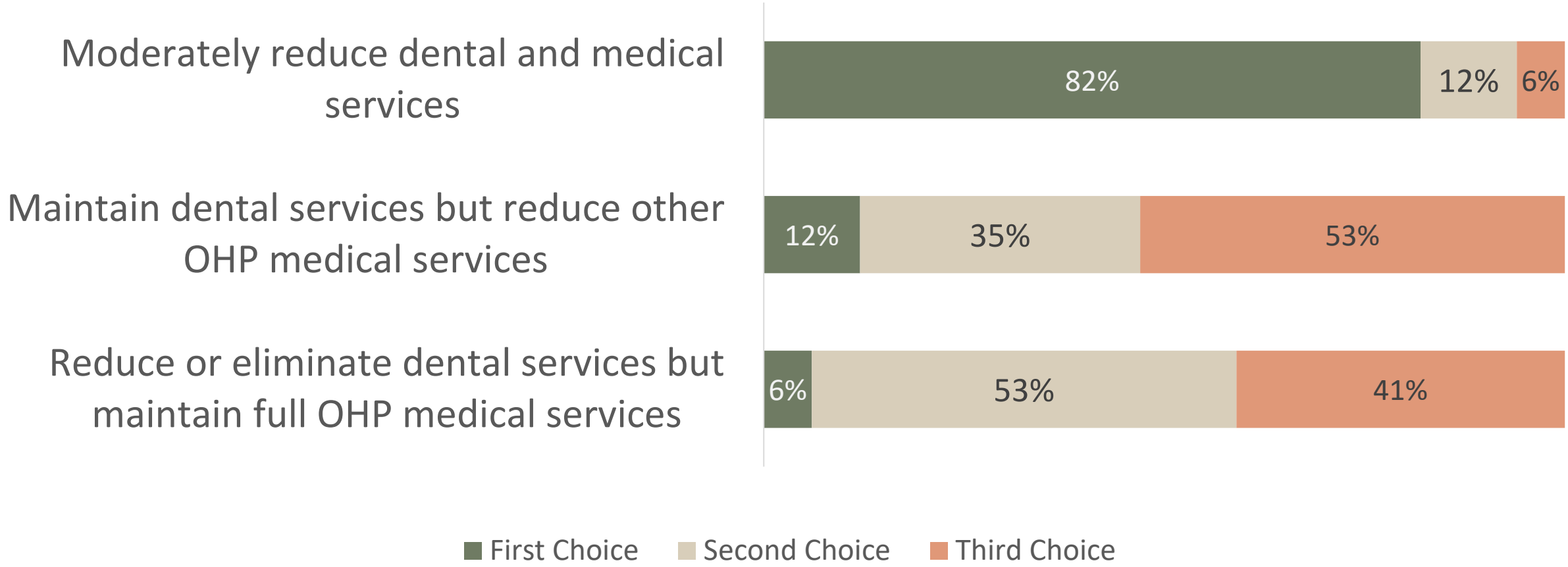
New administrative costs for CCOs may need to be factored in (1)

OHP rate is preferable to uninsured / charity care (1)

If enrollee cost sharing was necessary, what form of cost sharing should be included first?



If it was necessary to reduce covered services, how would you prioritize reductions?



Updated Scenarios for Actuarial Analysis

NEXT STEPS

Scenario #1: Full BHP Vision in HB 4035

Plan Design

Enrollee Costs

- None

Covered Services

- Aligns to CCO service package
- Dental included

Capitation Rate

- Higher than OHP to promote network adequacy

Considerations

- Assumes **no** extension of ARPA tax credits
- Similar payment approach to OHP (OHA sets CCO rates; CCOs negotiate what they pay providers)
- OHA would also need to consider other non-CCO provider payments

Uncertainty

1331 BHP funding formula likely supports capitation rates somewhat higher than OHP

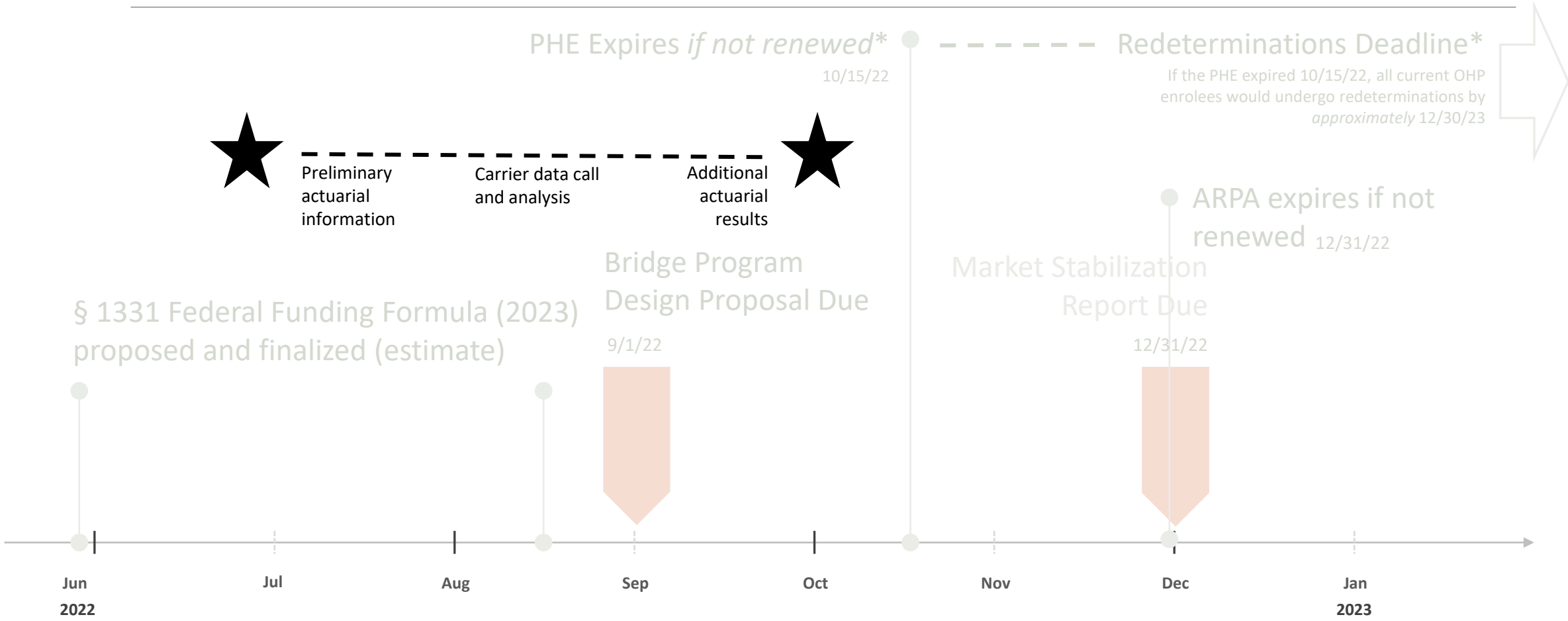
- …but unclear until fall 2022

Unknowns

- Expiration of ARPA tax credits
- Finalization of BHP funding formula
- Actuarial analysis of the costs to cover the full BHP population

*Dates are tied to the federal Public Health Emergency (PHE) declaration dated 7/15/22 and may change with subsequent PHE renewals

Planning for Alternate Scenarios



Model #2: align to OHP capitation

Scenario #1

Enrollee Costs

- None

Covered Services

- Aligns to CCO service package
- Dental included

Capitation Rate

- May not be higher than OHP

Scenario #2

Enrollee Costs

- None

Covered Services

- Aligns to CCO service package
- Dental included

Capitation Rate

- Align rates to OHP level

Considerations

- Reducing services or adding enrollee costs is undesirable
- Aligning to OHP capitation rate is next preferred approach
- No difference in phases 1-2 (enrolling existing OHP members)
- Need attention to network adequacy and implications for access to care by phase 3 when Marketplace and uninsured populations enroll

Model #3: reduce covered services

Scenario #1	Scenario #3
Enrollee Costs • None	**Enrollee Costs** • None
Covered Services • Aligns to CCO service package • Dental included	**Covered Services** • Essential health benefits • Modest reduction in dental services
Capitation Rate • May be lower than OHP	**Capitation Rate** • Align rates to OHP level

Considerations

- If rates are lower than OHP, the preference is to consider modest reductions across medical/dental, but retain some level of dental coverage
- Consider implications for continuity of care
- Consider administrative challenges

Model #4: add sliding scale premium

Scenario #1	Scenario #5
Enrollee Costs • None	**Enrollee Costs** • Add premium
Covered Services • Aligns to CCO service package • Dental included	**Covered Services** • Essential health benefits • Modest reduction in dental services
Capitation Rate • May be lower than OHP	**Capitation Rate** • Align to OHP rate

<u>Considerations</u>

- Consider sliding-scale monthly premium as last option
- State administered; minimize new operational burdens for CCOs and providers
- Need significant attention to navigation support so that coverage transitions occur as seamlessly as possible

Plan Design Framework

UPDATES AND NEXT STEPS

Framework: Contingency Planning

Primary recommendations

- If federal funding supports, create program according to full BHP vision

If necessary, do this first

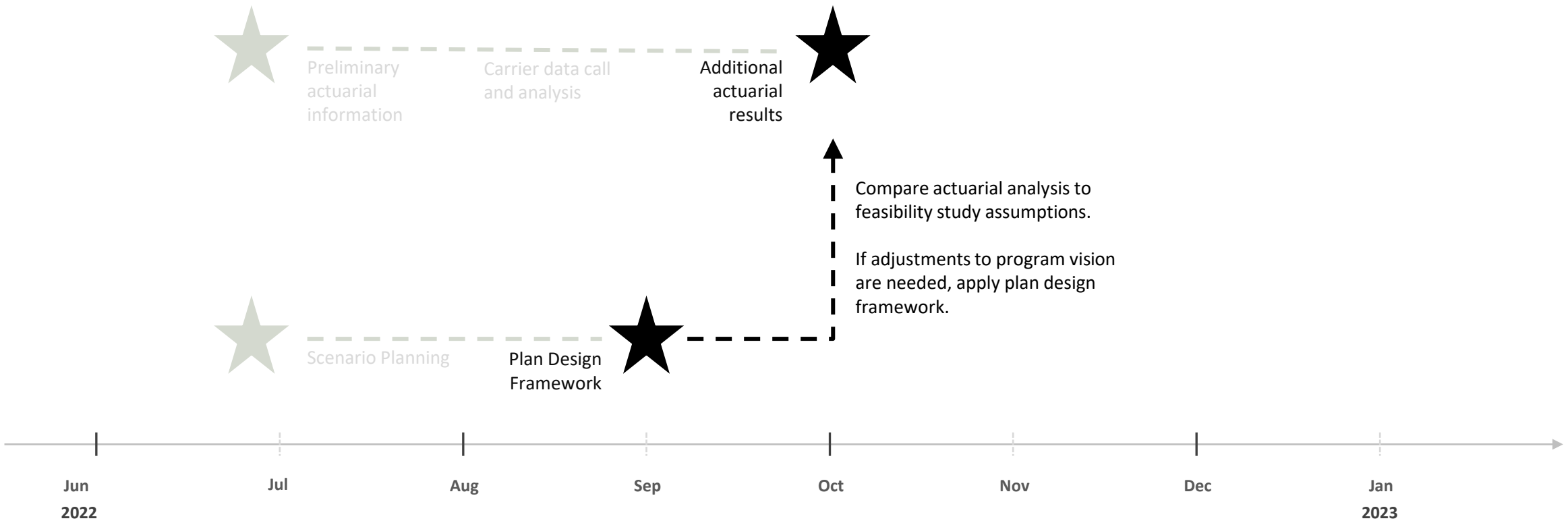
- Align capitation rates to OHP

If necessary, do these last

- Modest reductions across medical and dental, preserving all EHBs
- State administered sliding scale premium

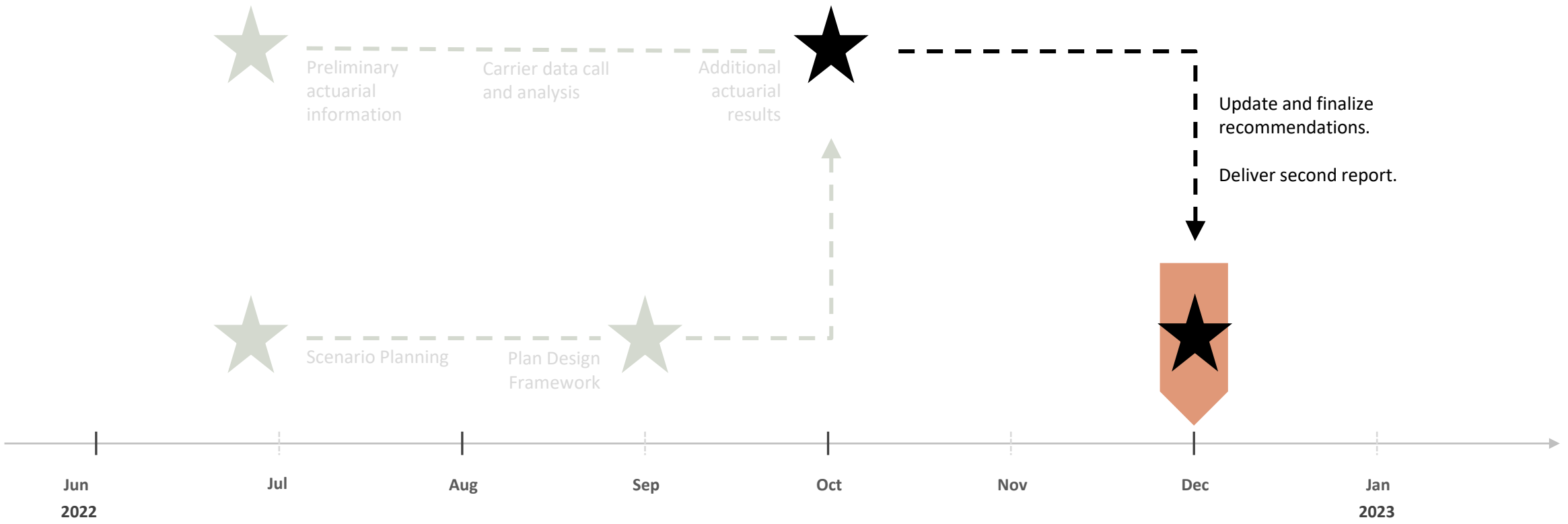
*Dates are tied to the federal Public Health Emergency (PHE) declaration dated 4/12/22 and may change with subsequent PHE renewals

Iterative Process



*Dates are tied to the federal Public Health Emergency (PHE) declaration dated 4/12/22 and may change with subsequent PHE renewals

Bringing it all together



If/then scenarios

Primary recommendations

- If federal funding supports, create program according to full BHP vision

If necessary, do this first

- Align capitation rates to OHP

If necessary, do these last

- Modest reductions across medical and dental, preserving all EHBs
- State administered sliding scale premium

What 'tipping point' events or factors should trigger these changes? Why?

Other Program Design Elements

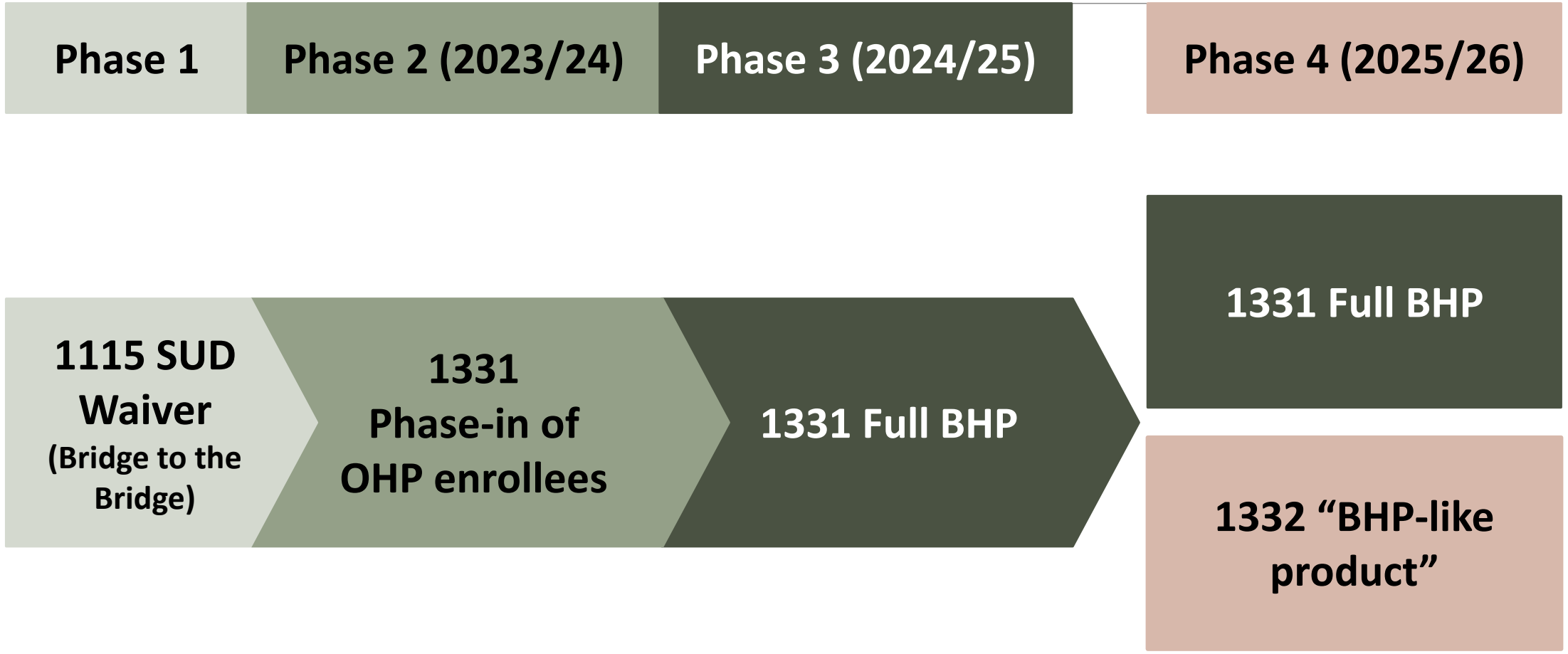
NEXT STEPS

Other Program Design Elements

HB 4035 requires the Task Force to include in its recommendations:

- providing for a transition period for eligible people to enroll in the program
- consideration of whether the Bridge Program can be offered on the Marketplace
- consideration of whether eligible people could opt out of the Bridge Program and purchase coverage on the Marketplace using advance premium tax credits (APTC)

CMS Guidance (May 2022)



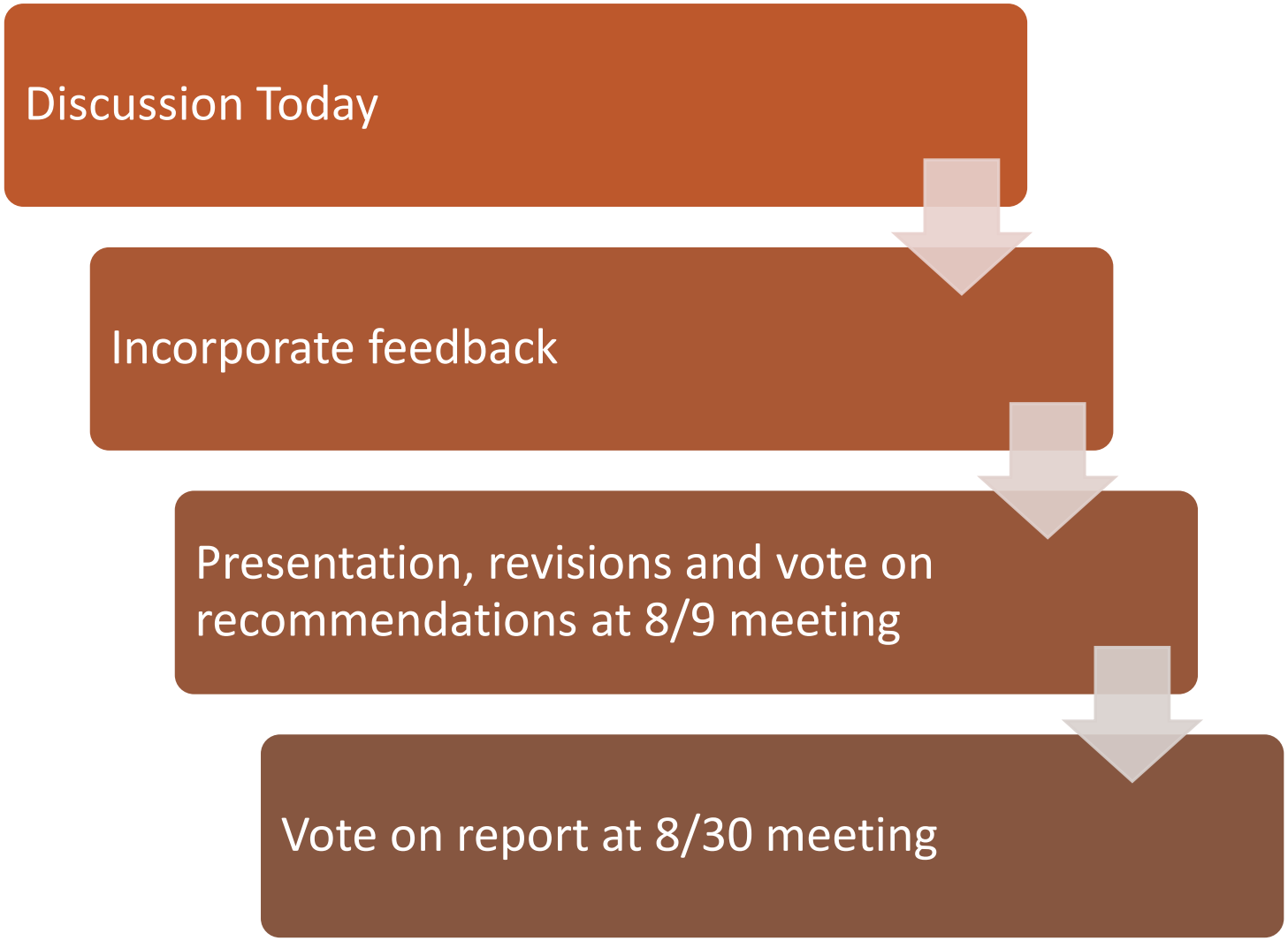
Other Program Design Elements

Implications of CMS guidance on 1331 Blueprint:

- ✓ provides a transition period for eligible people to enroll in the program ("phase 1")
- ✓ confirmed the Bridge Program can be offered on Oregon's state-based marketplace on the federally facilitated exchange (Healthcare.gov)
- ✓ clarifies that under a 1331*, eligible people could not opt out of the Bridge Program and purchase coverage on the Marketplace using advance premium tax credits (APTC)

**Opportunities to do this under a 1332 in Phase III are being explored and will be revisited in the fall.*

Next Steps


Discussion Today
Incorporate feedback
Presentation, revisions and vote on recommendations at 8/9 meeting
Vote on report at 8/30 meeting

Discussion Questions

Plan Design recommendations: Working from the Manatt feasibility study and other information presented to date, is Scenario #1 (i.e., BHP vision) the basis for the Task Force's preliminary plan design recommendations?

Design Framework recommendations: What are the 'tipping point' factors or conditions that should trigger consideration of scenarios #2-4 in the fall?

Other Program Design Element recommendations: Does review of CMS guidance provide clarity on program design elements (other than plan design)? Further discussion needed to draft recommendations?