

# HB 2878 Overview

---

**Bruce Goldberg, MD**  
**House Committee on Behavioral Health and**  
**Health Care**  
**March 22, 2023**

# HB 2878

- ❑ Establishes the “Aligning for Health Pilot Program” to test alternative methods for payment of health care – specifically a global budget.
- ❑ Global budget – annual predetermined total cost of care payment for a defined population. It is calculated based on health of population, defined provider reimbursement rates and covered benefits.
- ❑ Goal is to improve quality, hold health care cost growth to sustainable levels, address inequities and allow providers and health plans flexibility to meet those goals.
- ❑ Sets out requirements for a voluntary regional pilot.
- ❑ Based on extensive work done by OHA in conjunction with a team of outside policy and actuarial consultants as called for by HB 2010 in 2021

# HB 2878

- ❑ Establishes a regional pilot that brings together purchasers, providers, health plans and community groups to provide health care using a global budget
- ❑ Participation in the pilot would be voluntary - an interested region would submit an RFP
- ❑ Allows for:
  - ❑ Consistent quality standards
  - ❑ Shared responsibility and accountability for improving health and moderating costs
  - ❑ A common regional approach for addressing health, providing access to care and reducing the complexities imbedded within our current health care system
  - ❑ Flexibility in how care is delivered and paid for

# Phase 1

- ❑ Hiring staff, conduct legal and regulatory analysis
- ❑ Engage with payers, purchasers, community organizations in those areas that meet criteria identified by OHA and consultant team for participation. Among them:
  - ❑ 5,000-30,000 potential enrollees
  - ❑ A mix of commercially insured, PEBB and OEBC
  - ❑ Above average percentage of insured lives
  - ❑ Have community-based organizations with experience in addressing social determinants of health and health equity

## Phase 2

- ❑ Establish risk mitigation strategies
- ❑ Establish health equity fund
- ❑ Provide technical assistance to providers
- ❑ Open an RFP

## Phase 3

### ❑ RFP for 3-year contract

- ❑ Payers stay within global budget, partner with providers and community to address social determinants and improve health
- ❑ Providers share risk with payers, incentives are focused on the health of the community rather than payment per service provided
- ❑ Purchasers – select their own benefit package, collaborate on desired outcomes
- ❑ State – sets global budget, provides flexibility to the payers and providers to allow innovation, convenes advisory group, provides risk mitigation as needed

# Benefits

- ❑ Moves Oregon further towards sustainable healthcare costs
- ❑ Rewards providers for keeping people healthy
- ❑ Aligns with other innovations (CCO's, Value-Based Compact)