

Transforming the Oregon Health Plan Waiver & Next Steps

Oregon Health Policy Board

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Judy Mohr Peterson, OHA Medicaid Director



What we will cover today

- CCO overview
- Completed so far: Submission of Waiver
- Federal Flexibilities: Request for Waiver Amendment
- Next Steps
 - Create temporary rules to implement SB 1580
 - Finalize Request for Application
 - Finalize Medicare-Medicaid Integration proposal
- Timelines

Oregon Health Plan

- Has saved the federal and state government \$16 billion since 1994
- Has provided coverage for high-quality, evidence based health care to low-income Oregonians
- Currently covers more than 600,000 individuals
- But health care system unsustainable: costs and outcomes.
- Health System Transformation - Developed with a year of public input – more than 75 meetings or tribal consultations – SB 1580

Coordinated Care Organizations

- CCOs are local health entities that deliver health care and coverage for people eligible for Medicaid (the Oregon Health Plan) and also people covered by both Medicaid and Medicare. CCOs include:
 - Local control
 - One point of accountability
 - Global (single) budget
 - Expected health outcomes
 - Integrating physical and behavioral health
 - Focus on prevention
 - Reduced administrative overhead
 - Community health workers
 - Health equity
 - Patient-centered primary care homes
 - Electronic health records

Federal Flexibilities: 1115 Waiver Demonstration and State Plan Amendments

- Through Section 1115 of the Social Security Act, states can apply for program flexibility from the Centers for Medicare and Medicaid Services (CMS) to test new or existing approaches to financing, and delivering or expanding Medicaid and CHIP services.
- The Oregon Health Plan was created in 1994 through a 1115 waiver, allowing the state to:
 - Create a Medicaid managed care delivery system
 - Develop the Prioritized List of Health Care Services
 - Expand coverage to 100% of poverty for parents and childless adults
- Most of what we seek to accomplish through Health System Transformation can be achieved through Oregon's current waiver, but some additional waiver authority is needed
- Our request for waiver amendments was submitted March 1.

What federal flexibilities do we need to make these changes to OHP?

Global budget

- Flexibility in budget to provide services to meet health outcomes, such as services and supports that do not meet definition of “medically necessary”
- Flexibility to establish a sustainable fixed rate of growth within the CCO global budget

What federal flexibilities do we need to make these changes to OHP?

- New Payment Methods
 - Develop alternative payment methodologies to reimburse on the basis of outcomes and quality through shared savings and incentives
 - Reimburse non-traditional health care workers: community health workers, peer wellness specialists, doulas, personal health navigators
 - Develop payment systems in support of patient-centered primary care homes
 - Develop an alternative payment methodology to pay FQHCs
- Member Protections
 - Align Medicare and Medicaid consumer protections (Grievance systems)
 - Educate members without violating marketing prohibitions
 - Allow electronic communications at member's request

Expenditure Authority

- Also requesting an amendment to our 1115 waiver to authorize federal financial participation for designated state health programs (DSHP)
 - Health Programs supported with state funds
 - Medicaid-like services and/or people
- Must be connected to health system transformation

Next steps

Public process to support:

- Temporary and permanent rules to implement SB 1580
- Request for Application document
- Medicare-Medicaid Integration proposal

All documents posted through:

www.health.oregon.gov

Timeline – CCOs

As of March 10, 2012

Waiver submitted to CMS	March 1
Public comment open for draft Request for Applications (RFA), model contract and temp rules	March 5-13
Temporary rules filed	March 16
RFA for potential CCOs posted	March 19
Non-binding Letters of intent due to OHA	April 2
Technical Applications from CCOs due (Wave one)	April 30
Financial Applications from CCO due (Wave one)	May 14
New CCOs Certified	May 28
Medicaid Contracts signed with new CCOs	By June 29
CCO-Medicaid Contracts to CMS	By July 3
Medicaid Contracts effective for new CCOs	August 1

Timeline

Medicare-Medicaid Integration

Public comment for draft Medicare-Medicaid Integration Proposal (30 days)	March 5-Apr 4
Letters of intent to apply for 3-way contract due to CMS	April 2
Final Medicare-Medicaid Integration Proposal submitted to CMS	April 12
Medicare-Medicaid Integration benefit package due to CMS	June 4
CMS and OHA certification for Medicare-Medicaid Integration	July 31
3-way contracts signed	Sep 20
Medicare-Medicaid Integration 3-way Contract effective	Jan 1, 2013

CCO Letters of intent

- Letters of Intent are non-binding
- Potential CCOs considering application at any time in 2012 or 2013 should file Letters of Intent on April 2

All documents posted at
www.health.oregon.gov