

OFFICE OF PRIVATE HEALTH PARTNERSHIPS

Annual Performance Progress Report (APPR) for Fiscal Year (2008-2009)

Proposed KPM's for Biennium (2009-2011)

Original Submission Date: 2009

Finalize Date: 9/30/2009

2008-2009 KPM #	2008-2009 Approved Key Performance Measures (KPMs)
1	STAKEHOLDERS TRAINED – Number of insurance agents, community partners, and stakeholders trained through the Information, Education, and Outreach Unit.
2	FHIAP Administration Percentage – FHIAP administrative expenses as a percentage of total cost.
3	FHIAP ENROLLEES – Number of Oregonians enrolled in the Family Health Insurance Assistance Program (FHIAP) for health insurance subsidies.
4	CUSTOMER SERVICE – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.

OFFICE OF PRIVATE HEALTH PARTNERSHIPS

I. EXECUTIVE SUMMARY

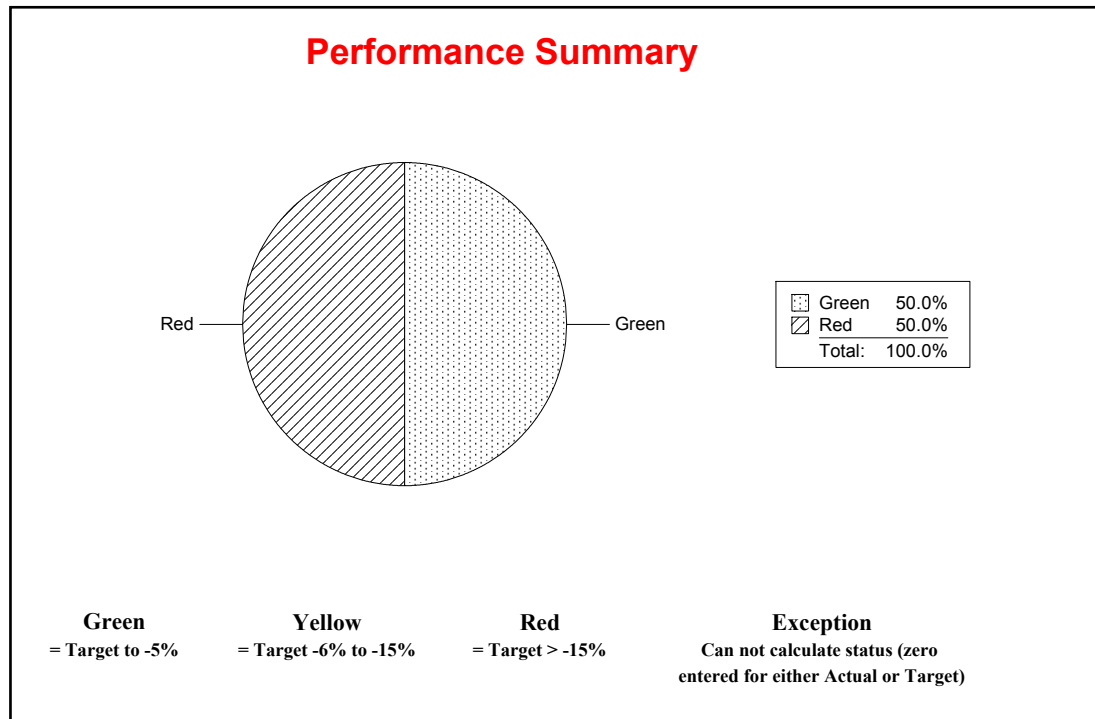
Agency Mission: To encourage and assist Oregon small businesses and consumers in making informed health insurance choices by providing outreach, education, and referral services, as well as provide access to health insurance through a program for low-income, uninsured Oregonians and those unable to obtain insurance because of pre-existing health conditions.

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1. SCOPE OF REPORT

This report covers the programs of the Office of Private Health Partnerships, including the Information, Education and Outreach program and the Family Health Insurance Assistance Program (FHIAP). The four approved measures represent the performance of the agency in the context of its funding level. Three of the Four measures - Stakeholders Trained, FHIAP Administration Percentage, and FHIAP Enrollees, are directly impacted by the program budget level of the agency. To address this, the agency was directed by LFO to delete two of these measures (Stakeholders Trained and

FHIAP Enrollees), and replace them with two new measures that are less directly impacted by the budget of the agency.

2. THE OREGON CONTEXT

Oregon's recession and slow economic recovery, fewer people served by the Oregon Health Plan, and an overall increase in the cost of health care and premiums (causing employers to drop coverage) have contributed to an increase in level of uninsurance. The Office of Private Health Partnerships (OPHP) directly impacts benchmark number 55 by helping people pay for health insurance coverage through the FHIAP subsidy program. The education and outreach efforts of the agency provide information that insurance agents and consumers need to make informed health insurance decisions. Our partners include private-sector employers and insurance plans, insurance producers, our members, and sister agencies from DHS (e.g., CAF, and DMAP).

3. PERFORMANCE SUMMARY

The OPHP is performing well on two of the four approved performance measures, Stakeholders Trained and FHIAP Customer Service. The count of stakeholders trained has remained between 2 and 4 times above the targeted amount since 2004. Customer Satisfaction percentages have remained above targets since 2006. A significant Federal fund shift that began in late 2007 had a large impact on the agency's performance measures in 2009. This negatively affected both the FHIAP Administration Percentage and the FHIAP enrollment performance measures. It is expected that both the FHIAP administration expenditures and the FHIAP enrollment data will improve in the 09-11 biennium.

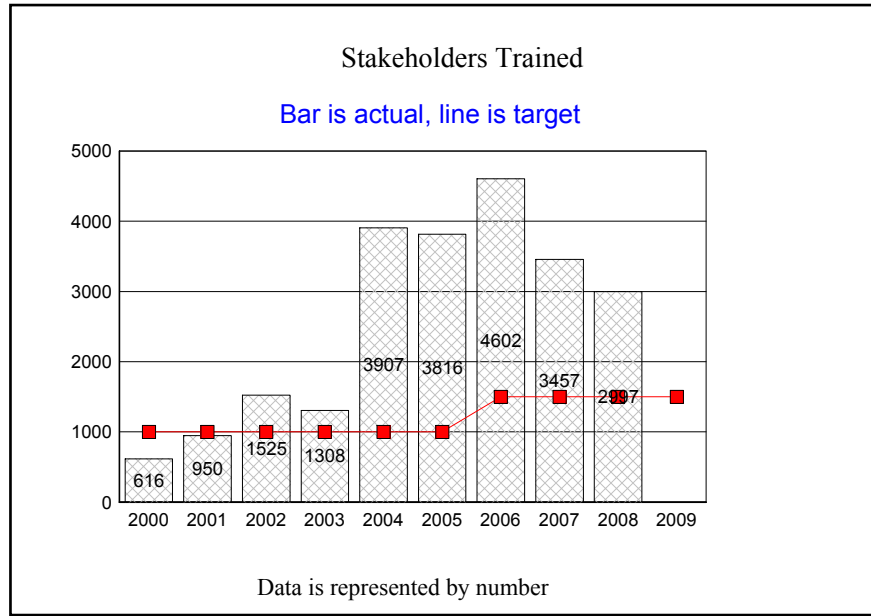
4. CHALLENGES

The Agency's primary challenge is funding. In 2007, a federal fund shift resulted in a significant drop in total program expenditures, which caused a reduction in the level of enrollment. There are many low-income Oregonians who do not have access to health insurance through an employer, and cannot afford the cost of health coverage through private insurers. As of August 2009, there were more than 65,000 people on the FHIAP reservation list. If funding were available to enroll these people in the FHIAP program it would significantly reduce Oregon's uninsurance rate. This rate is currently being monitored by the Oregon Progress Board as Benchmark #55, and it is FHIAP's most directly related benchmark.

5. RESOURCES AND EFFICIENCY

In Fiscal Year 2009, the FHIAP program served a monthly average caseload of 8,096 Oregon lives. The agency distributed a total of \$20.8 million to these low-income Oregonians to subsidize private health insurance through their employers or in the private-sector individual market.

KPM #1	STAKEHOLDERS TRAINED – Number of insurance agents, community partners, and stakeholders trained through the Information, Education, and Outreach Unit.	2000
Goal	STAKEHOLDER AWARENESS Increase number of stakeholders / agents that attend training sessions for more awareness statewide.	
Oregon Context	Oregon Benchmark #55 - Health Insurance	
Data Source	Training Logs	
Owner	Information, Education and Outreach Unit, Mark Jungvirt, Manager, 503-378-5461	



1. OUR STRATEGY

The purpose of IEO is to educate the public about OPHP programs and the health insurance system. The best way to do this is through intensive and

informative trainings for insurance carriers, producers and other community partners who work with our target audience. These partners, in turn, are better able to link uninsured Oregonians with programs that can help them, thus lowering the uninsured rate. In addition to carriers, producers, employers and advocacy groups, a key training target for IEO trainings is Department of Human Services (DHS) staff. FHIAP is an alternative for many Oregonians who qualify for Oregon Health Plan (administered by DHS) but either choose private insurance or can't get into OHP because of budget limits. FHIAP also serves people who are making the transition from public- to private-sector programs. There is a need for ongoing training about how the two programs work together. During stakeholder trainings, IEO also reaches out to county health departments, safety net clinics, medical providers, state employment offices, human resource personnel and advocacy groups that help people with applications.

2. ABOUT THE TARGETS

Constant turnover in public and private organizations and changes in laws affecting state programs and the health insurance industry require OPHP to provide ongoing training to key partners. The extent and frequency of training, however, is dictated in part by program openings, the OPHP budget, and whether programs or statutes change significantly.

3. HOW WE ARE DOING

OPHP has exceeded the target for this measure since 2004. The fluctuations in the number of stakeholders trained are based largely on whether there are FHIAP openings and the need for statewide producer training based on insurance law changes.

4. HOW WE COMPARE

There are no direct comparators to the work that our agency does to train stakeholders.

5. FACTORS AFFECTING RESULTS

The number of stakeholders trained varies based on the agency budget level and the need to explain changes in programs and statutes or new programs and insurance products.

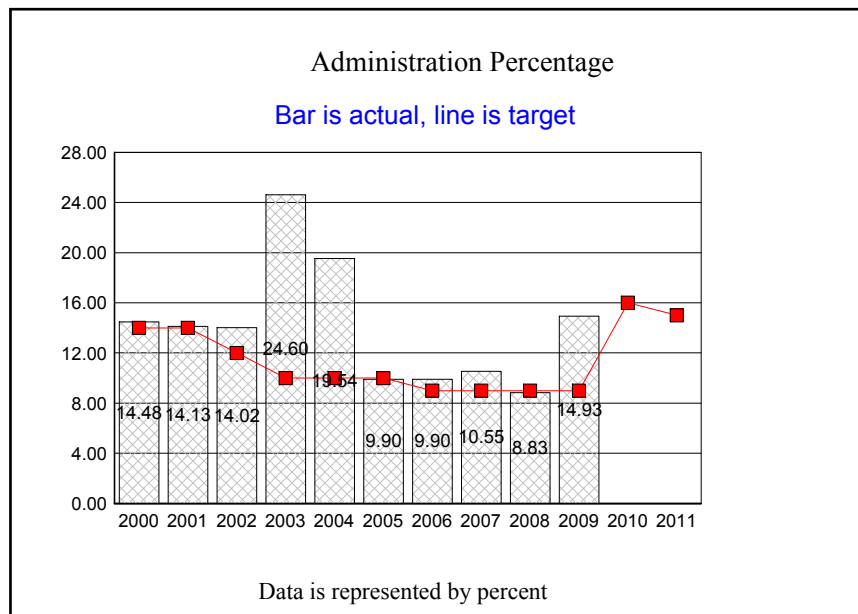
6. WHAT NEEDS TO BE DONE

OPHP will continue to provide free or low-cost education to newly licensed producers as well as key community partners. The agency should explore other ways to deliver training, such as online classes.

7. ABOUT THE DATA

The number of stakeholders trained is a count of all the signatures of those who have attended trainings. This target is measured by calendar year.

KPM #2	FHIAP Administration Percentage – FHIAP administrative expenses as a percentage of total cost.	2000
Goal	HEALTH CARE SUBSIDIES Provide subsidies to low-income Oregonians to assist with cost of health insurance premiums.	
Oregon Context	Oregon Benchmark #55 - Health Insurance	
Data Source	Compares total administrative expenditures from SFMA to total program costs in SFMA (accounting system).	
Owner	Becky Frederick, Business Services Manager, 503-378-4679	



1. OUR STRATEGY

The strategy of the agency is to maximize our current fixed cost administrative resources. If we maximize our fixed administrative costs while our program expenditures grow, then as a percentage, administration expenditures will drop. Also, the agency is utilizing variable cost resources as

much as possible during times of peak demand, enabling the agency to respond to the significant swings in funding levels for the program from biennium to biennium with minimal impact to the agency's administrative cost percentage and to its fixed infrastructure. In addition, the agency is committed to reviews of staffing levels, office space, and common practices and processes.

2. ABOUT THE TARGETS

The target for this measure is difficult to set when funding for the program is shifting. The current targets were set during a period of growth for the agency. However, during the 2007-09 biennium, the agency had to cut program expenditures due to changes in federal funding. The targets for future time periods will again be reviewed through this legislative budget process.

3. HOW WE ARE DOING

The agency has made progress in reducing the administrative costs of the FHIAP subsidy program in part by succeeding in getting enrollment in the program to a level that maximizes the efficiency of its fixed costs and staffing resources. In 2003 and 2004, during the early stages of implementing the agency's expansion, administrative costs were high as a percentage of the budget because there were economies of scale that had not been realized. From 2005 through 2008, the agency met economies of scale and was able to bring down administrative costs to targeted levels. In 2009, due to a reduction in federal funding, enrollment and the program expenditures associated with that enrollment dropped significantly. As a result the administrative expenditures increased as a percentage of the total cost.

4. HOW WE COMPARE

While there are a handful of other premium assistance programs in the country, each program is operated under a unique federal waiver (including direct tie-ins to state Medicaid programs) and under different private market conditions, making direct relevant comparisons difficult. However, policy representatives from several states periodically contact staff to discuss how their state may design/implement a similar program to FHIAP because we continue to be successful in reaching our budgeted enrollment goals while also experiencing success in reducing our administrative overhead costs.

5. FACTORS AFFECTING RESULTS

The biggest factor affecting results is economy of scale, which is driven by program funding. There is a threshold of service level required regardless of the number of lives served in the program. There is a fixed cost associated with providing this threshold of service. As the total budget of the program is reduced, the percentage of administrative expenditures is increased and vice versa, without any change in the actual dollars spent on

administration.

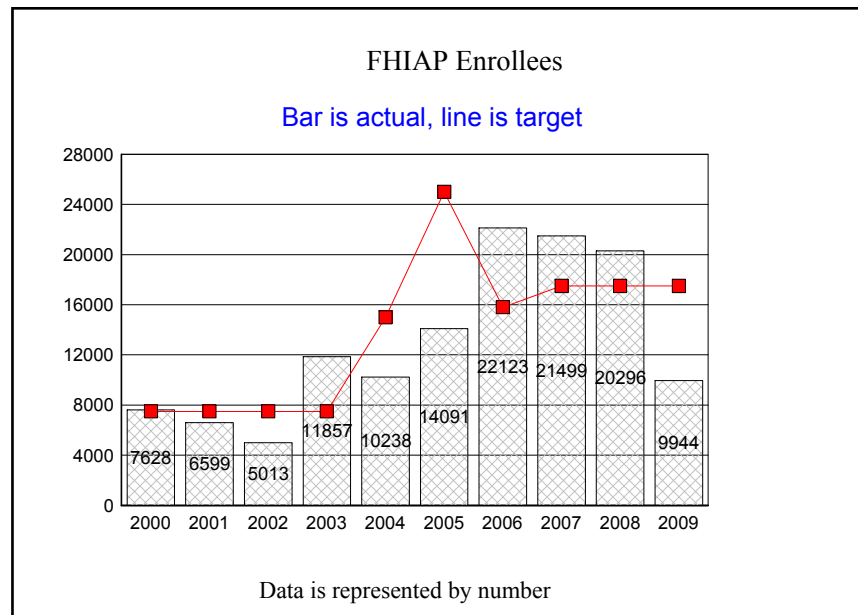
6. WHAT NEEDS TO BE DONE

The agency continues to streamline as many processes as possible to provide the highest level of service possible within allowed budgets.

7. ABOUT THE DATA

The percentage of administration is a calculation of total FHIAP administrative costs compared to the total FHIAP budget. It does not include administration of the Information, Education and Outreach program. This KPM is measured by State Fiscal Year (July - June).

KPM #3	FHIAP ENROLLEES – Number of Oregonians enrolled in the Family Health Insurance Assistance Program (FHIAP) for health insurance subsidies.	2000
Goal	HEALTH CARE SUBSIDIES Provide subsidies to low-income Oregonians to assist with cost of health insurance premiums.	
Oregon Context	Oregon Benchmark #55 - Health Insurance	
Data Source	Family Health Insurance Assistance Program (FHIAP) database	
Owner	FHIAP Manager, Craig Kuhn, 503-378-6032	



1. OUR STRATEGY

Oregon's recession and slow economic recovery, fewer people served by the Oregon Health Plan, and an overall increase in the cost of health care and premiums (causing employers to drop coverage) have contributed to an increase in the level of uninsurance since 2002. The OPHP directly

impacts the number of uninsured by paying for health insurance coverage through the FHIAP program. The education and outreach efforts of the agency provide information insurance agents and consumers need to make informed health insurance decisions. Our partners include private-sector employers and insurance plans, insurance producers, our members, and sister agencies from DHS (e.g., CAF, OHP, and DMAP).

2. ABOUT THE TARGETS

FHIAP provides economic assistance towards the purchase of private-sector health insurance plans, and thus has a direct influence on decreasing the percent of uninsured Oregonians. Through our ability to subsidize commercial health insurance plans, we facilitate enrollment in these plans, which thereby result in FHIAP members having access to quality health care via the coverage afforded by the commercial health insurance plan.

3. HOW WE ARE DOING

The number of Oregonians that FHIAP can serve is directly related to the programs legislatively approved budget. In 2002, the FHIAP program was approved to receive federal matching dollars through the Centers for Medicare and Medicaid Services (CMS) as part of the Oregon Health Plan waivers. This resulted in the increase in enrollment in 2003. The drop in enrollees from 2003 to 2004 is predominantly due to the reduction in churning. Enrollees in the program stayed in longer, and therefore the budget served fewer people during the year. In 2005, enrollment increased by 37 percent above 2004 levels. The target for 2005 enrollees was inflated. It was developed in 2003 when the program was expected to grow at a more rapid rate, be funded at a higher level, and reach a biennial average of 25,000. Since that time, negotiations in the federal waiver agreement and changes in the program reduced forecasts for 2006 and 2007 to more accurately reflect current enrollment trends. The agency exceeded the 2006 target by 40 percent, serving a total of 22,123 lives during the fiscal year. Again, in 2007 and 2008, the level of enrollment was very high. However, enrollment dropped in 2009 due to a federal fund shift. Enrollment is expected to climb again in the 2009-11 biennium due to the funding level of the LAB.

4. HOW WE COMPARE

While there are a handful of other premium assistance programs in the country, each program is operated under a unique federal waiver (including direct tie-ins to state Medicaid programs) and under different private market conditions, making direct relevant comparisons difficult. However, policy representatives from several states periodically contact staff to discuss how their state may design/implement a similar program to FHIAP because we continue to be successful in reaching our budgeted enrollment goals while also experiencing success in reducing our administrative costs.

5. FACTORS AFFECTING RESULTS

The primary factor affecting results is funding. When funding is available, enrollment increases, and when it is not, enrollment decreases. As of August 2008, the reservation list for the FHIAP program was more than 65,000 clients long with limited or no outreach, which is evidence of the high demand for the program as well as existing funding limitations.

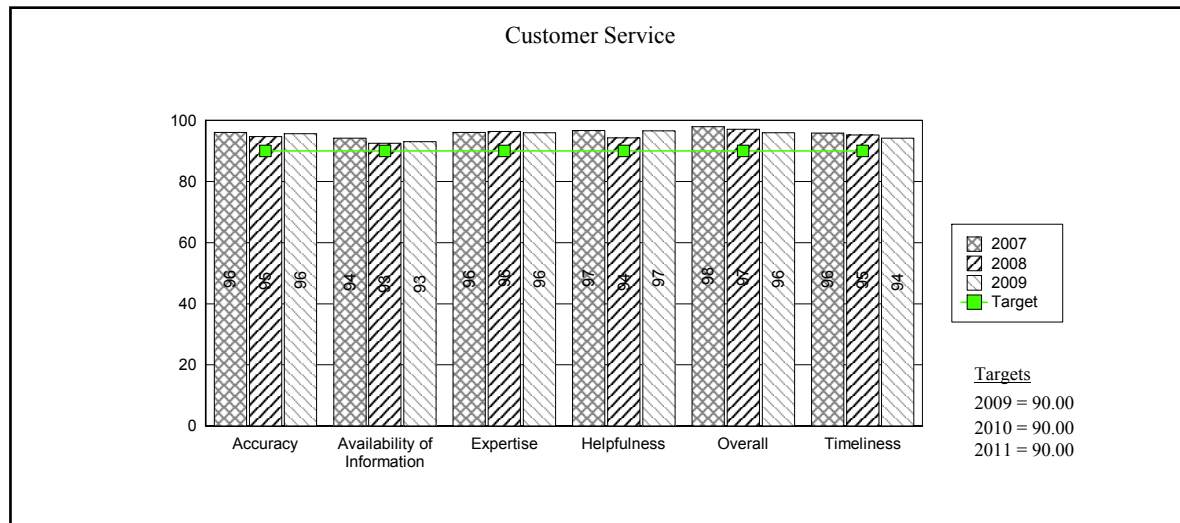
6. WHAT NEEDS TO BE DONE

OPHP's Information, Education, and Outreach unit is continually looking for new and innovative ways to reach the thousands of uninsured Oregonians who could qualify for assistance in the group market.

7. ABOUT THE DATA

The data reported represents the total number of persons served by the FHIAP program within the states fiscal year (July 1 through June 30). This figure includes all those who were enrolled for any period of time during the reported year. The agency tracks the number of persons who enrolled in health insurance coverage, but is unable to measure health improvement outcomes as a result of enrollment.

KPM #4	CUSTOMER SERVICE – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	2006
Goal	Improve collaboration and deliver the highest level of customer service possible..	
Oregon Context	Oregon Benchmark #55 - Health Insurance	
Data Source	FHIAP Customer Survey Database	
Owner	Cindy Bowman, Project Coordinator, 503-378-4674	



1. OUR STRATEGY

The agency surveys active FHIAP members using the statewide customer satisfaction survey created by the Oregon Progress Board and Customer Satisfaction Work Group. Active FHIAP members are surveyed monthly in conjunction with the reapplication process.

2. ABOUT THE TARGETS

Targets are expressed as the percentage of responses that are good or excellent. The agency has always focused on providing excellent customer service to our members, and we anticipate a high return of Good or Excellent responses.

3. HOW WE ARE DOING

FHIAP began surveying in May 2006 and it has exceeded the target in every category since that time.

4. HOW WE COMPARE

The OPHP is performing at a higher level than its comparative agencies.

5. FACTORS AFFECTING RESULTS

The agency is bound by some State and Federal regulations that are outside of the Agency's control. These regulations affect enrollment criteria, program design, and other elements that are a part of the client-Agency interaction. The results of the customer service survey may be impacted by these elements that are outside the agency's control.

6. WHAT NEEDS TO BE DONE

The agency is doing well based on these measures and needs to continue performing at this high level.

7. ABOUT THE DATA

Survey Name: FHIAP Customer Satisfaction Survey Surveyor: Agency Staff Date Conducted: Continuously, beginning 5/1/2006 and monthly thereafter. Population: Consumers Sampling Frame: About 50% of all active FHIAP members reapplying for subsidies, since the survey is mailed monthly versus bi-weekly when the redetermination applications are mailed. Sampling Procedure: Systematic sample Sample Characteristics: Population = ; Sample = ; Responses = ; Response Rate = Weighting: Single survey. No weighting required. Survey Questions: 1. How do you rate the timeliness of the services provided by FHIAP employees? 2. How do you rate the ability of FHIAP employees to provide services correctly the first time? 3. How do you rate the helpfulness of FHIAP employees? 4. How do you rate the knowledge and expertise of FHIAP employees? 5. How do you rate the availability of information at FHIAP? 6. How do you rate the overall quality of service provided by FHIAP? This KPM is measured by State Fiscal Year (July - June).

OFFICE OF PRIVATE HEALTH PARTNERSHIPS**III. USING PERFORMANCE DATA**

Agency Mission: To encourage and assist Oregon small businesses and consumers in making informed health insurance choices by providing outreach, education, and referral services, as well as provide access to health insurance through a program for low-income, uninsured Oregonians and those unable to obtain insurance because of pre-existing health conditions.

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The following questions indicate how performance measures and data are used for management and accountability purposes.

1. INCLUSIVITY

- * **Staff:** Staff are included through staff meetings.
- * **Elected Officials:** Elected officials are included primarily through the Legislative budget process.
- * **Stakeholders:** Stakeholders are included through input and feedback to staff.
- * **Citizens:** Citizens are included through the customer service survey response.

2 MANAGING FOR RESULTS

The agency manages its performance through this key performance measurement process.

3 STAFF TRAINING

Staff training is discussed in the internal newsletter "OPHP briefings" and performance measure document discussions are a part of staff meetings.

4 COMMUNICATING RESULTS

- * **Staff:** Results are communicated through the internal newsletter "OPHP Briefings".
- * **Elected Officials:** Results are communicated to elected officials through the legislative budget process.
- * **Stakeholders:** The agency communicates to stakeholders through input and feedback to staff.
- * **Citizens:**