Oregon Health Authority
2015–2017 Agency Wrap Up

Oregon Health Authority
Presented to the Human Services Legislative Subcommittee
on Ways and Means
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Results for Oregonians

- **167,368** Oregonians served by Oregon Women, Infants and Children (WIC) in 2013
- **More than 1,000,000** served by Coordinated Care organizations
- **PEBB provides health care benefits for about 127,000 individuals**
- **Medicaid expansion allowed 380,000 new enrollees since January 1, 2014**
- **95%** of Oregonians have health care coverage
- **Health System Transformation saved $139,000,000 in health care costs over 2013–2014**
- **Teen pregnancy rate per 1000 dropped from 25.8 in 2008 to 13.9 in 2013**
- **Oregon State Hospital system cared for 1,386 patients in 2014 who could not be served in the community**
Oregon’s health system transformation
(agreement with Medicaid)
Oregon’s Coordinated Care Model

The Triple Aim
Better Health
Better Care
Lower Costs

- Best Practices to manage and coordinate care
- Paying for outcomes and health
- Transparency in price and quality
- Sustainable rate of growth
- Shared responsibility for health
- Measuring Performance
Coordinated care organization service areas
Oregon Health Authority
2015–17 Governor’s budget

Total fund by program area
$18.8 billion

$16.7B
89%
Health Care Programs

$1.1B
6%
AMH

$528.7M
3%
Public Health

$407.7M
2%
Shared Services, state assessments enterprise-wide costs and debt services
Oregon Health Authority
2015–17 Governor’s budget

Total fund by fund type
$18.8 billion

- $10.8B (58%) Federal Fund
- $5.7B (30%) Other Fund
- $2.2B (12%) General Fund
- $10.3M (<1%) Lottery Fund
2015–17 OHA Governor’s budget by program and category

Budget (in millions)

- Special payments
- Capital outlay
- Services and supplies
- Personal services
- Other expenditures

Programs:
- Addictions and Mental Health Programs
- Health Licensing
- Health Policy Programs
- Institutions
- Office of Information Services
- Medical Assistance Programs
- Public Employees Benefit Board
- Oregon Educators Benefit Board
- Public Health Programs
- Central Services
- State assessments and enterprise-wide costs
Where the OHA budget is spent

Ninety-eight percent goes to direct provision of health services:

- Eighty-nine percent ensures services are provided through doctors, nurses, pharmacists, dentists, hospitals, mental health providers and other health/health care providers in every community throughout Oregon.
- Nine percent goes to direct services provided by the state in public health and Oregon State Hospital.
- Less than two percent is used for Shared Services, state assessment and debt service.
OHA significant budget issues

Expanded ACA eligibility to over 380,000 adults with incomes at 133 percent of the federal poverty level and below.

- Receiving 100 percent federal funding through calendar year 2016
- Federal funding for ACA adults scales down as follows:
  - Calendar year 2017 – 95 percent
  - Calendar year 2018 – 94 percent
  - Calendar year 2019 – 93 percent
  - Calendar year 2020 and all subsequent years – 90 percent
Risks/Concerns

- Changes in federal policy
- $1.9B Waiver agreement
- Designated State Health Program (DSHP)
- 3.4% Targets to leverage $68M per year
- Financially sustainable model
- Achieving health systems transformation
- Ongoing mechanics of enrollment
- The march to Kentucky (conversion)
- Expensive treatment advances
## OHA Progress

<table>
<thead>
<tr>
<th>Where we’ve been</th>
<th>Where we are going</th>
</tr>
</thead>
<tbody>
<tr>
<td>Divisions and programs with separate missions and visions</td>
<td>One mission, one vision, restructure designed to achieve measurable results</td>
</tr>
<tr>
<td>Grant oriented</td>
<td>Outcomes oriented</td>
</tr>
<tr>
<td>Policy and program focused</td>
<td>Customer focused</td>
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<tr>
<td>Dysfunctional technology services</td>
<td>Reliable technology services</td>
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<td>Managers define solutions</td>
<td>Staff are empowered to lead</td>
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<tr>
<td>Crisis driven, reactive</td>
<td>Proactive, innovative and responsive</td>
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<tr>
<td>Government services operate in relative isolation</td>
<td>Collaborative partner</td>
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How funding turns into behavioral health services

- Medicaid funding
- Oregon Health Plan
- Coordinated care organizations
- Providers
- State and other Federal Funds
- Addictions and Mental Health
- Community programs

Behavioral health care for Oregonians
# Behavioral Health Services

Included in Medical Assistance Program and Addictions & Mental Health (total funds in millions):

<table>
<thead>
<tr>
<th>Service</th>
<th>MAP</th>
<th>AMH</th>
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</thead>
<tbody>
<tr>
<td>Mental Health Services - Medicaid</td>
<td>$1,419</td>
<td></td>
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<tr>
<td>Community Services - Non Medicaid</td>
<td></td>
<td>$477</td>
</tr>
<tr>
<td>Institutions</td>
<td></td>
<td>$502</td>
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<tr>
<td>Addictions Services - Medicaid</td>
<td>$218</td>
<td></td>
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<tr>
<td>Addictions Treatment &amp; Prevention - Non Medicaid</td>
<td></td>
<td>$106</td>
</tr>
<tr>
<td>Gambling Treatment</td>
<td></td>
<td>$8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$2,729</strong></td>
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PEBB’s Success: beating the trend

- Oregon Medical/RX Trend:
  - 2010: 11.50%
  - 2011: 10.50%
  - 2012: 11.10%
  - 2013: 8.90%
  - 2014: 7.50%
  - 2015: 7.50%

- PEBB Premium Composite Trend:
  - 2010: 6.90%
  - 2011: 5.70%
  - 2012: 5%
  - 2013: 5%
  - 2014: -0.33%
  - 2015: -0.90%
OEBB’s Success: beating the trend

OEBB has stayed below Oregon’s medical trend for all but one of its plan years.
New in 2015 for PEBB
Improved care coordination

• PEBB members now have a choice between two or more medical plans in all 36 Oregon counties.
• Most plan choices are available at a lower cost to both members and the state.
• Plans are required to meet and report high quality measures of care by:
  – Prioritizing health and prevention services
  – Managing costs by cutting waste and requiring health plans and providers to be efficient, coordinated and focused on the patient
Future of public health

Conceptual framework for governmental public health services

- Assessments and epidemiology
- Emergency preparedness and response
- Communications
- Policy and planning
- Leadership and organizational competencies
- Health equity and cultural responsiveness
- Community partnership development

Foundational programs:
- Communicable disease control
- Environmental health
- Prevention and health promotion
- Access to clinical prevention services

Additional programs

Foundational capabilities

= Present at every health department
OHA Public Health
2015–17 Governor’s budget

$355.1
67%
Federal Funds

$41.9
8%
General Fund

$131.7
25%
Other Funds

Public Health 2015-2017
Governor’s budget
$528.7M
Health policy’s role in achieving healthy people outcomes

The offices within Health Policy help:
- define outcomes
- ensure fiscal accountability
- measure the effects of health investment in various health care strategies
- inform decisions for all aspects of health care within OHA

Recent focus has been:
- Reducing per capita costs
- Improving specific health measures tracked by the CCOs
Thank you.

Questions?