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# 2013-15 Budget & Legislative Highlights

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OHA Director



Oregon  
Health  
Authority

The logo for the Oregon Health Authority is centered at the bottom of the slide. It features the word "Oregon" in a smaller, orange, serif font above the word "Health" in a large, blue, serif font. Below "Health" is the word "Authority" in a smaller, orange, serif font. A thin blue horizontal line is positioned just above the "Authority" text, extending from the left side of the "H" in "Health" to the right side of the "y" in "Authority". The entire logo is set against a light blue, curved background that spans the width of the slide.

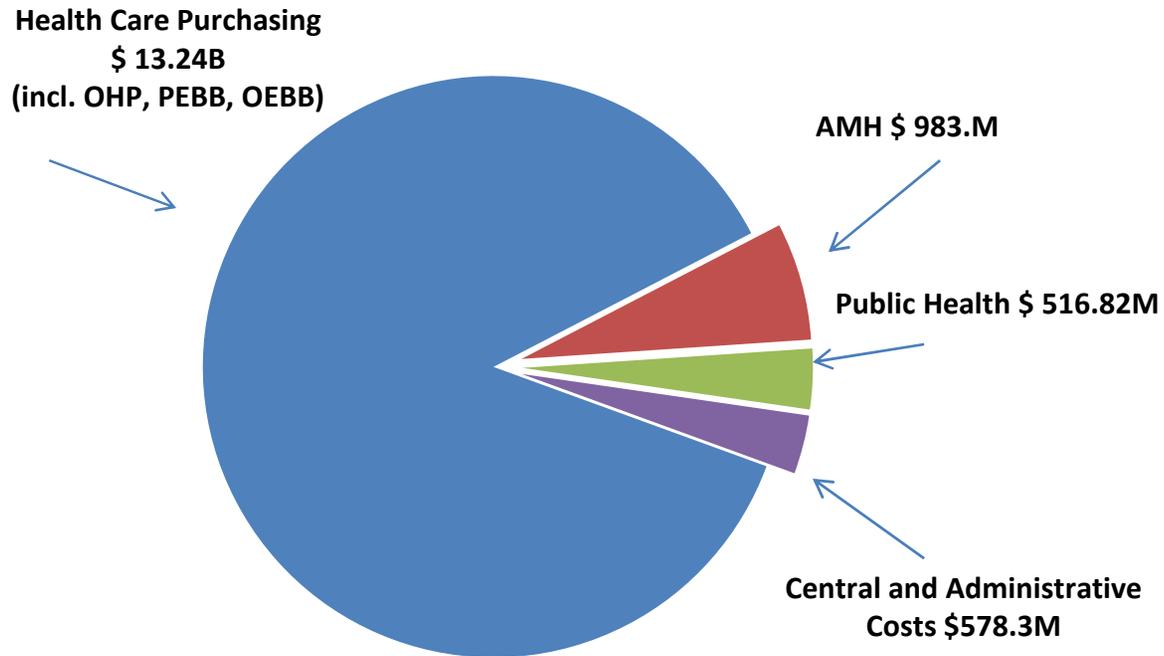
# OHA Budget 2013 - 2015

- Lowers cost of Oregon Health Plan
- Funds OHP to targeted and sustainable growth that meets agreement with CMS
- Eliminates a tax on insurance premiums
- Increases access to health care coverage to approximately 180,000 through Affordable Care Act
- Increases community mental health investments
- Increases investments in School Based Health Centers (SBHC)
- Invests Master Settlement Agreement funds in health care (OHP) and also in tobacco cessation and prevention

# Oregon Health Authority – Budget summary

- **\$15.32B Total Funds**
  - \$1.97B General Fund
  - \$7.59B Federal Funds
  - \$5.75B Other Funds
  - \$10.54M Lottery Funds

# Total Funds by OHA Program



# Oregon Health Plan - \$9.7 Billion

Funds OHP and lowers costs per agreement with CMS

- 4.4% increase in per capita expenses in year one
- 3.4% increase in per capita expenses in year two

Strategic investments

- \$ 4.0M – GF loan repayment program
- \$ 4.6M - G/F rural malpractice coverage
- \$ 30M - GF Health System Transformation Fund
- \$ 1.6M – GF for Medical Liability reform (SB 483)

More Oregonians receive health care coverage in Jan. 2014 –

ACA expansion health care costs are 100% federally funded in 2013 -15

# Addictions and Mental Health

43% increase in total funds

for Oregon's community mental health system

## Community mental health Investments

- \$ 21.80M – Children's mental health investment
- \$ 46.27M – Community Mental Health Capacity
- \$ 5.71M – Supported Employment, Supported Housing and Peer Delivered Services
- \$ 7.60M – CMH Provider COLA
- \$ 5.50M – Case Management- ACT (assertive community treatment)

## Addictions and Treatment Investments

- Increases room and board rates for adolescent alcohol and drug residential treatment from \$30 to \$90 per day
- Funding “set aside” for potential rate increases in room and board for adult alcohol and drug residential treatment system

# Comparison of Addictions and Mental Health Budget

	<b>11 - 13 Biennium <u>Total Funds</u></b>	<b>13 - 15 Biennium <u>Total Funds</u></b>	<b><u>Change from 11-13 to 13-15</u></b>	<b><u>Percent Change</u></b>
<b>Community Mental Health</b>	<b>250,437,431</b>	<b>358,063,836</b>	<b>107,626,405</b>	<b>43%</b>
<b>Alcohol and Drug</b>	<b>84,920,585</b>	<b>87,729,690</b>	<b>2,809,105</b>	<b>3%</b>
<b>Institutions (including SDSRTF)</b>	<b>382,679,263</b>	<b>383,751,056</b>	<b>1,071,793</b>	<b>0%</b>
<b>Block Grant to Counties</b>	<b>7,031,218</b>	<b>7,031,218</b>	<b>0</b>	<b>0%</b>
<b>Gambling</b>	<b>7,619,144</b>	<b>7,862,185</b>	<b>243,041</b>	<b>3%</b>
<b>Program Support &amp; Admin.</b>	<b>41,020,569</b>	<b>38,361,137</b>	<b>(2,659,432)</b>	<b>-6%</b>
<b>Totals</b>	<b>773,708,210</b>	<b>882,799,122</b>	<b>109,090,912</b>	<b>14%</b>
Both biennium are net of transfer to DMAP & DSHP limitation				

# Addictions and Mental Health, continued

## Oregon State Hospital (OSH)

- Closure of Blue Mountain Recovery Center by January 1, 2014 (60 beds)
- Closure of leased Portland campus of OSH in Spring 2015 (90 beds)
- Closure of one geriatric ward at the OSH in Salem (24 beds)
- Opening of the OSH Junction City Campus in Spring 2015 – (174 beds that replace closed beds)
- Continues reductions in non-direct care services that Oregon State Hospital implemented during 2011-13 biennium and enacts further cost-reduction measures

# Public Health - \$516.82M

- \$ 4M – Invests Master Settlement Agreement funding to tobacco cessation and prevention
- \$ 4M - Increased funding for school-based health centers
- \$ 100K – Increased funding for EMS- EMT program
- \$300K – Additional funding for Farmer’s Market (Senior & Direct)
- \$ 179K – Additional funding for EMS Trauma Advisory Board
- \$700K – Additional funding for breast and cervical cancer screening

# Better health, better care, lower costs

As part of the 2013-15 budget, Gov. Kitzhaber and the Oregon State Legislature approved opening the Oregon Health Plan to more people as allowed by the federal Affordable Care Act.

4 additional pieces of legislation will bring Oregon into compliance with ACA and allow for implementation.

# ACA Overview

- **Coverage and Access in 2014**
  - Opening Medicaid to more people
  - Cover Oregon
  - Health Insurance Market Reforms

# Overview: Coverage and Access to Care

- **Medicaid/Children's Health Insurance Program (CHIP)**

- Coverage for low income adults up to 138% of poverty in 2014. (Maintain current children's coverage up to 300%)
- Enhanced federal funding for new eligibles
  - 100% in 2014-16
  - 95% in 2017
  - 94% in 2018
  - 93% in 2019
  - 90% in 2020 and beyond

# Overview: Coverage and Access to Care

- **Insurance Regulation**

- Guaranteed issue and renewability (starts 2014)
- Pre-existing conditions exclusions prohibited (for children 6 months from enactment and for adults by 2014)
- Prohibits lifetime limits, allows certain annual limits until 2014
- Eliminates waiting periods of more than 90 days for group coverage (starts 2014)

# Overview: Coverage and Access to Care

- **Cover Oregon**

- Guaranteed issue and renewability
- Standard levels of coverage
- Ability to shop for, compare plans and enroll
- Tax credits for those under 400% poverty

[www.coveroregon.com](http://www.coveroregon.com)



## Projections - by 2016

240,000

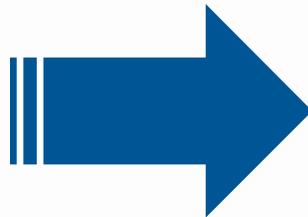
Oregon Health Plan

250,000

Cover Oregon: non-group

Today: 83%

of Oregonians have  
health care coverage



By 2016: 95%

of Oregonians could have  
health care coverage.

# A more sustainable health care system

New OHP enrollees will join local coordinated care organizations.

Benefits and services are integrated and coordinated

One global budget that grows at a fixed rate

Metrics: standards for safe and effective care

Local accountability for health and budget

Local flexibility

# 2014 timeline



# Reaching all Oregonians

OHA and Cover Oregon are working together to create an outreach program for:

- Hard-to-reach,
- Non-English speaking,
- Geographically isolated, and
- Underserved populations.

OHA and Cover Oregon are working with local community partners and other key stakeholders for on-the-ground outreach and application assistance for individuals and families.

# One house, one door

Individuals  
and  
Families: OHP  
and commercial



Small  
Employers

[www.coveroregon.com](http://www.coveroregon.com)

Oregon  
Health  
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# 2013 LEGISLATION HIGHLIGHTS

(see accompanying handout)



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# 2013 Legislation

- **ACA Implementation**
  - **HB 5030 - OHA budget bill includes federal funding for new eligibles**
  - **HB 2240 - syncs insurance code with new federal requirements**
  - **HB 3458 - establishes reinsurance program to help stabilize premiums**
  - **HB 2859 – syncs medical assistance statutes with new federal requirements. Establishes Task Force on Individual Responsibility and Health Engagement**
  - **HB 2091 – ends Healthy Kids Connect and transfers children to OHP.**

# 2013 Legislation

- **Medical Liability Reform – SB 568 adopts dispute resolution process.**
- **Hospital Assessment - HB 2216 extends hospital assessment two more years**
- **Primary Care Loan Repayment – SB 440 establishes \$4million program for loan repayment**
- **Streamlined Credentialing – SB 604 establishes single statewide database for credentialing information**
- **Reducing Disparities**
  - **HB 2134 establishes uniform data standards**
  - **HB 2611 improves cultural competency training for 21 categories of health professionals**

Learn more:

[www.health.oregon.gov](http://www.health.oregon.gov)