

## 2014 Coordinated Care Model Alignment Workgroup

August 13, 2014  
2:00 p.m. – 4:00 p.m.

Lincoln Building, Room 775  
421 SW Oak Street  
Portland, Oregon 97204

Public listen-only conference line: 888-363-4734; Participant code: 1050791

Meeting #1			
#	Time	Item	Lead
1	2:00	Welcome and introductions	Jeanene Smith and Sean Kolmer
2	2:05	Review of charter, charge, timeline, and work plan – Group Discussion: feedback on timeline and deliverables	Kelly Ballas
3	2:30	Review of key elements of the Coordinated Care Model (CCM) and implementation status	Jeanene Smith
4	2:55	Group Discussion Questions: – What are the barriers and opportunities of your market segment as it begins to think about innovative purchasing strategies? – What aspects of the CCM are important to your organization and market segment? – How can the CCM enhance your current health care purchasing or delivery strategies? – What additional information or resources about the CCM would assist in developing an understanding and influencing your market segment?	Kelly Ballas
5	3:40	Meeting schedule and next steps	Jeanene Smith
6	3:50	Public comment	
7	4:00	Adjourn meeting	

### Meeting materials:

- Workgroup charter, roster, work plan, and timeline
- Governor Kitzhaber’s letter to OHPB and executive summary of recommendations
- Overview of SIM grant
- Key CCM elements and implementation status presentation (slides are forthcoming)
- Executive summary of Health System Transformation 2013 Performance Report
- Homework request

### Next meeting:

September 29, 2014 from 10:30 a.m. – 12:30 p.m.  
421 SW Oak Street  
Portland, OR

**Oregon Health Policy Board  
2014 Coordinated Care Model Alignment Workgroup  
Members**

**Laura Cali**

Insurance Commissioner, Department of Consumer and Business Services, Insurance Division

**Terry Coplin**

CEO, Trillium Community Health Plan

**Dan Forbes**

Benefits Manager, OHSU

**Marc Gonzales**

CFO, Clackamas County Department of Finance

**Denise Hall**

Deputy Administrator, OEBC

**Nora Leibowitz**

Chief Policy Officer, Cover Oregon DHS

**Kathy Loretz**

Deputy Administrator, PEBB

**Diane Lovell**

Council Representative, AFSCME

**Jesse O'Brien**

Health Care Advocate, OSPIRG

**Robin Richardson**

Senior Vice President, Moda Health

**Sponsors and Staff:**

**Kelly Ballas**

CFO, Oregon Health Authority (OHA)

**Jeanene Smith, MD**

Administrator, OHA, Office for Oregon Health Policy and Research (OHPR)

**Lisa Angus**

Policy Director, OHPR

**Veronica Guerra**

Policy Analyst, OHPR

**Fritz Jenkins**

Administrator, Designated State Health Program

# Coordinated Care Model Alignment Joint Workgroup Charter

Approved by OHPB on May 6, 2014

## I. Authority

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Through its 2013 recommendations for aligning the Affordable Care Act with Oregon's health system reform, the Oregon Health Policy Board (Board) directs the Administrator of the Public Employee Benefits Board (PEBB), the Administrator of the Oregon Educators Benefits Board (OEBB) and the Director of the Oregon Health Authority (OHA) to jointly charter a workgroup charged with spreading Oregon's coordinated care model.

The workgroup will be guided by (1) the Triple Aim of better health, better care and lower costs; (2) the OHPB's Coordinated Care Model Alignment Workgroup report (December 2013), which outlines coordinated care model attributes and organizational examples; and (3) Oregon's coordinated care model principles as listed below:

- Use best practices to manage and coordinate care;
- Share responsibility for health;
- Measure performance;
- Pay for outcomes and health;
- Provide information so that patients and providers know price and quality; and
- Maintain costs at a sustainable level.

## II. Membership

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The director shall appoint workgroup members and a workgroup chair. The workgroup shall include the PEBB and OEBB Administrator, industry stakeholders as determined by the director, and a consumer advocate. Workgroup members serve at the pleasure of the director of OHA. Workgroup membership is limited to 2 years. The workgroup's charter shall expire at the discretion of the director after June 2016.

## III. Charge

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The workgroup is expected to do the following:

- Develop a timeline and work plan to spread the Coordinated Care Model;
- Conduct and publish an environmental scan assessing broad market needs regarding implementation and spread of coordinated care model principles;
- Develop common contract terms and "tool-kit" (e.g. Coordinated Care Model RFP template) for interested purchasers;
- Develop and adopt a process for organizational alignment and shared learning among purchasers to foster broad implementation of the coordinated care model and aligned purchasing policies and standards;
- Support systems wide measure and metrics alignment;

- Collaborate with private purchasers to spread the coordinated care model and support alternative payment methodologies; and
- Provide workgroup progress reports at least bi-annually to the Director of OHA and the Board.

#### IV. Committee Membership

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Membership will include representatives from the following entities:

- PEBB Administrator
- OEBC Administrator
- Business representatives
- Consumer advocate
- Commercial health benefit plan(s)
- CCO(s)
- Health Insurance Exchange representative
- Oregon Insurance Division

#### V. Resources

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Internal staff resources will include the following:

- Executive Sponsor: Kelly Ballas, OHA Chief Financial Officer
- Staff support:
  - OHA Director's Office
  - OHA Director's Office
  - Oregon Health Policy and Research Office
  - PEBB & OEBC
  - Oregon Insurance Division staff, as appropriate
  - Health insurance exchange staff, as appropriate

## Coordinated Care Model (CCM) Alignment Workgroup Work Plan

### 2014

#### **June**

Workgroup membership approved by OHPB

#### **August**

1<sup>st</sup> workgroup meeting

- Focus: developing an understanding of the workgroup and the CCM

#### **September**

2<sup>nd</sup> workgroup meeting

- Focus: beginning the environmental scan: covered lives; carrier overlap; and existing alignment with the CCM among workgroup members

#### **October**

OHPB update on workgroup

3<sup>rd</sup> workgroup meeting

- Focus: continuing the environmental scan: cross walk of alignment efforts in PEBB, OEBC, and Cover Oregon

#### **November**

4<sup>th</sup> workgroup meeting

- Focus: finalizing the environmental scan and defining a vehicle for shared learning

#### **December**

5<sup>th</sup> workgroup meeting

- Focus: purchasing value and quality for Oregonians

### 2015

#### **January**

OHPB update on workgroup

Shared learning begins

6<sup>th</sup> workgroup meeting

- Focus: developing the framework for a model RFP

#### **February**

No meeting

#### **March**

Draft model RFP completed

7<sup>th</sup> workgroup meeting

- Agenda TBD

#### **April**

No workgroup meeting

#### **May**

Finalize model RFP

8<sup>th</sup> workgroup meeting

- Agenda TBD

#### **June**

Release model RFP to PEBB, OEBC, and Cover Oregon

9<sup>th</sup> workgroup meeting

- Agenda TBD

#### **July**

No workgroup meeting

#### **August**

10<sup>th</sup> workgroup meeting

- Agenda TBD

#### **September**

No workgroup meeting

#### **October**

11<sup>th</sup> workgroup meeting

- Agenda TBD

#### **November**

No workgroup meeting

#### **December**

12<sup>th</sup> workgroup meeting

- Agenda TBD

### 2016

#### **January**

No workgroup meeting

**February**

Shared learning ends

13<sup>th</sup> workgroup meeting

- Agenda TBD

**March**

No workgroup meeting

**April**

14<sup>th</sup> workgroup meeting

- Agenda TBD

**May**

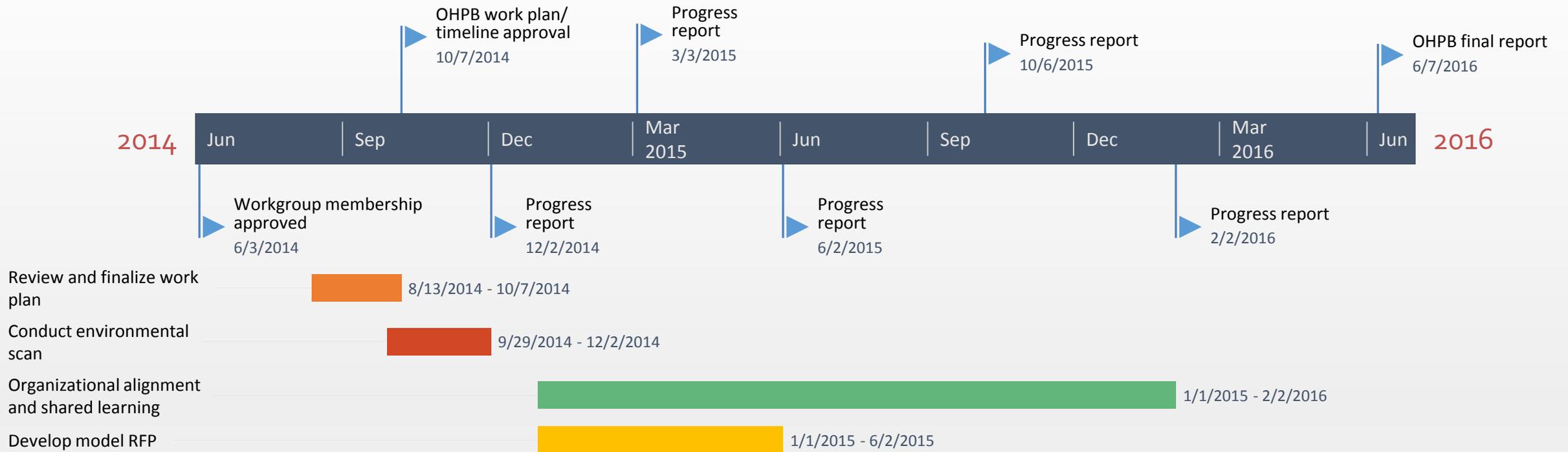
15<sup>th</sup> workgroup meeting

- Agenda TBD

**June**

Present the final recommendations to OHPB

DRAFT





JOHN A. KITZHABER, MD  
Governor

June 3, 2013

Oregon Health Policy Board  
Chair Eric Parsons  
Vice-Chair Lillian Shirley

Dear Chair Parsons and Vice-Chair Shirley:

As you and the Board are well aware, beginning in 2014, the Affordable Care Act (ACA) will significantly expand coverage to thousands of currently uninsured Oregonians and alter the regulations governing the individual and small group markets. While the ACA makes historic, nationwide changes in coverage expansion and the regulation of the individual and small group markets, I believe there is an immediate need to focus on how to better align ACA implementation activities with our current reform efforts. I want to ensure that our triple aim goals of lower costs, better care and better health across all markets are achieved. To that end, concurrent with the ACA, we have an opportunity to create an environment for the commercial marketplace in Oregon that moves toward one characterized by models of coordinated care and growth rates of total health care expenditures that are reasonable and predictable.

For this to occur, I am asking that by the end of this year, the Oregon Health Policy Board take on the task of recommending to me and the Legislature, possible statutory and regulatory changes necessary to ensure our triple aim goals are met. I would anticipate that such recommendations would include, but not be limited to:

- strategies to mitigate cost shifting, decrease health insurance premiums and increase overall transparency and accountability;
- opportunities to enhance the Oregon Insurance Division's rate review process;
- alignment of care model attributes within PEBB and OEBC contracts;
- alignment of care model attributes within Cover Oregon's qualified health plans.

Thanks to all of your hard work and leadership over the past several years, Oregon has made significant progress in reforming its health care delivery system. Across the state, communities have begun transforming to deliver more effective, efficient care. Critical partnerships are developing to reward quality care, promote prevention and wellness and manage chronic diseases and are building new networks, products and contracting models.

Oregon Health Policy Board  
June 3, 2013  
Page Two

We have an amazing opportunity to leverage all of your great work with the implementation of the ACA and I look forward to working with you to achieve further success.

Sincerely,

A handwritten signature in black ink, appearing to read "John A. Kitzhaber". The signature is fluid and cursive, with the first name "John" being the most prominent.

John A. Kitzhaber, M.D.  
Governor

MJB/smg



OREGON HEALTH POLICY BOARD

John A. Kitzhaber, MD, Governor

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December 11, 2013

Dear Governor Kitzhaber:

Please accept the attached report from the Oregon Health Policy Board (OHPB) in response to your letter to the Board dated June 3, 2013. The report contains recommended actions and strategies to align implementation of the Affordable Care Act (ACA) with Oregon's health reforms and ensure that our triple aim goals of lower costs, better care and better health are achieved across all markets.

The Board recommends three principal strategies to best meet your charge. Additionally, the Board endorsed the recommendations made by our Coordinated Care Model Alignment Workgroup and made recommendations to the Oregon Insurance Division (OID). Those strategies and recommendations are:

1. To create system-wide transparency and accountability through a robust measurement framework, including a public-facing health system dashboard, to track the effect of ACA implementation and Oregon's health system reforms.
2. To measure the total cost of care and move the health care marketplace toward a fixed and sustainable rate of growth
3. To improve quality and contain costs by expanding an innovative and outcome-focused primary, preventive and chronic care infrastructure.
4. To spread the foundation of Oregon's health system transformation, the coordinated care model, to the broader market by aligning coordinated model principles across payers and implementing organization alignment around those principles.
5. To implement administrative simplification and improve consumer outreach strategies in OID's rate review process

In addition to supporting ACA implementation and alignment with Oregon's reforms these strategies and actions represent next steps for Oregon's health care transformation. We look forward to continuing your vision of better health, better care and lower costs.

Sincerely,

Eric Parsons  
Chair, Oregon Health Policy Board

# **Recommendations for aligning Affordable Care Act implementation with Oregon's health system reform**

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**16 December 2013**

**Prepared by  
Oregon Health Policy Board**

**Prepared for  
Governor John Kitzhaber, M.D.**



## Executive Summary

### Introduction

In a June 2013 letter, Governor Kitzhaber asked the Oregon Health Policy Board (OHPB) for recommendations to better align Oregon's implementation of the Affordable Care Act (ACA) with Oregon's current health system reform efforts and to spread the triple aim goals – better health, better care and lower costs – across all markets. The letter charged OHPB with providing recommendations which:

- Move the marketplace toward one characterized by coordinated care and growth rates of total health care that are reasonable and predictable;
- Mitigate cost shift, decrease premiums, and increase transparency and accountability;
- Enhance the Oregon Insurance Division (OID) rate review process;
- Align care model attributes within the Public Employees' Benefit Board (PEBB), Oregon Educators Benefit Board (OEBC) and Cover Oregon Qualified Health Plans (QHPs).

OHPB convened on five occasions over five months during 2013 to develop a process, review policy options, and recommend actions that met the Governor's charge. Manatt Health Solutions and Georgetown University's Health Policy Institute, supported by the Robert Wood Johnson Foundation, provided technical and policy guidance. They also recommended strategies to align transparency, cost containment and quality improvement, and analyzed the evidence for the effectiveness and feasibility of key policy options. OHPB also chartered a Coordinated Care Model Alignment Workgroup consisting of board members from PEBB, OEBC and Cover Oregon to make recommendations for moving the marketplace toward one characterized by coordinated care. This document describes the board's recommended next strategies and actions to address the Governor's charge.

## **OHPB Process**

At its August 6th meeting, OHPB agreed on a timeline and process framework based on the coordinated care model principles and the triple aim goals. OHPB also adopted additional principles to guide its response to the Governor. These principles are:

- Leveraging the coordinated care model;
- Enhancing transparency;
- Promoting and ensuring shared accountability;
- Focusing on outcomes;
- Improving quality and access;
- Containing costs.

Manatt Health Solutions, in collaboration with Oregon Health Authority (OHA) and Oregon Insurance Division (OID) staff, provided OHPB with an overview of potential policy options and related levers, including policy options used by other states. OHPB discussed options through a facilitator, and reviewed and refined potential strategies through a public and transparent iterative process. The board examined potential policy recommendations through the lens of feasibility and effectiveness, and discussed specific actions, accountabilities, and timelines for each strategy.

## **Recommended Strategies**

OHPB recommends three principal strategies as first steps to satisfy the Governor's charge and provide next steps for Oregon's long-term vision for health system transformation:

1. Create system-wide transparency and accountability through a robust measurement framework, including a public-facing health system dashboard, which tracks the effect of ACA implementation and Oregon's health system reforms.
2. Move the health care marketplace toward a fixed and sustainable rate of growth.
3. Improve quality and contain costs by expanding an innovative and outcome-focused primary, preventive and chronic care infrastructure.

The Board also recommends actions to the Oregon Insurance Division (OID) regarding communication outreach strategies that work for health plans and consumers and administrative simplification.

Finally, the Board endorses specific actions to move the foundation of Oregon's health system transformation – the coordinated care model – forward by spreading the model to the broader marketplace.

The full report can be found at <http://www.oregon.gov/oha/OHPB/Pages/2013-OHPB-Meetings.aspx>



## Oregon's State Improvement Model Testing Grant: How It is Supporting Transformation

In April 2013, the Center for Medicare & Medicaid Innovation (CMMI) began providing generous resources to Oregon through the State Innovation Model award. With transformation's focus on prevention, coordination, and paying for better health, preliminary data already point toward a successful model of coordinated care — one that will spread innovation further, faster, because of these resources. State Innovation Model (SIM) funding allows Oregon to accelerate health system transformation in our state, fueling the spread of the coordinated care model from the Medicaid population to other payers and populations more quickly and effectively. Paired with the extensive efforts of our healthcare delivery system partners, Oregon's transformation work is on the move to test and spread the coordinated care model.

Some notable accomplishments from the year that were possible thanks to this funding include:

### *Spreading Innovation:*

- The Transformation Center is operational and began the work to support and spread the coordinated care model, health care innovations, promising practices, and lessons learned, helping good ideas travel faster.
  - Several learning collaboratives have started; initial efforts are with Coordinated Care Organizations (CCOs) medical directors on the incentive pool metrics, over a hundred providers on complex care approaches, and working with CCOs' community advisory panels.
  - Spreading quality improvement with Institute for Healthcare Improvement (IHI) trainings for OHA staff and new Innovator Agents, providing training on the science of improvement internally and with stakeholders.
  - The recruitment and training of Council of Clinical Innovators is underway that will serve as innovation champions across the state.
  - Preparing to provide a searchable, online resource, the "Good Ideas" bank as a place to share emerging and best practices
- The first annual Coordinated Care Organizations (CCOs) summit was held in December 2013, bringing the Governor and stakeholders together from across the state to share lessons learned.

### *Spreading the Model:*

- Sixteen CCOs are up and operating for just over one year, serving over 772,000 Oregon Health Plan members (including 2014 expansion through March 17<sup>th</sup>)
- Recent numbers as of the end of 2013, show that of the approx. 60,000 duals in Oregon, 56% are enrolled in CCOs by choice (not mandated to enroll) so half of our population are engaged in the coordinated care model. Many of the CCOs have affiliated Medicare Advantage plans so this has aided this engagement. Oregon has one of the highest Medicare Advantage plan penetration in the country at over 40% of our Medicare enrolled in one.



- The Public Employees' Benefit Board has selected proposals and is negotiating with plans for health insurance benefits reflecting elements of the coordinated care model for the 2015 benefit year. SIM technical assistance aided some of the initial RFP development.

*Spreading Alternative Payment Approaches:*

With SIM- funded facilitation by Oregon Health and Sciences University's Center for Evidence Based Policy, a multi-payer consensus was finalized with almost all of Oregon's major public and private payers signing an agreement to support alternative payment strategies for Patient-Centered Primary Care Homes across the state. Planning is underway with delivery system stakeholders on next steps for alternative payment efforts in other areas.

*Spreading Efforts on Health Information Exchange:*

- Progress towards statewide health information exchange, as all of Oregon's hospitals have agreed to join the state to support an Emergency Department Information Exchange (EDIE). SIM dollars are supporting the state's share of the cost.
- SIM-funded national expertise on health information exchange policy and implementation has assisted OHA in engaging stakeholders in developing recommendations for a multi-year business plan for health information exchange across Oregon ("Phase 2.0") including: long-term financial sustainability, governance and other elements to be implemented in 2015 and beyond.

In addition to these accomplishments, SIM funding is accelerating health system transformation across Oregon by spreading best practices among CCOs and other health plans. Specifically, SIM dollars is supporting the following key activities:

*Tools and resources to support innovation:*

- SIM resources support a robust analytical capacity that improves our ability to provide timely, accurate, actionable data to CCOs. Based on Medicaid data, the Health System Transformation (HST) Progress reports were issued and are viewable at: [www.oregon.gov/oha/Metrics/Pages/index.aspx](http://www.oregon.gov/oha/Metrics/Pages/index.aspx).
- Initial version of a Multi-payer dashboard using Oregon's All-Payer All-Claims Database was developed, reflecting commercial and Medicare Advantage data so far, eventually including full Medicare and Medicaid data
- Oregon's Patient-Centered Primary Care Institute (PCPCI) continues to support primary care practices across the state with technical assistance emphasizing preventive, primary care under the coordinated care model.
- Enhancement of other survey and data analysis tools such as the Behavioral Risk Assessment survey to over sample the Medicaid population, complimenting the sample in place for public employees and across the state to improve assessment of transformation efforts



John A. Kitzhaber, M.D., Governor

*Integrating systems and developing partnerships:*

- Establishing three additional Regional Health Equity Coalitions to encourage efforts in communities across Oregon to reduce health disparities.
- Planning to expand the pool of qualified, certified health care interpreters is underway
- Fielding a group of Long Term Care Innovator agents (SIM resources support 3 of 7 positions) to assist the integration and coordination efforts of CCOs and long care services and supports across Oregon's communities.
- A pilot project that incorporates housing and social services to improve health outcomes for older adults and people with disabilities is underway.
- Initiatives to integrate community health and health care supporting collaborative partnerships between CCOs and local public health authorities to tackle population health and clinical care challenges.
- Administrative alignment activities for dually Medicaid/Medicare eligible members
- With leadership from the state's Early Learning Council, early learning hubs will focus on outcomes for children and their families and work closely with CCOs. SIM resources support coordination efforts focused on kindergarten readiness.

# EXECUTIVE SUMMARY

## Incentives for better services

The report lays out how Oregon's coordinated care organizations (CCO) performed on quality measures in 2013. This is the fourth such report since coordinated care organizations were launched in 2012 and the first to show a full year of data. This report also shows the quality measures broken out by race and ethnicity.

In addition, based on a full year's performance measurement, the coordinated care model is entering a new phase - for the first time part of the reimbursement for the services CCOs performed for Oregon Health Plan members will be based on how well they performed on 17 of these key health care measurements.

Under the coordinated care model, the Oregon Health Authority held back 2 percent of the monthly payments to the CCOs which were put into a common "quality pool." To earn their full payment, CCOs had to meet improvement targets on at least 12 of the 17 measures and have at least 60 percent of their members enrolled in a patient-centered primary care home. All CCOs showed improvements in some number of the measures and 11 out of 15 CCOs met 100 percent of their improvement targets.

In addition, coordinated care organizations are continuing to hold down costs. Oregon is staying within the budget that meets its commitment to the Centers for Medicare and Medicaid Services to reduce the growth in spending by 2 percentage points per member, per year.

Overall, the coordinated care model showed large improvements in the following areas for the state's Oregon Health Plan members:

- √ **Decreased emergency department visits.** Emergency department visits by people served by CCOs have decreased 17% since 2011 baseline data. The corresponding cost of providing services in emergency departments decreased by 19% over the same time period.

# EXECUTIVE SUMMARY

- √ **Decreased hospitalization for chronic conditions.** Hospital admissions for congestive heart failure have been reduced by 27%, chronic obstructive pulmonary disease by 32%, and adult asthma by 18%.
- √ **Developmental screening during the first 36 months of life.** The percentage of children who were screened for the risk of developmental, behavioral, and social delays increased from a 2011 baseline of 21% to 33% in 2013, an increase of 58%.
- √ **Increased primary care.** Outpatient primary care visits for CCO members' increased by 11% and spending for primary care and preventive services are up over 20%. Enrollment in patient-centered primary care homes has also increased by 52% since 2012, the baseline year for that program.

The report also shows areas where there has been progress but more gains need to be made, such as screening for risky drug or alcohol behavior and whether people have adequate access to health care providers. While there were gains in both areas, officials say that the state will put greater focus on them in the year to come. Access to care is particularly important with more than 340,000 new Oregon Health Plan members joining the system since January of 2014.

Oregon is at the beginning of its efforts to transform the health delivery system. By measuring our performance, sharing it publically and learning from our successes and challenges, we can see clearly where we started, where we are, and where we need to go next.