



MEMO

To: Interested Parties
From: HB 3396 Steering Group
Date: April 29, 2016

Subject: Update and Next Steps on HB 3396 Implementation

This memo is intended to provide stakeholders in Oregon's health care workforce provider incentive programs an initial, written update on Oregon's progress in addressing House Bill (HB) 3396-- including ongoing stakeholder engagement activities and upcoming opportunities to provide input. These activities, in sum, are to address the legislature's charge to the Oregon Health Policy Board (OHPB) to provide recommendations on the future of health care provider incentives in Oregon by *September 1, 2016*.

Members of the 3396 Steering Group would like to share with interested parties key next steps as we understand them at this point, including where we hope to engage your thinking in a focused way around this work.

Background

HB [3396](#) articulates and responds to the Legislature's intention to "initiate a close look at how tax dollars are spent [on provider incentives] to ensure that taxpayers enjoy the best possible value..." The bill extends the sunset on the existing rural health care provider tax credits for two years and makes minor adjustments to the law concerning who may receive the credits. Additionally, the bill establishes the Health Care Provider Incentives Fund, to fund an OHA-directed health care provider incentives program.

The bill also directs the Health Policy Board to study and evaluate the effectiveness of the financial incentives offered by the state to recruit and retain providers in "rural and medically underserved areas" and make recommendations to the Legislature regarding:

- Continuation, restructuring, consolidation or repeal of existing incentives;
- Priority for directing the incentives offered by Health Care Provider Incentive Fund; and
- The establishment of new financial incentive programs.

In July 2015, the Oregon Health Policy Board adopted a [charter](#) directing the Health Care Workforce Committee (HCWF) to deliver to the Board a study and report on the efficacy of Oregon's provider incentives and recommendations on improvements to the current incentive, principally HB 3396. Oregon's Health Care Workforce Committee serves as the primary forum for stakeholder engagement for HB 3396. In relation to HB 3396, the committee's roles are to:

- Support selection of vendor
- Provide key input in determining criteria for evaluating the effectiveness of incentive programs
- Assist vendor with stakeholder engagement
- Review progress over time and provide direction to vendor and OHA staff
- Review incentive provider study from vendor and companion report to Health Policy Board

3396 Provider Incentive Study: Lewin, LLC

In January 2016, through a competitive procurement process OHA contracted with the Lewin Group, LLC to perform a series of tasks designed to ensure OHA and Health Policy Board are able to fulfill the requirements specified in HB 3396. Summarized below are the tasks OHA contracted Lewin to complete by *August 1st, 2016*.

- Task 1—analysis of Oregon health care market, provider data and Oregon’s existing provider incentive programs; tentatively due, April 30th.
- Task 2— evaluation of program effectiveness and efficacy of Oregon’s existing provider incentive programs; due, May 31st.
- Task 3— Development of policy and program recommendations; due, June 30th.
- Task 4— stakeholder engagement, February-July.
- Tasks — 5-6: development of reports and presentations to key stakeholders; due, July 31st.

Stakeholder Engagement

HB 3396 requires the Oregon Health Policy Board, in developing recommendations, to consult with a number of organizations including Graduate Medical Education Consortium, the Oregon Healthcare Workforce Institute, the Oregon Office of Rural Health, and the Oregon Center for Nursing among other appropriate entities. Summarized below is a comprehensive, multi-pronged strategy developed with input and guidance from the Health Care Workforce Committee (HCWF) and key stakeholders that serve on an external advisory group (i.e. 3396 Steering Group).

- 3396 Steering Group: meets monthly, Jan-July; intended to inform and guide the activity of Lewin in fulfillment of the RFP including providing feedback and responses to Lewin’s analyses and deliverables; reports back to HCWF Committee bi-monthly.
- Health Care Workforce Committee: meets bi-monthly, provide oversight for the completion of the work required for the Health Policy Board to fulfill its legislative obligations under HB 3396.
- Oregon Health Policy Board: adopt and provide to the Oregon Legislature a set of recommendations with respect to health care workforce incentive programs.
- Regional Listening Sessions: members of the Steering Group, Health Care Workforce Committee and OHA staff will convene 4-5 regional meetings across Oregon to solicit feedback on the use of provider incentive programs; tentatively scheduled for June.

Progress to Date: February thru April 2016

Lewin Deliverables

- February: Lewin submitted a comprehensive work plan and analytic plan.
- March-April: Lewin engaged the 3396 Steering Group and HCWF Committee; anticipated to complete Task 1 by April 31st.

Stakeholder Engagement

- 3396 Steering Group: OHA has convened an external group to help inform Lewin in its work. The committee meets monthly and includes members of the Health Care Workforce Committee, Oregon Health Workforce Institute, Oregon Center for Nursing, Oregon Office of Rural Health and Oregon Association of Hospitals and Health Systems.

Next Steps: May through September 2016

Lewin Deliverables

- Task 2 – Findings from Program Effectiveness and Efficiency: written report and supporting documentation on assessment of Oregon’s provider incentive programs; due May 31st.
- Task 3 – Policy and Program Recommendations; due June 30th
- Task 4 – Stakeholder Engagement (see below)
- Task 5 – Final report to Health Care Workforce Committee and Health Policy Board; July 31st.

Stakeholder Engagement

- Monthly meetings of the 3396 Steering Group
- Report and discussion by the Health Care Workforce Committee on Lewin’s data analysis and findings to date (May 4th); Lewin’s draft recommendations and report (July 5th) in which Public Comment will be accepted.
- Formal stakeholder engagement by OHA and Health Care Workforce Committee through in-person meetings in multiple regions of the state, aided through technology around the evaluation of programs and the preliminary recommendations.
- Oregon Health Policy Board—present Lewin’s analysis and report along with recommendations from the Health Care Workforce Committee, July (TBD) and August 2nd.

You can expect to hear from us around May 1st on the details of the full stakeholder engagement efforts. As noted above, the Health Care Workforce Committee will be conducting several in-person meetings in different parts of the state during the month of June. The goal for these meetings is to hear from people and organizations currently benefitting from the existing programs, provide feedback on Lewin’s recommendations, and hear directly from those who may have a stake in the design of a new or revised set of provider incentives to help Oregon better achieve the Triple Aim of better health, better care and lower costs.

Feel free to contact us with your questions.

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