
Foundation for
2013 – 2015
Budget Proposal

Better health

Better care

Lower costs

The logo for the Oregon Health Authority. It features the word "Oregon" in a smaller, orange, serif font positioned above the "H" of the word "Health". "Health" is written in a large, blue, serif font. Below "Health", the word "Authority" is written in a smaller, orange, serif font. The entire logo is set against a light blue, curved background that resembles a stylized horizon or a wave.

Oregon
Health
Authority

Vision:

Oregonians are healthy

Oregonians have the best possible quality
of life...at all ages

Strategies

Fundamentally change how health care is delivered in Oregon by:

- Integration and coordination of benefits and services;
- Local accountability for resource allocations;
- Standards for safe and effective care; and
- A global Medicaid budget tied to rate of growth.

Shift resources to focus on prevention of chronic disease.

- Help 20% of population driving 80% of costs

Ensure financial stability and adequate array of support for the long-term service system for Oregonians with intellectual and other developmental disabilities (both children and adults).

Ensure all Oregonians have access to decent housing that meets their basic needs and allows them to reach their full potential.

Ensure access to sufficient, nutritious and affordable food for all Oregonians.

The challenge

- Only 10 percent of what keeps people healthy is in the health care system
- Ninety percent includes behavior and lifestyle choices, genetics, and social factors. Underlying these are the symptoms of mental health disorders, unhealthy or risky behaviors and lifestyle choices
- More than 80 percent of health care spending is for people who have one or more chronic diseases – conditions like diabetes, coronary artery disease, congestive heart failure, asthma and depression
- Twenty percent of adults aged 18 or older experienced mental illness in the past year

On the path to change

- As of August 1, some 260,000 Oregonians enrolled in the Oregon Health Plan will begin receiving care through Coordinated Care Organizations. In September, hundreds of thousands more will be in a CCO. The goal is that all OHP members will have access to a CCO.
- Improved care:
 - Patient-centered care for better health
 - More access to community health workers: right care, right time, right place
 - Better coordination and communication among providers for improved care

Services delivered
through
Oregon Health Authority

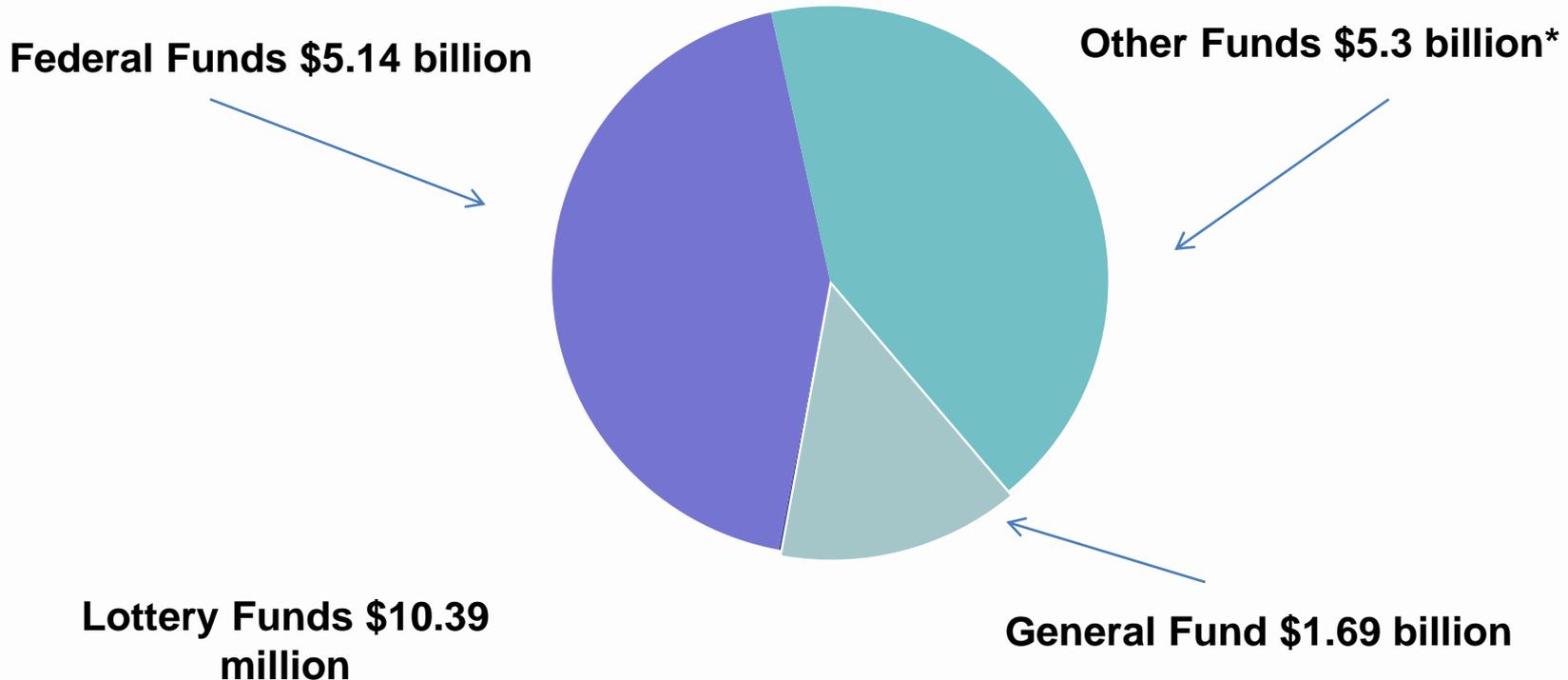
Oregonians served

- Health care to more than 600,000 Oregonians through the Oregon Health Plan and other health care programs
- Mental or alcohol and drug treatment services to more than 42,000 children and 98,000 adults received mental health or alcohol and drug services, and more than 1,400 through Oregon State Hospital or Blue Mountain Recovery Center.
- Public Health programs:
 - More than 177,000 Oregonians receive services through the Women, Infants and Children program since July 1, 2011 (More than 50 percent of Oregon babies are born to moms who use WIC services.)
 - 499,000: Number of immunization visits by Oregon children at clinics using state-supplied vaccine.
 - All Oregonians receive services that provide better health. This includes ensuring that people have safe, clean, drinking water; public health laboratory services; licensing and oversight of restaurants and health care facilities; and emergency preparedness.

Where the funds come from

OHA 2011- 2013

Legislatively Approved Budget

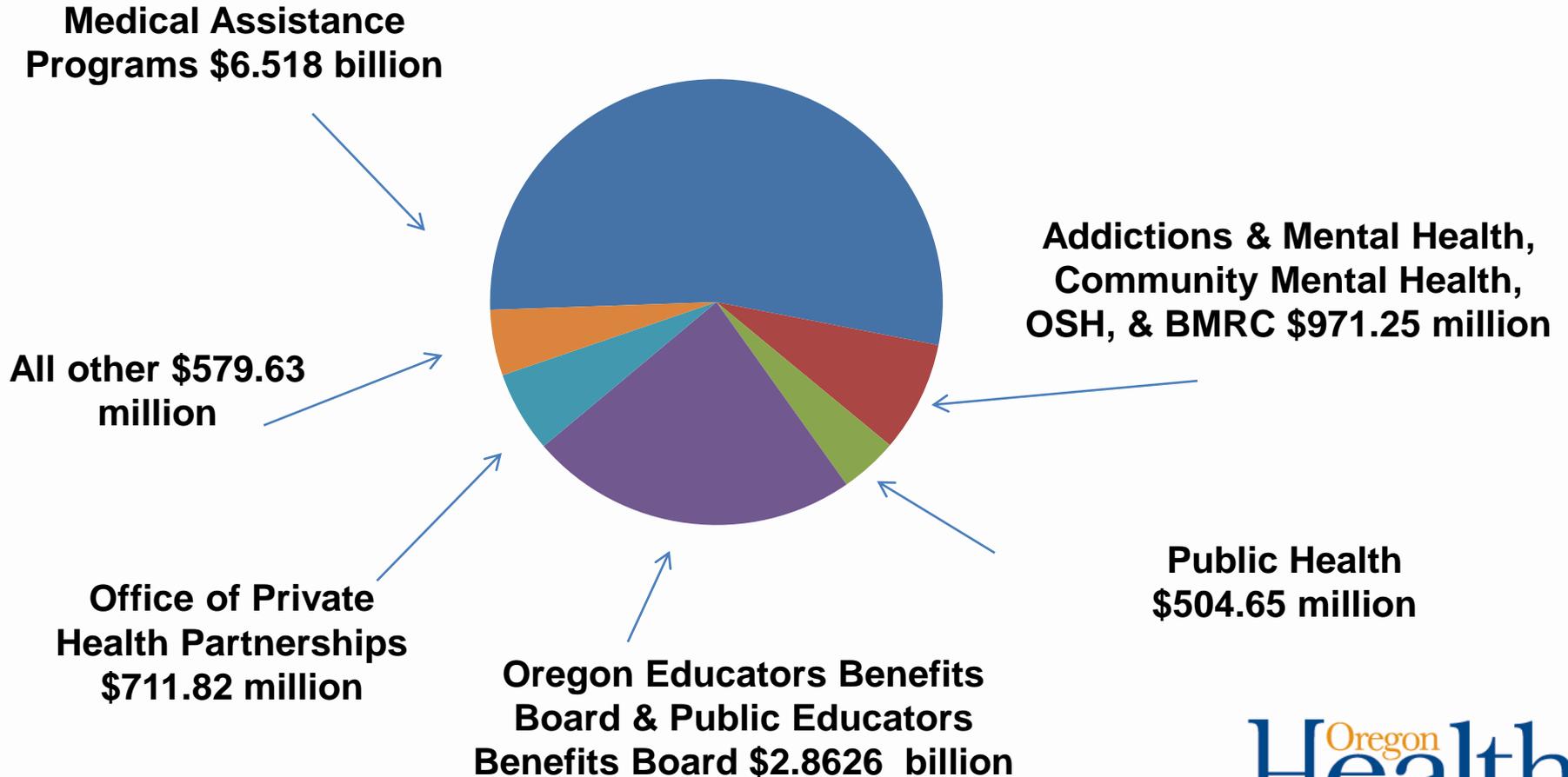


\$12.1478 billion Total Funds

How funds are spent

OHA 2011 – 2013 Legislative Approved Budget
Total Funds

\$12.1478 billion



2011 – 2013 OHA Legislatively Approved Budget

General Fund Portion of Expenditures

\$1.697 billion

- 52% Medical Assistance Programs, \$873.32 million
- 38% Addictions and Mental Health, Oregon State Hospital and Blue Mountain Recovery Center, \$648.46 million
- 7% Direct/ Debt Services, \$116.69 million
- 2% Public Health, \$34.41 million
- 1% Administrative Services, \$17.18 million
- >1% Office of Private Health Partnerships, \$7 million

2011 – 2013 Biennium

General fund budget reductions

Due to the state budget shortfall, OHA, like other state agencies, made reductions to the general fund (Oregon revenues) portion of the Legislatively Approved Budget .

\$38.2 million in budget cuts during the February 2012 session:

- Reduction in personnel and administrative budget, including 81 positions. Reduced membership available in the Family Health Insurance Assistance Program; delayed opening of four planned wards at Oregon State Hospital; reduced development capacity for community mental health; reduced tobacco cessation funding

2013 – 2015 Biennium

Building the next budget

Governor Kitzhaber has asked state agencies to develop [outcome-based budget](#) proposals focused on creating a positive change for now and into the future.

Achieving better health outcomes for Oregonians will require a fundamental change in priorities; in patterns of investment; and in the structure of the current system – especially as it relates to expenditures of public dollars.

The next budget will be outcome-based and driven by the key goal: Oregonians are healthy and have the best possible quality of life at all ages. We're not just focused on today's budget, but also on savings for the future.

To that end, Oregon has committed to meet key quality measurements for improved health for OHP clients while reducing the growth in spending by two percentage points per member over the next two years. This would achieve some \$11 billion in state and federal savings over the next 10 years. The Health Programs portion of the budget will also include three elements: number of people, cost per person, and benefits.

The next budget proposal will be based on need, outcomes, and your feedback.

Estimated, Current Service Level

Total Fund Budget for 2013- 2015

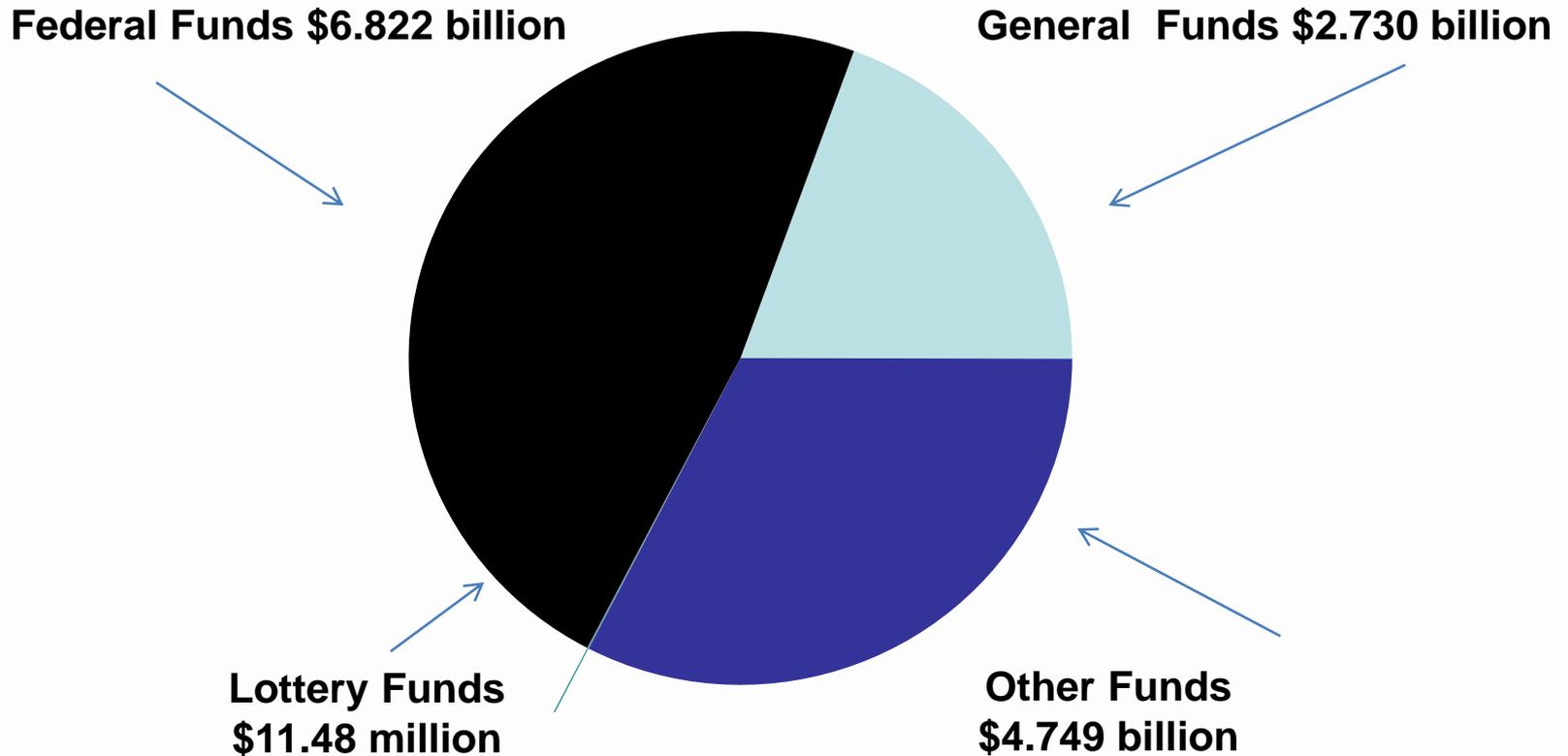
Current service level reflects what the cost would be to continue to provide services at the same level as the prior biennium. It includes the projected number of people eligible for services and projected inflation.

- 85% All Health Care Programs, including the Oregon Health Plan, Public Employees Benefits Board/ Oregon Educators Benefits Board, and the Office of Private Health Partnership*
- 8% Addictions and Mental Health Services, including the Community and Residential Programs, the Oregon State Hospital and Blue Mountain Recovery Center
- 3.7% Public Health
- 1.6% Administrative support
- 1.7% Debt Service and required assessments for state agencies, such as use of the state data center

**Combines all health care programs. Reflects anticipated increases in medical assistance programs caseload required under federal reform beginning Jan. 1, 2014
Percentages rounded*

Oregon Health Authority 2013 – 2015

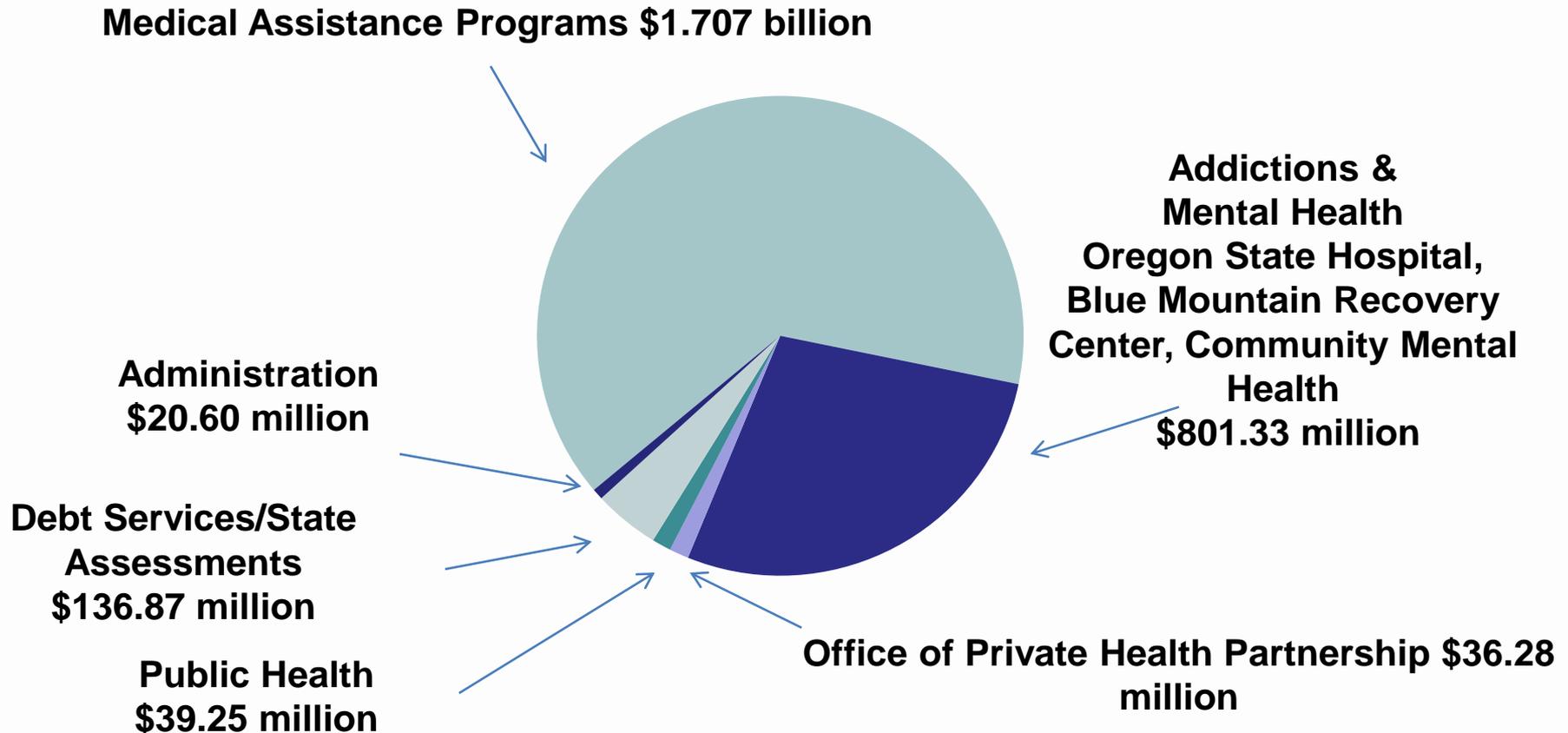
Estimated Current Service Level Budget by fund type



2013 -2015 Estimated Total Funds \$14.312 billion

Oregon Health Authority 2013 – 2015

Estimated Current Service Level General Fund / Lottery Fund Budget by major program area



2013 – 2015 Total OHA General Fund / Lottery Fund
Current Service Level estimate \$2.741 billion

OUTCOMES FOR OREGONIANS

10-YEAR PLAN FOR OREGON



Learn more about the [Healthy People](#) plan for Oregon then see next page to take the survey for OHA budget priorities

We want to hear from you!

- 1) As Oregon works to achieve the triple aim of better health, better care and lower costs, how should OHA prioritize the budget to reflect that?
- 2) Today more than 80 percent of health care costs goes to 20 percent of the population – mainly those with chronic health conditions. How should OHA prioritize spending to manage those costs?
- 3) With more than 20 percent of adults experiencing mental illness in the past year, how should OHA prioritize those needs to achieve better health outcomes?
- 4) What else should OHA be doing to achieve better health for Oregonians?

[Take the online survey](#)