



Oregon

Theodore R. Kulongoski, Governor

Oregon Health Authority
Addictions and Mental Health Division
500 Summer St. NE E86
Salem, OR 97301
Voice: 503-945-5763
Fax: 503-378-8467
TTY: 800-375-2863

November 8, 2010

The Honorable Peter Courtney, Co-Chair
The Honorable Dave Hunt, Co-Chair
State Emergency Board
900 Court Street N.E.
Salem, OR 97301-4048

RE: Status Report on the Integrated Management and Services Demonstration Projects

Dear Co-Chairpersons:

Nature of Report

Attached is a status report on the Integrated Management and Services Demonstration project (IMSD), created in response to the budget note from Legislative Assembly in 2009.

Agency Action

In the attached report OHA presents updates on the two demonstration sites; Central Oregon and Northeast Oregon.

Action Requested

Emergency Board accept the report.

Legislation Affected

None.

Sincerely,

Richard L. Harris
Assistant Director

CC: Linda Ames, Legislative Fiscal Office
Sheila Baker, Legislative Fiscal Office
Kate Nass, Department of Administrative Services
Tamara Brinkman, Department of Administrative Services

OREGON HEALTH AUTHORITY

Integrated Management and Services Demonstration Project

December 2010

Background

In 2009, in Senate Bill 5529, the Legislature issued a budget note, directing the Oregon Health Authority (OHA) to create two or three demonstration projects with local communities to integrate services, financing and management of the mental health, physical health and chemical dependency systems. A primary goal of the demonstration projects was to increase the availability, access and quality of health care services and outcomes by improving coordination between addictions and mental health treatment, recovery services and physical health services. Another goal was to streamline the administration of health care services through an integrated management entity or other local collaborative structure with a single point of accountability for the delivery of health related services.

OHA's Addictions and Mental Health Division (AMH) has taken the lead in coordinating these demonstration projects. AMH created a conceptual framework for the demonstration projects. The framework divides critical project components into three domains: Governance, Financing and Services. Local communities were asked to partner and to develop plans to address all three domains. The local projects were given significant flexibility in designing their demonstration project. Each project could also request funding to support their planning and development efforts. At the Legislature's direction, these funds came from AMH's existing budget. To stay within available resources, AMH capped programs at \$165,000 for the biennium.

Central Oregon Demonstration Project

In summer 2009, the Central Oregon region including Crook, Jefferson, and Deschutes counties, met the criteria for the project and AMH designated them as the first official demonstration project. The Central Oregon Demonstration Project (CO Project) includes a county commissioner from each of the three counties, the local community mental health programs, the hospital system, the federally qualified health clinics and the Medicaid managed care plans.

Central Oregon demonstration project (CO) has created a governance structure through the Central Oregon Regional Health Authority (RHA). The RHA's focus

is on population health and implementing nationally recognized health care improvement strategies such as the Triple Aim. These strategies will allow the region to identify current problems or concerns in the health care system and develop regional solutions. One such example is the region's plan to reduce unnecessary emergency department utilization by helping individuals access appropriate care through medical clinics and social support networks.

The RHA has also worked with OHA to merge the Medicaid contracts for the Oregon Health Plan (OHP) into one entity starting in January 2011. This consolidation will allow better coordination and information sharing between the parties serving Medicaid eligible individuals. OHA and the RHA expect to see cost savings that can be reinvested in the local physical health and behavioral health delivery systems.

The RHA is building on the concept of primary medical homes focused on patient-centered healthcare and outcomes. The project will also imbed behaviorists in the primary medical home and provide community linkage specialists to assist individuals in accessing needed services.

AMH was able to support Central Oregon's effort with an investment of \$165,000.

Northeast Oregon Demonstration Project

In winter 2009, AMH designated the Northeast Oregon region including Baker, Union, and Wallowa counties as the second official demonstration project. The Northeast Oregon Demonstration Project (NE Project) was initiated by the Medicaid Mental Health Organization, the local community mental health programs, addictions providers and others. This project is supported by a contract with AMH for \$100,000.

The NE Project is working on strategies based on the needs and current partnerships in each county. As an example, in Baker County the NE Project is developing protocols to provide mental health services in local addiction treatment facilities for adolescents.

Another key strategy for the NE Project is to develop relationships between behavioral health and physical health communities. The NE Project is also looking at developing accountable health organizations that will work as a rural frontier model.

Project Challenges

It has been difficult for the projects to address governance, financing and services simultaneously. Projects seem to be able to focus on one or two areas at any given time. Additionally, regulations on the use of federal funding have made it difficult to integrate funding fully.

Summary

The first two years of the demonstration projects have shown that changes of this magnitude will take longer than a biennium. Additional work will be needed in the coming biennium to redesign a regional health care delivery system that can meet the needs of the individuals in the region, controls costs and provides better outcomes. OHA will continue to support the efforts currently under way. In the next biennium, OHA expects to be able to fully analyze the impact on individuals and on the delivery system. From that analysis, OHA hopes to identify critical components that could be replicated to improve the delivery systems in other areas of the state.

Project Contact

Jane-ellen Weidanz

Integrated Management and Services Demonstration Project Manager

OHS, Addictions and Mental Health Division

503-945-9725

jane-ellen.weidanz@state.or.us