CCO 2.0 Policy Development
Feasibility & Impact Analysis
Oregon Health Policy Board meeting 7/10/18

Topic Areas and Proposed Goals

Governor Brown asked the Oregon Health Policy Board (OHPB) and the Oregon Health Authority (OHA) to provide recommendations for the next phase of health system transformation (CCO 2.0) in four areas:

- Maintain sustainable cost growth
- Increase value-based payment and pay for performance
- Focus on the social determinants of health and equity
- Improve the behavioral health system

To date (September 2017 to June 2018), the policy work has focused on these four topic areas. In June 2018, the OHPB asked that OHA consider the overlapping themes and the broader goals of the coordinated care model, in an effort to better define the expectations of future CCOs.

One of the basic principles of the policy development process has been to build on the foundation that has been set thus far in Oregon's health system transformation. OHA's policy team utilized and refined the six strategic goals for the coordinated care model (CCM) first developed in 2012, while taking into account the four priorities of the governor and the potential opportunities for improvement in the future.

By transitioning to the larger goals of the overall model, the work moving forward can also more accurately capture policy opportunities in areas beyond the Governor's priorities that support improved health and health care, such as oral health and the healthcare workforce.

The six goals of the Coordinated Care Model include:

1. Partnering with communities to support health and health equity
2. Providing equitable, patient-centered care
3. Measuring performance and efficiency
4. Paying for outcomes and value
5. Financial sustainability and strategic investment (sustainable rate of growth)
6. Transparency and accountability in price and quality

To note: The Coordinated Care Model (CCM), as referenced above, provides the general structure and goals for overall health system transformation. These goals could be applied across the entire system and are not exclusive to Coordinated Care Organizations (CCOs).

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Analysis Process

Policy options that were presented at the June 5, 2018 Oregon Health Policy Board (OHPB) meeting were first assessed by policy subject matter experts on the following criteria:

- whether the policy was fulfilling a state or federal requirement;
- connection to other policies and topic areas;
- inclusion in current contract;
- if legislation would be needed;
- any additional development needed;
- potential to reduce health disparities;
- whether the policy corrected a process or identified an outcome;
- potential impact on health system, OHA, and provider costs;
- impact on procurement process;
- risks; and,
- timelines.

That information was then broadly utilized to estimate overall:

Feasibility – In general, how heavy is the "lift" for this this policy across the system?

● ○ ○	Generally easy/straightforward to implement, little to no additional work or resources required; is already part of the plan/expectation
● ● ○	Requires moderate increase in staff time, resources, development, or funding; could face some challenges
● ● ●	Will be a challenge to implement and will require new resources (e.g., funding, staff time, significant development, workgroups, etc.)

Impact – In general, how much does this policy move the needle in achieving the goals of the model?

● ○ ○	Plays a supporting role, offers some clarity or direction; will have a small impact on business practices
● ● ○	Medium impact; policy will strengthen Oregon's direction and we'll see some type of effect across the state
● ● ●	Fundamental to moving the needle in this area of the CCM, significant impact or transformational

Within each goal listed below, policies have been divided into:

1. Policies that are new concepts (i.e., new or different funding, programs, payment models, structures, etc.)
2. Policies that build on and strengthen current concepts (i.e., further clarity in contracts, increased accountability, spreading best practices, supporting and strengthening successful policies)

Note: Policies are NOT listed in priority order.

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Goal #1: Partnering with communities to support health and health equity

When providers, payers, consumers and the community work together, improving health becomes a team effort. CCOs are part of a larger community focused on improving health and ensuring that everyone has a fair and just opportunity to be as healthy as possible. This goal focuses on leveraging partnerships and sharing responsibility for improving the overall community's health (including the social determinants of health).

Implementation of the policies below will likely impact members of the Oregon Health Plan (OHP) through system improvements like efforts to address the social determinants of health in their communities (e.g., transportation, education, housing, environment), shared community-wide alignment around needs and priorities, and strengthening the role and representation of the Community Advisory Council.

#	Policy	Priority Area	How heavy is the lift?	How large of an impact?
Policies that are new concepts				
1	*Implement HB 4018: Require CCOs to spend portion of savings on SDOH, population health policy and systems change & health equity/health disparities, consistent with the CCO community health improvement plan (CHP) a) Require CCOs to hold contracts with and direct portion of required SDOH&HE spending to SDOH partners through transparent process b) Require CCOs to designate role for CAC Years 1 & 2 infrastructure grants: State provide two years of "seed money" to help CCOs meet spending requirement on SDOHE in partnership with community SDOH and CHP providers *Consider:* Require one statewide priority – housing-related supports and services – in addition to community priority(ies)	SDOH / Health Equity	● ● ○	● ● ●
2	Require CCOs develop best practices to outreach to culturally specific populations, including development of a diverse behavioral and oral health workforce who can provide culturally and linguistically appropriate care (including utilization of THWs)	BH/OH	● ● ●	● ● ●

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#	Policy	Priority Area	How heavy is the lift?	How large of an impact?
Policies that build on and strengthen current efforts				
3	Increase strategic spending by CCOs on health-related services by: a) Encouraging HRS community benefit initiatives to align with community priorities, such as those from the Community Health Assessment and Community Health Improvement Plans and b) Requiring CCOs' HRS policies to include a role for the CAC in making decisions about how community benefit HRS investments are made.	SDOH / Health Equity	● ● ○	● ● ○
4	Encourage CCOs to share financial resources with non-clinical and public health providers for their contributions to incentive measures, through clarifying the intent that CCOs offer aligned incentives to both clinical AND non-clinical providers with quality pool measure areas • Encourage adoption of SDOH, health equity, and population health incentive measures to the Health Plan Quality Metrics Committee and Metrics & Scoring Committee for inclusion in the CCO quality pool	SDOH / Health Equity	● ● ○	● ● ○
5	Strengthen Community Advisory Council (CAC)/CCO partnerships and ensure meaningful engagement of diverse consumers through the following: a) Require CCOs to align CAC member composition with demographics of Medicaid members in their communities, report to OHA, and explain barriers to and efforts to increase alignment; b) Require CCOs to align CAC member representation alignment with CHP priorities (e.g. public health, housing, etc.) and percentage of CAC comprised of OHP consumers, c) Require CCOs have two CAC representatives, at least one being an OHP consumer, on CCO board.	SDOH / Health Equity	● ● ○	● ● ○

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#	Policy	Priority Area	How heavy is the lift?	How large of an impact?
6	Require CCOs to partner with local public health authorities, non-profit hospitals, and any CCO that shares a portion of its service area to develop shared CHAs and shared CHP priorities and strategies. a) Require that CHPs address at least two State Health Improvement Plan (SHIP) priorities, based on local need. b) Ensure CCOs include organizations that address the social determinants of health and health equity in the development of the CHA/CHP, including THWs affiliated with organizations listed under ORS 414.629.	SDOH / Health Equity	● ● ○	● ● ●
7	Shift financial role for statewide HIT public/private partnership from OHA to CCOs to cover their fair share	HIT	● ○ ○	● ● ●
8	Require CCOs utilize best practices to outreach to culturally specific populations (BH)	BH	● ● ●	● ● ●

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Goal #2: Providing equitable, patient-centered care

The model is built on the use of evidence-based best practices to manage and coordinate care, centered around the patient and the patient's family. This includes concepts such as better integrated behavioral, physical, and oral health care that improves the patient's experience and outcomes and maximizes efficiency. Many of the policies below aim to support increased adoption of the best practices and experiences of CCOs during the first contracting period.

Oregon Health Plan members should see improved access to care, more streamlined communication between health care providers, additional standardization across providers and CCOs in some areas, and more structure around children's behavioral health.

#	Policy	Priority Area	How heavy is the lift?	How large of an impact?
Policies that are new concepts				
1	Develop an incentive program to support behavioral health providers' investments in electronic health records (Feasibility depends on 2019 legislative session	BH	● ○ ○ Or ● ● ●	● ● ●
2	*Identify, promote and expand programs that integrate primary care in behavioral health settings (Behavioral Health Homes)	BH	● ● ○	● ● ○
3	Clear ownership of BH benefit by the CCO	BH	● ● ○	● ● ○
4	Require CCOs to ensure a care coordinator is identified for individuals with Severe and Persistent Mental Illness (SPMI) and for children with Serious Emotional Disturbances (SED), and incorporate the following: • Develop standards for care coordination • Enforce contract requirement for care coordination for all children in Child Welfare, state custody and other prioritized populations (I/DD) • Establish outcome measure tool for Care Coordination Enforce contract requirement for care coordination for all children in Child Welfare, state custody and other prioritized populations (I/DD)	BH	● ● ○	● ● ○

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5	CCOs identify plans for the medical, behavioral and oral health workforce including their efforts to: • Develop the healthcare workforce pipeline in their area; • Develop and support a diverse workforce who can provide culturally and linguistically appropriate care, with attention to marginalized populations • Ensure current workforce completes a cultural competency training in accordance with HB 2611 • Participate in and facilitate the current and future training for the health professional workforce in their area • Support health professionals following their initial training; and • Encourage local talent to return to their home areas to practice	Work-force	● ● ●	● ● ●
6	Require CCOs report on capacity and diversity of the medical, behavioral and oral health workforce within their geographical area and provider network. CCOs must monitor their provider network to ensure parity with their membership.	Work-force	● ○ ○	● ● ○
7	Require BH outcome measures or metrics for research based practices • Update OHAs recommended BH clinical practices • Incentivize use of BH best practices and emerging practices, including: ○ Development of a Train the Trainer investment in BH models of care ○ Supporting providers in utilizing ACEs score, outcome based tools and/or trauma screening tools to develop individual service and support plans	BH	● ● ○	● ● ○
8	Prioritize access to BH early intervention (0-5) and BH prevention services for children	BH	● ● ○	● ● ○

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9	Develop incentives for CCOs to meet the complex health needs of children and young adults	BH	● ● ●	● ● ○
Policies that build on and strengthen current efforts				
10	Require CCOs support EHR adoption across behavioral, oral and physical health contracted providers	BH	● ● ○	● ● ○
11	Require CCOs ensure behavioral, oral and physical health contracted providers have access to technology that enables sharing patient information for care coordination, including timely hospital event notifications, and require CCOs use hospital event notifications	BH	● ● ○	● ● ○
12	*Develop mechanism to assess network adequacy services across the continuum of care. Require CCOs ensure gaps in the continuum of care are addressed and that consumers have access to a diverse provider network	BH	● ● ●	● ● ●
13	System of Care to be fully implemented for the children's system	BH	● ● ○	● ● ●
14	Require Wraparound is available to all children and young adults who meet criteria	BH	● ○ ○	● ● ○
15	CCOs, with the support of OHA, to incentivize providers to implement trauma informed care practices	BH	● ● ●	● ● ○
16	Continue CCO role in using HIT for patient engagement and link to health equity	BH	● ● ○	● ● ○
17	Standardize CCO coverage for telehealth services	BH	● ○ ○	● ● ○
18	Develop CCO internal infrastructure and investment to coordinate and support CCO equity activities by implementing the following: a) Require CCOs to adopt a Health Equity plan to institutionalize organizational commitment to health equity,	SDOH/ Health Equity	● ○ ○	● ● ●

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	b) Require a single point of accountability with budgetary decision-making authority and health equity expertise, and c) Require an organization-wide cultural responsiveness and implicit bias training fundamentals training plan and timeline for implementation.			

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Goal #3: Measuring performance and efficiency

Performance measurement that's consistent across health systems improves performance and accountability, while easing providers' reporting burden. Alignment also helps ensure more meaningful analysis across the system in areas like access, quality, patient satisfaction, service utilization and cost.

These policies should help Oregon Health Plan (OHP) members experience better quality of care and improved health by having providers and CCOs focus on improving efficiency, communication, and coordination of care, especially related to high-value services and outcomes.

#	Policy	Priority Area	How heavy is the lift?	How large of an impact?
Policies that are new concepts				
1	Identify and address billing system and policy barriers that prevent behavioral health providers from billing from a physical health setting	BH	● ● ●	● ● ○
2	*Evaluate efficiency and total costs of care to establish variable profit margins based on CCO performance	Cost	● ● ○	● ● ○
3	Report VBP data via All Payer All Claims (APAC) database, supplemental data and /or interviews and require complete encounter data with contract amounts and additional detail for VBP arrangements.	VBP	● ● ○	● ● ●
Policies that build on and strengthen current efforts				
4	Identify metrics to track milestones of BH and OH integration with physical health care by completing an active review of each CCOs plan to integrate services that incorporates a score for progress • OHA to refine definitions of BH and OH integration and add to the CCO contract • Increase technical assistance resources for CCOs to assist them in integrating care and meeting metrics	BH/OH	● ○ ○	● ● ●
5	* Require CCOs to demonstrate necessary information technology (IT) infrastructure for VBP reporting	VBP	● ● ○	● ● ○

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Goal #4: Paying for outcomes and value

Paying for better quality care and better health outcomes, rather than just more services, is essential to the model. This method of reimbursing providers is referred to as "value-based payments" (VBPs). The goal of increased use of VBPs is to incentivize delivery system reform that focuses on *value* instead of volume of care delivered, *rewarding* providers for a combination of *high-quality care, positive member health outcomes* and *cost savings.*

Oregon Health Plan members who receive care from a provider being reimbursed through a VBP will likely notice improvements in their care that result in better health outcomes and overall patient experience.

#	Policy	Priority Area	How heavy is the lift?	How large of an impact?
Policies that are new concepts				
1	Develop payment methodologies to reimburse for warm handoffs, impromptu consultations and integrated care management services	BH	● ● ○	● ● ●
2	*Shift mental health residential benefit to CCOs	BH	● ● ●	● ● ○
3	*Assess capacity management of behavioral health residential settings	BH	● ● ○	● ● ○
4	Examine equality in behavioral health and physical health reimbursement	BH	● ● ○	● ● ●
5	Incentivize health care services with highest clinical value by rewarding their use in rate setting	COST	● ● ○	● ● ○
6	*Increase the portion of hospital payments that are based on quality and value • Incorporate quality and value measures in calculating reimbursement to hospitals (includes CCO and OHA directed payments).	COST	● ○ ○	● ● ○
7	Adjust the operation of the CCO Quality Pool to allow consideration of expenditures in CCO rate development in order to: a) Align incentives for CCOs, providers, and communities to achieve quality metrics b) Create consistent reporting of all CCO expenses related to medical costs, incentive arrangements, and other	COST	● ● ○	● ● ○

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	payments regardless of funding source (Quality Pool or global budget)			
8	Require CCOs to implement one VBP focused on these key care delivery focus areas and potentially develop more robust VBP requirements in later years: a) Primary care b) Behavioral health integration c) Oral health integration d) Specialty care e) Hospitals f) Children's health care g) Maternity care	VBP	● ● ●	● ● ●
9	*Require CCO-specific VBP targets in support of achieving a statewide VBP goal	VBP	● ● ●	● ● ●
Policies that build on and strengthen current efforts				
10	*Implement recommendations of the THW Commission, including the following: a) Require CCOs to incorporate alternative payment methods to establish sustainable payment rates for THW services b) Require CCOs to create a plan for integration and utilization of THWs. c) Require CCOs to integrate best practices for THW services in consultation with THW commission d) Require CCOs to designate a CCO liaison as a central contact for THWs e) Identify and include THW affiliated with organizations listed under ORS 414.629 (Note that d. is also included under Policy Option #30 for CHAs/CHIPs)	SDOH / Health Equity	● ● ○	● ● ●
11	Require CCOs to develop Patient-centered Primary Care Home VBPs (i.e., payments based on PCPCH tier level)	VBP	● ● ○	● ● ○

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Goal #5: Financial sustainability and strategic investment (sustainable rate of growth)

Bending the cost curve is a vital component of the coordinated care model – and one that strengthens all other principles. Part of bending the overall rate of growth is ensuring that CCOs are supported in remaining financially sustainable and that financial decisions are made strategically.

Notably, containing costs at the CCO or state level should not be achieved by cutting benefits to Oregon Health Plan members.

#	Policy	Priority Area	How heavy is the lift?	How large of an impact?
Policies that are new concepts				
1	Establish a statewide reinsurance pool for CCOs administered by OHA to spread the impact of low frequency, high cost conditions and treatments across entire program	COST	● ● ●	● ● ●
2	Address increasing pharmacy costs and the impact of high-cost and new medications by: increasing transparency of CCOs and their Pharmacy Benefit Managers, aligning CCO PDLs based on recommendations from outside analysis and additional OHA/OHPB guidance, and revising 340 b pricing to consider overall fiscal impact on system and not just 340b entities	COST	● ● ○	● ● ○
3	Enhance current financial reporting tools	COST	● ● ○	● ● ○
4	Create a statewide reserve pool in addition to CCO-specific reserve requirements in the event of an insolvency	COST		● ● ○
Policies that build on and strengthen current efforts				
5	Ongoing evaluation of Oregon's sustainable spending target based on national trends and emerging data and setting more aggressive targets in future years, potentially increase CCO	COST	● ● ○	● ○ ○

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	accountability to target by adding provisions to contract			
6	Shared-savings arrangements for achievement of lower-than-targeted spending growth	COST	● ○ ○	● ○ ○
7	Expand / revise existing risk corridor programs	COST	● ○ ○	● ○ ○
8	Implement risk-sharing with the state hospital (Behavioral Health Collaborative recommendation)	BH	● ● ●	● ● ●

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Goal #6: Transparency and accountability in price and quality

Data that are readily available, reliable, and clear helps patients and the public understand how their health plan functions. This goal incorporates better reporting around VBPs, community health assessments, costs and organizational structures.

With access to data, patients can be more engaged and share responsibility in their health care decisions.

#	Policy	Priority Area	How heavy is the lift?	How large of an impact?
Policies that are new concepts				
53	Publish CCO data on VBPs	VBP	● ● ○	● ● ○
Policies that build on and strengthen current efforts				
54	Require CCOs to submit their community health assessment (CHA) to OHA	SDOH / Health Equity	● ○ ○	● ○ ○
55	Require CCOs share with OHA (to be shared publicly) a clear organizational structure that shows how the Community Advisory Council connects to the CCO board	SDOH / Health Equity	● ○ ○	● ○ ○
54	*Institute a validation study that samples CCO encounter data and reviews against provider charts for accuracy (AZ Model) with financial implications	COST	● ○ ○	● ○ ○

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