OREGON MEDICAL ASSOCIATION

MEMORANDUM

To: Oregon Health Authority

From: Bryan Boehringer, Oregon Medical Association

Date: May 1, 2018

Re: CCO 2.0 Comments

Thank you for the opportunity to provide comments on CCO 2.0 to guide the Oregon Health Policy Board's policy recommendations for the future of coordinated care. The Oregon Medical Association appreciates the challenging work that is taking place to facilitate feedback and make recommendations for the next CCO contract-period. The OMA solicited targeted members for input regarding components of the General Feedback Survey, asking members to identify the best outcomes of Oregon's CCO model, outstanding issues, and considerations and changes to include in imagining a new CCO model.

Best Outcomes

One of the most important aspects of Oregon's Coordinated Care Model has been the regional focus and local control of the organizations. Each community understands what challenges it faces in creating a healthy population – the health of which is multifaceted and requires a multidisciplinary approach between healthcare entities, social services, school and community programs. These organizations have been able to both use the existing workforce, as well as enhance the workforce at the local level; this strengthens their ability to facilitate the health of their populations by developing a sense of pride in ownership of their community asset – the CCO. Keeping this control at the local level will continue to promote unique and innovative solutions that will address the needs of each individual community. CCOs have clearly demonstrated that increased focus on primary and preventive care in turn decreases the number of emergency room visits and cost to the system.

Another essential outcome of Oregon's CCO model has been the consolidation of the payment stream for physical, behavioral, and oral health into one organization rather than through disparate payers. While this may not directly and immediately result in integrated care at the delivery system level, it does manage to convene representatives of these various organizations into the same room to discuss managing global budgets and achieving quality incentive metrics. This coordination has had downstream effects on payment and delivery of care that otherwise wouldn't have occurred.

The CCO quality incentive program is another positive outcome to highlight. The metrics are viewed as reasonable and consistent across all health systems, as well as transparent and easy to understand, helping to relieve some of the burden associated with reporting. Due to its simplicity, along with real dollars associated, there is a better opportunity for engagement between the CCOs and the provider community. Many organizations have spent considerable amounts of time and energy to meet the metrics, which have resulted in better health outcomes for members. Moving forward it will be important to

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consider how we interpret the definition of "quality," ensuring that metrics are backed by scientific, evidence-based data.

Outstanding Issues

The CCO model has brought forth areas of need within the healthcare system which are only beginning to be addressed. Paying to reduce barriers to addressing the social determinants of health was introduced into CCOs through flexible services, and alternative payment methodologies, however flexible services haven't reached their full potential at this point due to lack of true support for the concept in the actuarial obligations under the waiver. To be successful, CCOs need increased autonomy to reinvest funds as they see fit in order to better the health of their communities.

Fully integrated physical, behavioral and oral health services through CCOs is another component of transformation that has not been effectively addressed at the anticipated pace. Primary care settings, especially patient centered primary care homes, have made great strides toward better behavioral health integration, however reimbursement structures for mental health providers often create a barrier to utilization, which may lead to clinics providing those services at a loss or not at all. In addition to being incorporated into quality incentive measures, prioritizing meaningful integration also needs to be reflected in reimbursement rates.

One of the central features of the Medicaid waiver extension and the implementation of the Coordinated Care Model was the requirement that Oregon would reduce federal Medicaid spending in Oregon by two percentage points, keeping the rate of growth fixed to no higher than 3.4%. Since the concept was originally implemented, the prices for prescription drugs have increased substantially and there have been numerous specialty drugs introduced to the market. As a result, the major service driving the annual increase in medical expenses has been prescription drugs, which the CCO model is not well equipped to fully address.

CCO 2.0 Changes

In the future reimbursement model, providers desire to delink payment from visits, allowing for more flexible use of time with regard to patients. By physically seeing fewer patients a day, but more actively managing them over the phone and through email, providers can spend time researching solutions for patients, coordinating with behavioral and oral health providers and generally overseeing the healthcare needs of their patients. This would not only address the decreasing amount of time providers spend with their patient, it would improve patient satisfaction, and likely reduce physician burnout. Providers also expressed a need to further shift focus and funding toward primary care, and incentivize spending of reserves on community resources, such as housing, food access and education.
Though Oregon has made significant and necessary changes since the CCOs were formed, transformation of the healthcare delivery system needs to continue through a focus on local performance and a move towards value-based purchasing. We need to ensure the structure of healthcare in Oregon facilitates and supports continued innovation in care delivery, continually reassessing next steps in transformation once goals are met.

In closing, the Oregon Medical Association would like to reiterate its appreciation for the opportunity to provide comments on the Oregon Health Policy Board's CCO 2.0 policy planning. The OMA will continue to monitor the policy development process and remains a provider community resource for the OHA.

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