

# FACT SHEET: Coordinated Care Organizations

## Person-centered, coordinated and affordable care

**A coordinated care organization (CCO)** is a network of all types of health care providers (physical health care, addictions and mental health care and sometimes dental care providers) who have agreed to work together in their local communities to serve people who receive health care coverage under the Oregon Health Plan (Medicaid). CCOs are focused on prevention and helping people manage chronic conditions, like diabetes. This helps reduce unnecessary emergency room visits and gives people support to be healthy.

**Coordinated care organizations** have replaced a fragmented system of care that relied on different groups to provide physical health, dental health and mental health and addictions care. Governor Kitzhaber pushed for the creation of CCOs through a public process with bi-partisan support from the Oregon Legislature, to provide better care for people who count on the Oregon Health Plan. For more background information on CCOs, go to [www.health.oregon.gov](http://www.health.oregon.gov).

### **Better care brings lower costs.**

- Provide preventive care.
- Better manage chronic diseases to help avoid unnecessary trips to the hospital and emergency room.
- Better coordinate care to limit unnecessary tests and medications.
- Integrating physical, dental, and mental health and addictions care.

**Person-centered care.** Coordinated care organizations are set up to put an emphasis on people-centered care, where all care providers are coordinating efforts to make sure treatment plans complement each other. CCOs also work to increase health equity, to ensure that everyone in Oregon has the care they need to stay healthy.

### **Key features of coordinated care organizations**

- CCOs are locally governed to address community needs.
- They have one budget that grows at a fixed rate.
- CCOs are accountable for the health outcomes of the population they serve.
- They are governed by a partnership among health care providers, community members and stakeholders in the health systems that have financial responsibility and risk.

**Status of coordinated care organizations.** Sixteen coordinated care organizations are serving Oregon Health Plan members across the state. The majority of OHP members now receive care through a CCO.

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## Asthma: Coordinated care keeps children active and out of the hospital

*Coordinated care means that Malik no longer makes twice-monthly visits to the emergency room.*



**Malik is an 8-year-old third-grader who has asthma.** A dust mite, cigarette fumes or a chemical additive in scented soap can trigger a severe reaction in his nose, throat, windpipe or lungs. He starts to wheeze and gasp for breath.

Asthma attacks used to send Malik to the emergency room once or twice a month, says his mother, Maydean. "He'd get to the point where he couldn't breathe."

Today, that almost never happens. His primary care team has helped Malik bring his asthma under control and drastically reduce his trips to the hospital. The new, coordinated approach involves reduced exposure to household asthma "triggers"; a home

nebulizer to convert his medication into a quicker-acting mist; and a portable mini-inhaler to help him overcome wheezing attacks at school or on the playground.

Asthma is the most common chronic disease among children — and especially prevalent in low-income households. Although asthma can be well controlled by medication and preventive measures, Oregon children went to hospital emergency rooms 550 times for asthma attacks in 2006, according to the state Asthma Program. The average cost of a hospital visit for asthma was \$12,000. The Oregon Health Plan paid more than \$5.5 million in 2007 for hospital care of asthma.

Malik is an example of how coordinated care can reduce that expense while improving health.

His mom enrolled in a pilot program that helps children with asthma get control over their disease through careful choice of medications and reduction of environmental hazards in the home.

The program visited Malik's home to search for asthma triggers and recommend preventive steps: Natural cleaning agents. Mold prevention. Non-allergenic bedding and pillow cases. A special vacuum cleaner that captures dust without releasing any into the air.

Since Malik started using the nebulizer and special bedding and since his mom substituted vinegar-based cleaners for scented detergents, he has made only two visits to the hospital for asthma. These lower-cost interventions are a good deal for everyone, his mother says, including taxpayers.

"In the long run it saves money by keeping Malik out of the hospital."