

LC 499: Transforming Medicaid Fee for Service

Many people in Oregon experiencing health inequities are served by Medicaid Fee for Service (FFS), a system that is not fully equipped to provide the appropriate level of care coordination to identify and eliminate those inequities and meet the unique needs of those it serves.

Communities Deserve More

More than 120,000 people eligible for the Oregon Health Plan (OHP) receive their health care through Fee-For-Service (FFS) rather than Coordinated Care Organizations (CCOs). FFS serves Tribal members, dual eligible members who have Medicare and Medicaid coverage, pregnant women with Citizen Waived Medical plus, OHP members who also have private insurance (which includes many people with physical, mental, intellectual, and developmental disabilities), a number of children and youth in the care and custody of Child Welfare, and individuals facing transitions in their lives such as moving from one part of the state to another or leaving a justice involved setting. Many on FFS have complex behavioral and physical health needs and are disproportionately experiencing health inequities.

FFS is not resourced to provide the level of care and coordination needed to identify and eliminate health inequities and meet the unique needs of the people it serves. In contrast to CCOs—who provide a standard of care outlined in contract and through metrics, compliance, and community accountability—FFS does not have systemic standards and metrics in place to ensure FFS members receive responsive, proactive care and care coordination. FFS does not have flexible funding or health related service options to be nimble in an equitable manner. FFS does not have the structural design to promote the health care transformation and coordinated care that are integral to Oregon’s innovative approach to Medicaid.

Creating an Accountable, Community-Led System of Care

This legislative concept provides clear authorization for transformation in FFS. It keeps its current advantages: a statewide network that is better positioned to serve Oregonians who are in transition or moving and whose needs cannot be met within a local system of place-based care, supported by OHA subject matter experts. It then adds innovative elements and creates a full system to better serve its OHP members.

A transformed FFS system will:

- ▶ Promote equity for its members by correcting failings that have led to perpetuating health inequities through limited access to interdisciplinary care coordination, and unavailability of health-related services funds to address Social Determinants of Health
- ▶ Deliver a statewide system of healthcare to serve Oregonians and help eliminate health inequities

- ▶ Implement a person-centered planning model that addresses the person's whole health care needs, incorporates family and natural support perspectives in shared decision making, and focuses on outcomes that are important to the individual
- ▶ Provide robust care coordination and improved access to services for FFS populations
- ▶ Develop and maintain FFS system accountability for better outcomes and elimination of health inequities with outcome metrics and ongoing evaluation
- ▶ Align FFS provider contracts to ensure consistent policy application, accountability, and sustainability of FFS transformation investments
- ▶ Provide value-based or alternative payment models and incentives to providers that focus on coordinated care, social determinants of health, and better health outcomes
- ▶ Compare and contrast FFS and CCO metrics and outcomes to measure performance for OHP members and determine how best to eliminate health inequities
- ▶ Resource and continuously update foundational information, such as rates and coverage details, provider information and communications to members
- ▶ Sustain ongoing collaboration with FFS members, providers, and partners to improve system

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