Cost Growth Target Advisory Committee

DRAFT CHARTER

1. Problem Statement

Health care costs are rising and are continuing to take up a larger proportion of state, employer, and family budgets. Since 2000, Oregon employer-sponsored insurance premiums have grown three times faster than personal income,[i] and premiums equate to nearly one third of average family household income in Oregon.[ii] Oregonians' deductibles are the third highest in the nation, and average annual family deductibles have increased 77% since 2010.[iii]

Not all health care costs are warranted. Nationally, approximately 25% of total health care spending is spent on poor care delivery and coordination, unnecessary treatments or low-value care, high prices, fraudulent or abusive charges and administrative waste.[iv]

In Oregon, health care prices are high, especially among providers with negotiating leverage. This leads to a wide variation in what payers are spending for the same services at different providers. This variation in pricing is unjustifiable and leads to higher costs for all Oregonians.

2. Vision and Mission

Oregon's vision is to lower the growth of health care spending in the state to a financially sustainable rate by leveraging its sustainable health care cost growth target. A sustainable health care cost growth target is a target for the annual rate of growth of total health care spending in the state.

Oregon's mission is to implement a sustainable health care cost growth target program that:

- measures as much total statewide health care spending as possible;
- transparently reports on the performance of Oregon's health care payers and provider organizations relative to the cost growth target;
- transparently monitors for key drivers of costs and cost growth, as well as negative impacts of the cost growth target and other key performance measures;
- holds payers and provider organizations accountable when they exceed the cost growth target with statistical certainty and without a good reason; and
- identifies and implements strategies to slow cost growth and support cost growth target attainment.

3. Predecessor Implementation Committee

In 2019, Oregon passed Senate Bill 889, creating the Sustainable Health Care Cost Growth Target Program, and establishing the Cost Growth Target Implementation Committee under the direction of the Oregon Health Policy Board to design the implementation plan and program details for the Sustainable Health Care Cost Growth Target Program.[v]

The Implementation Committee delivered their recommendations in January 2021[vi], including establishing a future governance committee for the Cost Growth Target Program in 2022 and beyond. The Implementation Committee recommended that the new Committee should consist of health care payers and provider organizations, as well as employer and consumer representatives. The Committee further recommended there be some overlap between members of the predecessor Implementation Committee and the new Committee to ensure continuity.

4. Advisory Committee Charge

The Sustainable Health Care Cost Growth Target Advisory Committee is established under the direction of the Oregon Health Policy Board (OHPB) and is charged with the following:

- Overseeing ongoing program implementation
- Revisiting the cost growth target value for 2026-2030 (and beyond)
- Reviewing and understanding cost growth trends and cost drivers and advising OHA, DCBS and OHPB on the impact of cost
- Monitoring for negative impacts of the cost growth target
- Exploring opportunities to improve equity
- Reviewing and understanding progress toward value-based payment (VBP) goals
- Identifying and addressing opportunities to reduce cost growth
- Informing public hearings

OHA, DCBS and/or the Oregon Health Policy Board may charge the Advisory Committee with other responsibilities over time.

5. Committee Membership

Advisory Committee members are appointed by the Oregon Health Policy Board through an open recruitment process; OHPB will appoint members to fill any vacancies as needed.

Advisory Committee members will serve two-year terms, although initial term lengths may be staggered to ensure continuity. Terms may be extended. Committee members may be removed for failure to fulfil responsibilities as outlined in this charter.

The Advisory Committee membership should include the following:

Industry Representatives • Health care payers • Large hospitals / health systems • Smaller / independent providers	**Non-Industry Representatives** • Employers • Consumer advocates
Ex-Officio Members • OHA Director or designee • DCBS Director or designee • State Economist or designee	**Expertise** • Health care financing • Health care administration • Health economics • Integrating equity into policy

The Oregon Health Authority and the Oregon Health Policy Board have prioritized health equity and one of OHA's core values of health equity states "We consider the diversity of Oregon's communities as we make decisions about how policy and practices are developed, and how resources are distributed." OHA and OHPB are working to ensure diverse and equity-focused membership across all committees of the Board, including the following demographic representation: racial and ethnic, age, gender identity, sexual orientation, language, and disability, as well as intersections among these communities or identities.

6. Committee Duties and Responsibilities

Advisory Committee Member Agreements & Responsibilities

Members agree to participate in good faith and to act in the best interests of the Advisory Committee and its charge. To this end, members agree to place the interests of the State above any political or organizational affiliations or other interests.

Members accept the responsibility to collaborate in developing potential recommendations that are fair and constructive for the State. Members are expected to consider a range of issues and options to address them, discuss the pros and cons of the issues/options presented and where possible, come to conclusion or consensus that reflects the "sense of the group."

Members acknowledge that their role is to frame policy choices and provide advice; final decisions, if any, rest with the OHA, DCBS, and/or OHPB.

Members agree to fulfill their responsibilities by attending and participating in Committee meetings; reviewing materials to understand issues to be addressed in meetings; working collaboratively with one another to explore issues and solutions; participating in the development of recommendations and documents as requested; and considering and integrating public comment into Committee recommendations as appropriate.

Role of Advisory Committee Chair & Co-Chair

The Advisory Committee will elect a Chair and Co-Chair.

The Chair and Co-Chair will encourage full and safe participation by Committee members in all aspects of the process, assist in the process of building consensus, and ensure all members abide by the expectations for the decision-making process and behavior defined herein.

The Chair and Co-Chair will work with OHA to develop meeting agendas, provide meeting facilitation, and otherwise ensure an efficient decision-making process.

The Chair and Co-Chair will serve, with OHA, as key spokespeople for the Committee to the Oregon Health Policy Board, the Legislature, and other key stakeholders.

Role of OHA and DCBS

The Oregon Health Authority and the Department of Consumer and Business Services shall assist the Advisory Committee by furnishing information, advising members, and staffing meetings.

OHA agrees to act in good faith in all aspects of the Committee's process. OHA will support the Committee, along with the Chair and Co-Chair, by setting meeting agendas, facilitating meetings, and preparing content for consideration in such a way that will allow the Committee members to make informed decisions.

OHA staff supporting the Committee will provide the Committee with well-informed policy options for their review and discussion. OHA will not preclude members from introducing alternative policy options related to the topic at hand.

OHA will document any decisions made by the Committee and seek Committee approval on meeting summaries and other work products.

7. Committee Principles

The principles listed below will guide the Advisory Committee's recommendations for Oregon's Cost Growth Target program. The principles can be revised if proposed by the Chair or by majority of members.

The Cost Growth Target Advisory Committee will:

- be sensitive to the impact that high health care spending growth has on Oregonians;
- align recommendations where possible with other state health reform initiatives to lower the rate of growth of health care costs;
- promote collaboration across payers and providers, and encourage collective action to meet the cost growth target;
- identify and work to mitigate impacts on health inequities; and
- focus on the charges delegated to the Committee and avoid topics and recommendations that are beyond the Committee's assignment.

8. Committee Operating Procedures

Expectations

Committee members agree to act in good faith in all aspects of the Committee's process. This includes being honest and refraining from undertaking any actions that will undermine or threaten the deliberative process. It also includes behavior outside of meetings.

Expectations include:

- Members should try to attend all meetings. If members cannot attend a meeting, they should notify OHA staff. After missing a meeting, the member should contact OHA staff for a briefing, and review materials and the meeting summary and/or recording.
- Members agree to be respectful at all times of other Committee members, staff, and audience members. They will listen to each other to seek to understand the other's perspectives, even if they disagree.
- Members agree to make every effort to bring all aspects of their concerns about these issues into this process to be addressed.
- Members agree to refrain from personal attacks, intentionally undermining the process, and publicly criticizing or mis-stating the positions taken by any other participants during the process.
- Any written communications, including emails, blogs and/or other social networking media, will be mindful of these procedural ground rules and will maintain a respectful tone even if highlighting different perspectives.

- Members are advised that email, blogs, and/or other social networking media may be considered public documents. Emails and social networking messages meant for the entire group will be distributed via OHA staff.
- Requests for information made outside of meetings will be directed to OHA staff. Responses to such requests will be limited to items that can be provided within a reasonable amount of time.

Communications

Written Communications

Members agree that transparency is essential to the Committee's deliberations. In that regard, members are requested to include both the Chair, Co-Chair and staff in written communications commenting on the Committee's deliberations from/to interest groups (other than a group specifically represented by a member); these communications will be included in the public record as detailed below and copied to the full Committee as appropriate.

Committee members should take care to not "reply all" to emails sent to them by the Chair, Co-Chair, or Committee staff, unless requested.

Written comments to the Committee, from both individual Committee members and from agency representatives and the public, should be directed to OHA staff. Written comments will be distributed by OHA staff to the full Committee in conjunction with distribution of meeting materials or at other times at the Chair and Co-Chair discretion and posted publicly in accordance with Public Meeting Law.

Media

While not precluded from communicating with the media, Committee members agree to generally defer to the Chair, Co-Chair or OHA staff for all media communications related to the Committee. Committee members agree not to negotiate through the media or use the media to undermine the work of the Committee.

Committee members agree to raise all their concerns, especially those being raised for the first time, at a Committee meeting and not in or through the media.

Committee Meetings

The Committee will meet at times and places proposed by OHA staff, the Chair and Co-Chair, or by a majority of members. The Committee shall meet at least once per quarter.

In addition to authority granted to the Chair and Co-Chair, work groups or other advisory processes may be established by approval of a majority of Committee members. Meetings of these groups will be conducted in accordance with these operating procedures.

A majority of voting members constitutes a quorum for the transaction of Committee business. A Committee member may participate by telephone or video for purposes of a quorum.

Meetings will be conducted in a manner deemed appropriate by the Chair and Co-Chair to foster collaborative decision-making and consensus building (see below). Robert's Rules of Order will be applied when deemed appropriate.

Consensus Process/Voting

A consensus decision-making model will be used to facilitate the Committee's deliberations and to ensure that the Committee receives the collective benefit of the individual views, experience, background, training, and expertise of its members. Consensus is a participatory process whereby, on matters of substance, the representatives strive for agreements that they can accept, support, live with, or agree not to oppose.

Committee members agree that consensus has a high value, and that the Committee should strive to achieve it. As such, decisions on Committee recommendations will be made by consensus of all present members unless voting is requested by a Committee member. Voting shall be by roll call. Final action on Committee recommendations requires an affirmative vote of the majority of the Committee members. A Committee member may vote by telephone or video.

If no consensus is reached on an issue for proposed Committee recommendation, minority positions will be documented. Those with minority opinions are responsible for proposing alternative solutions or approaches to resolve differences.

Members will honor decisions made and avoid re-opening issues once resolved.

Documentation

All meetings of the Committee shall be recorded and written summaries prepared. The audio/video records shall be posted on the Committee's meeting archive web page. Meeting agendas, summaries and supporting materials will also be posted to the Committee web page.

Public Status of Committee Meetings and Records

Committee meetings are open to the public and will be conducted under the provisions of Oregon Public Meetings Law (ORS 192.610-690). Members of the public, stakeholders, and legislators may present before the Committee upon the invitation of the Chair or Co-Chair, or at the invitation of the majority of the members of the Committee. Members of the public may also submit public comment in accordance with Oregon Public Meetings Law. In the absence of a quorum, a Committee may still receive public testimony.

Committee records, including formal documents, discussion drafts, meeting summaries and exhibits, are public records.

Communications of Committee members are not confidential because the meetings and records of the Committee are open to the public. "Communications" refers to all statements and votes made during the Committee meetings, memoranda, work products, records, documents or materials developed to fulfill the charge, including electronic mail correspondence. The personal, private notes of individual Committee members might be considered to be public to the extent they "related to the conduct of the public's business," (ORS 192.410(4)).

Amendment of Operating Procedures

These procedures may be changed by an affirmative vote of the majority of the members of the Committee, but at least one week's notice of any proposed change shall be given in writing to each member of the Committee.

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[i] Medical Expenditure Panel Survey-Insurance Component and the Bureau of Economic Analysis.
[ii] "The Burden of Health Care Costs for Working Families: A State-Level Analysis" University of Pennsylvania Leonard Davis Institute of Health Economics. April 2019.
[iii] Ibid.
[iv] Shrank et al. "Waste in the US Health Care System: Estimated Costs and Potential for Savings" *JAMA* 2019;322(15):1501-1509.
[v] https://www.oregon.gov/oha/HPA/HP/Pages/cost-growth-target-implementation-committee.aspx
[vi] https://www.oregon.gov/oha/HPA/HP/HCCGBDocs/Cost%20Growth%20Target%20Committee%20Recommendations%20Report%20FINAL%2001.25.21.pdf