

Transformation Center: Work and Impact

2023

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Oregon
Health
Authority

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Executive summary

The Transformation Center supports innovation and quality improvement in Oregon's health care system, with the goals of better health, better care and lower costs. We work at the system, community and practice levels.

We build capacity for health system partners by providing learning opportunities like webinars, learning collaboratives and convenings. We also collaborate across the Oregon Health Authority (OHA) to develop and implement innovative health system policies, which includes reviewing and providing feedback on multiple coordinated care organization (CCO) deliverables.

During 2023, the Transformation Center prioritized topic areas based on:

- Legislative requirements
- Direction from the Oregon Health Policy Board on CCO 2020–2024 contract goals,
- CCO contract deliverables assigned to the Transformation Center
- CCO incentive metrics (developed by the OHA Metrics and Scoring Committee)
- Alignment with the 1115 Medicaid waiver's new health-related social needs services

Throughout the year, the Transformation Center continued to adopt new strategies to advance population health, CCO spending programs, innovative payment strategies, system transformation and quality improvement, and oral health.

Key successes included:

- Hosting 58 multiple-partner learning sessions, including events, trainings and webinars on the topics listed above
- Staffing 30 Oregon Health Policy Board and legislatively required committee and work group meetings
- Managing the review and feedback process for ten CCO contract deliverables primarily focused on community health, quality improvement, social determinants of health spending, and value-based payment
- Providing technical assistance to support CCOs' health-related services programs, in lieu of services, SHARE Initiative and incentive metrics
- Supporting Oregon health systems to transition to value-based payment models by implementing CCO contract requirements and facilitating the Value-Based Payment Compact Work Group and Primary Care Payment Reform Collaborative

This report briefly describes select initiatives and their outcomes. More information is available on the [Transformation Center website](#).

Background

The Transformation Center supports innovation and quality improvement in Oregon’s health care system, with the goals of better health, better care and lower costs. We work at the system, community and practice levels.

We build capacity for health system partners by providing learning opportunities like webinars, learning collaboratives and convenings on innovative services and programs like health-related services and value-based payment. We collaborate across OHA to develop and implement innovative health system policies, which includes reviewing and providing feedback on multiple coordinated care organization (CCO) deliverables.

We also help build internal capacity within the Health Policy and Analytics Division, including hosting a regular “lunch and learn” series featuring teams that have developed new ways of working with data, metrics and community to more effectively center equity.

Innovative payment strategy

Currently, most health care across Oregon and nationally is paid based on quantity, or fee for service. In contrast, value-based payment (VBP) supports providers in delivering whole-person care and holds them accountable for improving quality, costs, patient experience and — increasingly — equity. CCOs have extensive requirements to transition from fee-for-service to VBP models and have made great progress, increasing VBP implementation from 49% in 2019 to 64% in 2021.

The Transformation Center manages the following initiatives and technical assistance to support health systems in containing cost growth and advancing payment reform. The Transformation Center also manages evaluation of CCOs’ VBP contract deliverables.

CCO VBP roadmap

The VBP Roadmap’s goal is to ensure at least 70% of CCO payments to providers are in the form of a VBP by 2024. The roadmap also includes VBP models in key care delivery areas, infrastructure payments for Patient-Centered Primary Care Homes (PCPCHs), and strategies to promote equity in VBP design.

In 2023, the Transformation Center worked with an external consultant to publish the third [VBP Roadmap progress report](#). Findings include the following:

- Most CCOs met 2021 VBP milestones, though a subset of CCOs continued to lag.

We support



Innovative payment strategy



CCO community spending programs



Population health



System transformation and quality improvement



Oral health

- Most CCOs expressed confidence about 2023 requirements, including the new 20% target for arrangements with shared risk and the 60% target for overall VBP.
- Infrastructure payments to PCPCHs continued to increase on average, though half of CCOs did not increase rates for all tiers.
- Most CCOs kept pace with requirements for new models in prioritized care delivery areas.
- CCOs expanded total-cost-of-care and other “layered” arrangements.
- Efforts to advance health equity through VBP showed minimal progress from 2022. Although some arrangements were in place to support traditional health workers or case management, CCOs still lacked comprehensive data for assessing VBP needs or impacts based on REALD.
- CCOs asked for state support to promote VBP efforts among providers, review additional quality measures, and coordinate strategies for incorporating social needs into payment.

Value-based payment model development

The Transformation Center facilitates the development of primary care and specialty care VBP models. In 2023, staff conducted a needs assessment for a palliative care VBP model and an environmental scan on traditional health worker payment.

Multi-payer VBP alignment and advancement

Primary Care Payment Reform Collaborative

The Transformation Center convenes the Primary Care Payment Reform Collaborative, a legislatively required multi-stakeholder advisory group that helps OHA develop and implement a Primary Care Transformation Initiative. The goal is to develop and share best practices in reimbursement methods that direct greater health care resources toward innovation and care improvement in primary care. In 2023, the collaborative met five times.

The collaborative’s VBP Payment Model Development Work Group met seven times and completed a prospective population-based payment model, which rewards providers for value, incentivizes prevention and promotes team-based care. The model includes an aligned quality measure set to reward quality care, supports the unique needs of all patients, promotes health equity and invests in clinics’ foundational infrastructure.

The Transformation Center also convened two new work groups of the collaborative focusing on social risk adjustment and metrics, which will continue to meet in 2024.

VBP compact

The Transformation Center staffs the Oregon VBP Compact Work Group, which is a collaborative partnership to advance VBP adoption across the state. [The Oregon VBP Compact](#) is a voluntary commitment by payers and providers to participate in and spread

VBP, meeting specified targets and timelines over 2021–2024. The compact, jointly sponsored by OHA and the Oregon Health Leadership Council, is signed by 63 organizations and covers 73 percent of people in Oregon. Signers include commercial, Medicaid and Medicare Advantage payers. Spreading VBP across Oregon was the first strategy identified by the Sustainable Health Care Cost Growth Target Implementation Committee to support the goal of lowering the growth of health care spending.

In 2023, the work group met four times and developed a [VBP toolkit](#) to help clinicians, health care organizations, and their payer partners prepare for VBP arrangements, implement these arrangements, and overcome specific challenges to operating successfully within increasingly advanced VBP models. The 2022 VBP Compact target for percent of payments that are shared savings and higher was 40%. 2022 claims data show that CCOs exceeded the target with 61%, PEBB/OEBB also exceeded the target with 48%, Medicare Advantage met the 40% target and commercial failed to meet the target at 33%.

VBP technical assistance

The Transformation Center provided the following VBP technical assistance:

- Six OHA/CCO VBP work group sessions (including four in partnership with an external consultant) focused on hospital VBP arrangements, maternity VBP arrangements, social and medical risk adjustment, and the VBP toolkit
- Updates to the [VBP Technical Guide for CCOs](#) with guidance around PCPCH infrastructure payments
- Educational webinar on the primary care payment model developed by the Primary Care Payment Reform Collaborative and the VBP toolkit developed by the VBP Compact Workgroup
- In partnership with an external consultant, two CCO success stories on engaging hospitals in VBP and restructuring payment to improve behavioral health access

“We would like to thank OHA and its work group for developing the tools and educational information needed to help CCOs attain compliance with the CCO 2.0 VBP initiative.”

– CCO staff

The Transformation Center worked with an external consultant to evaluate CCOs’ VBP contract deliverables, which included PCPCH VBP data, a pre-interview questionnaire and a 90-minute interview. These materials help OHA monitor CCOs’ progress toward VBP goals and assess their needs for technical assistance.

CCO community spending programs

The Transformation Center managed multiple CCO spending programs including related policy and contract updates, guidance updates, deliverable review and approval, and technical assistance.

Health-related services

Health-related services (HRS) are non-covered services that CCOs may offer as a supplement to Oregon Health Plan benefits to improve care delivery and overall member and community health and well-being. Health-related services include:

- **Flexible services**, which are cost-effective services offered to an individual member to supplement covered benefits, and
- **Community benefit initiatives**, which are community-level interventions focused on improving population health and health care quality.

Annual CCO HRS reviews

The Transformation Center leads OHA’s work on reviewing CCOs’ HRS policies and spending data. The following findings include only spending that met HRS criteria:

- Total accepted HRS spending for 2022 was \$60.2 million, close to double the total accepted HRS spending in 2021.
- The average HRS spending increased to \$4.28 per member per month, which is almost \$2 higher than in 2021. However, the ranges across CCOs were similar to the prior year (\$0.64–\$9.22 per member per month).
- The top three areas of 2022 CCO HRS spending were health information technology (\$20.8 million), housing (\$10.5 million), and prevention (\$7.6 million). More details are available in the [2022 HRS spending summary](#).

Figure 1: Total CCO HRS spending by year in millions of dollars

Total HRS spending in 2022 was nearly double the amount spent in 2021



HRS capacity building

The Transformation Center supported CCOs to build capacity in delivering HRS. This included supporting alignment across CCO spending programs. In collaboration with an external consultant, the Transformation Center provided the following:

- Hybrid convening on investing in the social determinants of health and equity with alignment across HRS, SHARE and in lieu of services (ILOS). Presenters shared local, state and national efforts to improve community conditions for health for Medicaid members. At least 80 CCO staff and partners attended in person, and 88% of respondents (14) found the event valuable or very valuable.
- Four office hours for CCOs on HRS spending criteria and reporting
- Webinar on HRS and the 1115 Medicaid waiver: 98 people attended, 79% of respondents (43) found it valuable or very valuable; and 84% (46) planned to take action based on the content
- Webinar on the 2022 CCO HRS spending overview, including trends and highlights, and a review of HRS FAQ updates
- SHARE/HRS learning collaborative session
- Two peer group sessions for CCO staff on HRS, SHARE and ILOS braided funding
- Updated HRS FAQ; guidance on HRS and Oregon’s 2022–2027 Medicaid 1115 waiver, Exhibit L reporting and HRS policy requirements; and examples of past-approved HRS expenditures
- Individual CCO technical assistance (14 of 16 CCOs participated)

- “It was nice to see an innovative approach to funding and think more about how our community benefit initiative process could pivot.”
- “It was great to hear from a range of different community partners with different models.”
- “Inspiring and uplifting, which is much needed at this time and in this work.”

– 2023 HRS, SHARE and ILOS convening attendees

Supporting Health for All through Reinvestment (SHARE) Initiative

The Transformation Center managed and reviewed deliverables for the SHARE Initiative, which requires CCOs to reinvest a portion of their profit into communities to address health inequities and social determinants of health.

In 2023, all 16 CCOs were required to participate in SHARE based on their 2022 profits or reserves. This was the first year OHA required a minimum SHARE spending amount for each CCO based on a set formula. CCOs contributed a total of \$31.4 million to SHARE in 2023 (\$4.6 million more than in 2022), ranging from \$236K to \$10.6 million per CCO. Over half of the 118 SHARE projects focused on the statewide priority of housing.

To help CCOs meet SHARE requirements, the Transformation Center provided the following technical assistance in partnership with an external consultant:

- Hybrid convening on investing in the social determinants of health and equity with alignment across HRS, SHARE and ILOS (see details in the HRS section)
- A SHARE/HRS learning collaborative session on combining funding from multiple programs to support projects (braided funding)

- Two peer group sessions for CCO staff on HRS, SHARE and ILOS braided funding
- Three webinars on grantmaking, collaboration and sustainability, and guidance updates
- Seven office hour sessions for CCOs on SHARE planning and reporting
- Updated SHARE guidance documents and reporting templates
- Individual CCO technical assistance (14 of 16 CCOs participated)

In lieu of services

In lieu of services (ILOS) allows CCOs to offer Oregon Health Plan members certain pre-approved, medically appropriate and cost-effective services as an alternative to a covered service, in alternative settings or by non-traditional providers. ILOS is intended to promote access to services. The Transformation Center partnered with the OHA Health Systems Division and an external consultant to provide the following technical assistance for ILOS:

- Webinar on ILOS background and basic criteria
- ILOS billing guide
- Office hours on ILOS billing
- Hybrid convening on investing in the social determinants of health and equity with alignment across HRS, SHARE and in lieu of services (see details in the HRS section)
- Individual CCO technical assistance (14 of 16 CCOs participated)

New services under the 1115 Medicaid waiver

States can ask to waive certain Medicaid regulations when wanting greater flexibility to better serve members. Oregon’s current waiver, covering 2022–2027, focuses on health equity and ensuring people can maintain health care coverage. The Transformation Center supported implementation of select waiver initiatives.

Health-related social needs (HRSN) covered services

Transformation Center staff supported implementation of the 1115 Medicaid waiver’s new health-related social needs (HRSN) services. Staff provided consultation to ensure HRSN covered services and community capacity-building funds aligned with HRS, SHARE and ILOS. Staff participated in HRSN planning, reviewed HRSN communications, and updated HRS, SHARE and ILOS guidance to address impacts on those programs. Staff also provided consultation on provider technical assistance and will determine, based on provider and community needs, what support is needed for 2024.

Early and Periodic Screening, Diagnostic and Treatment coverage

The Oregon Health Plan now covers all health care children need for their health and development, even if the care is not covered according to the Prioritized List of Health Services. These revised benefits are called early and periodic screening, diagnostic and treatment benefits. Transformation Center staff provided logistical support for three provider learning sessions on these benefits, with an average of 184 attendees.

Population health

Community health assessments and improvement plans

The Transformation Center leads policy development and review of [CCOs' community health assessments and community health improvement plans](#) (CHAs/CHPs). CCO contracts for 2020–2024 focus on greater CHA/CHP collaboration among local public health authorities, hospitals, the Nine Federally Recognized Tribes of Oregon, and other CCOs sharing a service area.

In 2023, Transformation Center staff analyzed 17 CCO CHP progress reports and one CHA. The most common priority areas in the CHPs were behavioral health, social determinants of health (for example, housing, trauma, food, transportation and poverty) and access to care.

Staff collected CCO feedback on CHA/CHP deliverables and supported Health Systems Division staff in implementing changes. This included moving to a new CHA attestation process and condensing the two required CHP progress report documents into a single questionnaire.

In addition, staff hosted two CCO office hour sessions for CHA/CHP deliverables.

Community advisory councils

Community advisory councils (CACs) are an important community engagement component of the CCO model. In 2023, the Transformation Center's support for CACs included:

- **Reviewing CAC demographic reports:** In 2023, 20 of 21 CACs met the requirement that at least 51% of CAC members must be Oregon Health Plan consumers. In addition, all 16 CCOs met the requirement to appoint two CAC members to their governing board. At least one of the CAC members on the governing board must be a consumer.
- **Hosting quarterly CAC coordinator meetings:** Topics included CAC member recruitment, onboarding and retention; CAC member roles with CHAs and CHPs; and CAC and CCO governing board engagement.
- **Hosting a CAC best practices workshop for four CCOs:** Staff worked with OHA innovator agents to lead a one-day hybrid CAC best practices workshop for four CCOs. Attendees included CCO and health council staff, as well as CAC members.
- **Hosting two CAC 101 sessions** for CAC members and CCO staff.
- **Updating CAC recruitment flier templates** to align with OHA accessibility standards.

Medicaid Advisory Committee

The Transformation Center staffs the Medicaid Advisory Committee (MAC), which met 10 times this year. The MAC advises OHA, the Oregon Department of Human Services (ODHS), the Oregon Health Policy Board (OHPB) and the Oregon Legislature on Oregon Health Plan operations and policies from a consumer and community perspective. The MAC identified four priorities for 2023:

1. 1115 Medicaid waiver implementation
2. Network adequacy
3. Understanding Supporting Health of All through Reinvestment (SHARE Initiative), health-related social needs, and other social determinants of health spending
4. Durable Medical Equipment, Prosthetics, Orthotics & Supplies Program

The Transformation Center also staffs the MAC's Advancing Consumer Experience Subcommittee, which met eight times this year.

In 2023, the MAC concentrated on building the foundation to operate effectively as a subcommittee of the OHPB with responsibilities for advising the state on Medicaid policy and operations. Key activities included:

- Developing an agreement with OHPB about bringing policy recommendations to OHA and ODHS and a procedure for receiving agency responses
- Holding a learning session on CCO spending on social determinants of health through the SHARE initiative, health-related social needs benefits, and related programs
- Reviewing the SCAN/CareOregon merger proposal and recommending that OHA not approve the transaction
- Advising the independent developer of the 1115 Medicaid waiver evaluation design
- Through its subcommittee, advising OHA regarding network adequacy rules

Health Policy and Analytics committee engagement

Transformation Center staff support community engagement for Health Policy and Analytics committee member recruitment and consult in cross-agency community engagement (specifically working with Oregon Health Plan members and community partners).

Culturally and linguistically specific vaccine education

The Transformation Center partnered with external consultants to bring culturally and linguistically specific vaccine education to rural communities and communities of color. The "Building Immunity by Building Community" project focused on equity and motivational interviewing for providers who will become voices in their communities about vaccines and other emerging issues. Consultants developed speaker training, culturally appropriate messaging, slide decks and materials in multiple languages about COVID-19 vaccination. Trained providers gave workshops at community gatherings. Providers received no-cost credits for training and stipends for workshops.

- Consultants trained 25 providers, including ten bilingual providers.
- Over two years, providers led 46 community workshops in 13 counties.

- After the workshops, more participants (80% versus 71%) strongly supported COVID-19 vaccines, with fewer who weren't sure (1% versus 7%) or opposed the vaccine (7% versus 9%). The percent of participants who were vaccinated but did not plan to get a booster decreased from 8% to 5%. Overall, 85% of participants rated the workshops as excellent or very good.

System transformation and quality improvement

CCO incentive metric support

The Oregon Health Authority uses incentive measures to set goals and reward CCOs for improving health care quality and health outcomes of Medicaid members. In 2023, the Transformation Center provided technical assistance to CCOs and clinics on four measures. Select activities are highlighted below. For more details, see the [CCO Incentive Metrics TA webpage](#). For current CCO performance on these metrics, see the [CCO Performance Metrics Dashboard](#).

The Transformation Center provided technical assistance on four CCO incentive metrics:

- HbA1c poor control
- Screening, brief intervention and referral to treatment
- Social determinants of health: social needs screening and referral
- System-level social-emotional health

- **System-level social-emotional health**

This metric focuses on improving the system and services for children from birth to age five. With an external consultant, the Transformation Center held five CCO learning collaborative sessions and a webinar on communicating with parents and providers about social-emotional health for young children.

- **Social determinants of health: social needs screening and referral**

OHA offered technical assistance for the new social needs screening and referral incentive measure through an external consultant. Support included five CCO webinars; two Café Connect sessions for CCOs, community partners and providers; six CCO learning collaborative sessions; six office hours; an FAQ; and a playbook with tools and templates. Topics included social needs screening practices, data collection and sharing, referral practices, community information exchange, preventing over-screening and sustainable partnerships. All 16 CCOs also participated in one-on-one metric technical assistance.

- **HbA1c poor control**

The Transformation Center held five trainings for Oregon Medicaid providers on motivational interviewing for diabetes management. The trainings focused on improving providers' confidence and skills in conversations about behavior change topics required for diabetes management. Three types of trainings were offered: level 1, level 2 and group settings. No-cost continuing medical education credits were available. Combined, 104 people attended, and 96% of respondents rated the training as valuable. Nearly all (99%) respondents planned to take action as a result. Two weeks later, providers reported being more comfortable discussing sensitive topics.

The most helpful piece of the training was...

- "The framework shift from giving patients as much info possible to a much more patient-driven space."
- "Remembering to talk for connection and not correction. That was such a huge point for me to hear."

"I'm using more reflective listening to let the patient discover what matters to them about their disease and how to manage it. The WAIT [why am I talking] saying has been present in my mind during every encounter, and it has truly transformed my visits with patients."

– *Motivational interviewing trainees*

- **Screening, brief intervention and referral to treatment (SBIRT)**

Oregon Rural Practice-based Research Network (ORPRN) invited the Transformation Center to partner on ORPRN's SBIRT technical assistance for primary care clinics. This was a three-year study funded by the Agency for Healthcare Quality and Research to address unhealthy alcohol use, chronic pain management and opioid prescribing in primary care. The project also addressed how COVID-19 may affect SBIRT workflows and a rise in unhealthy substance use during physical distancing. Seventy-five clinics participated, and the final cohort graduated in April 2023.

Transformation and quality strategies (TQS)

The TQS is an annual CCO deliverable focused on advancing health system transformation and ensuring high-quality care for CCO members. Each CCO's TQS includes improvement projects in areas including health equity, integration, special health care needs and more. The Transformation Center provided guidance documents, six webinars and five office hours to support CCOs in developing their TQS. The Transformation Center also coordinated OHA's cross-division review of TQS submissions and hosted individual CCO feedback calls.

In 2023, new TQS requirements supported health equity, including requiring race, ethnicity, language and disability (REALD) data for identifying and addressing disparities, requiring a plan for incorporating sexual orientation and gender identity (SOGI) data, and encouraging CCOs to set inclusive and equitable goals.

"[The TQS technical assistance] supported a feeling of collaboration with OHA that I think CCOs do not always feel. I really like the support and the relationship-building that comes with TQS. The staff is awesome and works to understand barriers."

– *CCO TQS staff*

CCOs submitted 172 TQS projects and scored an average of 90.1% (with a range of 75.2–97.4%). That was an increase of 6.6 percentage points over 2022. Sixty-nine percent of projects met the new REALD requirements.

Select outcomes from fully matured CCO projects in 2023:

- Implemented Pathfinder Clubhouse, a nontraditional behavioral health alternative to treatment through a psychosocial rehabilitation model. The program served 172 members and supported 34 members to become or remain employed, 13 members to gain or maintain housing, and nine members to achieve educational goals. Preliminary data showed reduced emergency department and psychiatric inpatient admissions.
- Incentivized integrated behavioral health in primary care settings and offered provider education on using interdisciplinary teams, including behavioral health providers, to improve care for members with diabetes and depression.
- Set up innovative operations to improve access to interpreter services including assessing bilingual staff shortages, capturing interpreter data, enhancing provider communication, and ensuring interpreter service monitoring and reporting.

Oregon ECHO programs

Transformation Center staff participated on the Oregon ECHO Network Advisory Board and provided legislatively directed grant funding for ECHO programs. ECHO is a case-based telementoring model. The goal is to give Oregon’s primary care clinicians and their teams the knowledge and tools to manage health conditions they typically refer to specialists.

Oral health

Oregon’s health system transformation efforts have focused on preventive care, treating the whole person and care coordination among providers, including oral health providers.

The Transformation Center completed its work with a Centers for Medicare and Medicaid Services **affinity group for preventing and reducing cavities in young children**. The goal was to increase the rates of topical fluoride varnish application in primary care. Four CCOs participated in a learning collaborative and quality improvement projects. CCOs aimed to improve the health of their members and their performance on the children’s preventive dental incentive metric. In 2023, Transformation Center staff met with each CCO about their progress. One organization developed a topical fluoride varnish toolkit and is working with 35 clinics across three CCOs to integrate topical fluoride varnish in primary care settings. The project ran through March 2023, and Transformation Center staff are working to spread lessons from the affinity group to more CCOs.

The Transformation Center also hosted one statewide CCO learning collaborative for the Quality and Health Outcomes Committee on oral health integration strategies and implementation.



HEALTH POLICY AND ANALYTICS

Transformation Center

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