

Executive summary

Over the past five years, Oregon’s unique coordinated care model has made progress on the triple aim goals of better health, better care and lower costs. The Oregon Health Plan (OHP) is the source of health coverage for nearly one million Oregonians, the Oregon Health Plan (OHP) and its 15 coordinated care organizations (CCOs) have improved access to primary care, reduced costly emergency room visits, and saved the state an estimated \$2.2 billion dollars in avoided health care costs.

Despite these successes, there is more work to do to ensure all Oregonians can be as healthy as possible. To guide the next five years of the Oregon Health Plan, the Oregon Health Authority (OHA) worked in partnership with the Oregon Health Policy Board (OHPB), policymakers, stakeholders and OHP members to bring forward new ideas. These ideas address the gaps and challenges that persist in our health care system. We are calling this next phase of health care transformation “CCO 2.0.”

To support CCO 2.0 policy development and fulfill our commitment to transparency, OHA sought significant public input. Thousands of Oregonians took part through:

- OHPB meetings
- Stakeholder meetings and presentations
- Public forums
- Online surveys and
- A phone survey of OHP members.

Throughout the yearlong process, OHP members and other stakeholders issued support for the policy direction. They also expressed satisfaction with Oregon’s coordinated care system. In addition, the Office of Equity and Inclusion (OEI) performed a health equity impact assessment (HEIA) on CCO 2.0 policies to find out how they may affect population groups in different ways.

CCO 2.0 Policy recommendations: The future of the Oregon Health Plan

OHA's CCO 2.0 policy recommendations build on Oregon's strong foundation of health care innovation and seek to make improvements based on best practices and evidence, as well as stakeholder and community input. To tackle Oregon's biggest health problems Governor Kate Brown directed OHPB to focus on four key areas:

1. Improve the behavioral health system
2. Increase value and pay for performance
3. Focus on social determinants of health and health equity, and
4. Maintain sustainable cost growth.



Improve the behavioral health system and address barriers to access to and integration of care

These policies make CCOs more accountable for developing a person-centered mental health and substance use disorder (behavioral health) system that OHP members can count on, no matter who they are or where they live. Together, the policies aim to remove barriers between behavioral, physical and oral health. These policies will help all members receive the right care, at the right time and in the right place. Policies will:

- Require CCOs be fully accountable for the behavioral health benefit
- Assess capacity of comprehensive services
- Address prior authorization and network adequacy issues that limit member choice and timely access to providers
- Use metrics to incentivize behavioral health and oral health integration
- Expand programs that integrate primary care into behavioral health settings
- Require CCOs to support electronic health record adoption and access to electronic health information exchange
- Develop a diverse and culturally responsive workforce, and
- Ensure children have behavioral health needs met with access to appropriate services.



Increase value and pay for performance

Over the next five years, CCOs will make a significant move away from fee-for-service payments toward paying providers based on value. The proposed CCO 2.0 policies will reward providers and health systems for delivering patient-centered and high-quality care. OHA will ask CCOs to develop value-based payments (VBPs) to improve health outcomes in the areas of: hospital care, maternity care, behavioral health, oral health and children's health care.

Recommended policies will:

- Increase CCOs' use of VBPs with providers:
 - » Require annual, CCO-specific VBP growth targets
 - » Achieve a 70 percent VBP goal by 2024
- Increase CCOs' support of Patient-Centered Primary Care Homes (PCPCHs):
 - » Require VBPs for PCPCH infrastructure and operations
- Provide technical support and align payment reforms with other state and federal VBP efforts



Focus on social determinants of health and health equity

From the beginning, Oregon's coordinated care model recognized that many things affect our health outside of the doctor's office. Over the next five years, CCOs will increase their investments in strategies to address social determinants of health and health equity. CCOs will build stronger relationships with members, nonprofit organizations, hospitals, schools, and local public health departments. CCOs will align goals at the state and local level to improve health outcomes and advance health equity. OHA will develop measurement and evaluation strategies to increase understanding of spending in this area and track outcomes.

Recommended policies will:

- Increase strategic spending by CCOs on social determinants of health, health equity and disparities in communities, including encouraging effective community partnerships
- Increase CCO financial support of non-clinical and public health providers
- Align community health assessment and community health improvement plans to increase impact
- Strengthen meaningful engagement of tribes, diverse OHP members, and community advisory councils (CACs)
- Build CCOs' organizational capacity to advance health equity
- Increase the integration and use of traditional health workers (THWs)



Maintain sustainable cost growth and ensure financial transparency

The Oregon Health Plan must remain a high-quality system that operates within a budget the state can afford. That way, Oregonians can continue to have access to the health care services they need. To support sustainability, CCO 2.0 policies address the major cost drivers currently in the system. OHA will also identify areas where CCOs can increase efficiency, improve value and decrease administrative costs.

Recommended policies will:

- Strengthen current financial incentives
- Set up new tools to evaluate and reward CCOs for improving health outcomes and containing costs
- Ensure program-wide financial stability and program integrity through improved reporting and strategies to manage a CCO in financial distress
- Use program purchasing power to align benefits and reduce costs with a focus on pharmacy costs

Conclusion

OHA plays an important role in creating the conditions for CCO and health transformation success. Program flexibility allows CCOs to meet the unique needs their communities. However, OHA also has a responsibility to conduct effective oversight of the program. This ensures that members across the state receive the care they deserve. OHA is developing the internal structures necessary to improve oversight and compliance infrastructure inside the agency, increase enforcement of new and existing requirements, and clarify the performance expectations for CCOs.

Oregon has been a leader in health reform since the early 1990s. This was when the state established the Oregon Health Plan and prioritized list of health services. The goal has always been to provide evidence-based, high-value care for Medicaid members.

CCO 2.0 policy recommendations continue to set Oregon apart as a leader in health care transformation. Most importantly, they:

- Address disparities our health care system
- Increase a focus on issues outside the doctor's office that impact health
- Improve access to high quality physical, behavioral, and oral health care
- Change the way we pay for health care,
- Increase transparency, and
- Ensure the financial stability of OHP so Oregonians can continue to access the care they've come to rely on.

Acknowledgments

The Oregon Health Authority Health Policy and Analytics Division, Health Systems Division, Office of Equity and Inclusion, Public Health Division and External Relations Division prepared this publication.

Oversight provided by the Oregon Health Policy Board.

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Please cite this publication as follows:

Oregon Health Authority Health Policy & Analytics Division. CCO 2.0 Recommendations of the Oregon Health Policy Board. Portland, OR. 2018 October.