

Update on Oregon's CCO 2.0 Contracting Process

February 12, 2019

Background

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), the source of health coverage for nearly 1 million Oregonians, 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 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 to make OHP better. We are calling this next phase of health care transformation "CCO 2.0."

OHA heard directly from more than 850 Oregonians who participated in public meetings and forums held across the state in more than a dozen locations, which were led by OHA Director Patrick Allen. Additionally, multiple surveys and online outreach tools were used to gather perspectives from a diverse cross-section of Oregonians. OHP members and other stakeholders issued support for the proposed policy direction and expressed satisfaction with Oregon's coordinated care system.

The 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. The recommendations focus on four key areas identified by Governor Kate Brown:

1. Improve the behavioral health system and address barriers to access to and integration of care.
2. Increase value and pay for performance.
3. Focus on social determinants of health and health equity.
4. Maintain sustainable cost growth and ensure financial transparency.

For the full report, see: <https://www.oregon.gov/oha/OHPB/CCODocuments/2018-OHA-CCO-2.0-Report.pdf>

CCO 2.0 contracting process

The Oregon Health Authority is going through a process to select the CCOs that will serve the Oregon Health Plan's 1 million members from 2020 through 2024. Nearly 87 percent of Oregon's OHP members are enrolled in CCOs.

Following OHPB's adoption of the policy recommendations, OHA held three technical forums that laid out the agency's proposals for CCO service areas, member enrollment and allocation, and rates and risk adjustment to gather public input. OHA also shared a draft of the CCO 2.0 request for applications (RFA) to solicit public comment. Each public comment received is posted on the CCO 2.0 website along with a [summary of the changes](#) made to the RFA in response to public comment.

On January 25, OHA [released the final RFA](#), which lays out the requirements applicants must meet to serve Oregon Health Plan members for the next five years of coordinated care contracts. The Oregon

Health Authority [received 24 letters of intent](#) (LOIs) from organizations seeking to apply for 2020-2024 CCO contracts. Based on the LOIs, Oregon Health Plan members in every county in Oregon would have at least one CCO to coordinate their health care. In many parts of the state, multiple organizations filed letters of intent to operate in the same counties, giving Oregon Health Plan members more than one CCO choice. Changes to LOIs are due to OHA on February 15.

Complete applications will be due to OHA on April 22. Only organizations that submitted LOIs may submit applications in April. An organization submitting an LOI is not obliged to follow with a complete application. Awards for the CCO contracts are expected to be announced in July.

CCO 2.0 Contracting Timeline	
Event	Date
Oregon Health Policy Board Adopts Policy Recommendations	October 15, 2018
Technical Forum on Service Areas	October 22, 2018
Technical Forum on Rates and Member Enrollment	November 19, 2018
Draft RFA Released for Public Comment	January 4, 2019
Final RFA Released	January 25, 2019
Letters of Intent Due	February 1, 2019
Questions / Requests for Clarification Due	February 4, 2019
Letters of Intent Publicly Posted	February 5, 2019
RFA Protest Period Ends	February 5, 2019
Letter of Intent to Apply – Change Requests Due	February 15, 2019
Answers to Questions / Requests for Clarification Issued	February 15, 2019
Pre-Application Conference	Announced via Addendum
Technical Assistance Forums	Announced via Addendum
Closing (Application Due)	April 22, 2019
Announcement of Applications Received	April 25, 2019
Required Applicant Conference	May 20, 2019
Notice of Intent to Award	July 9, 2019
Award Protest Period Ends	7 days after Notice of Intent to Award has been issued.
Readiness Review Documentation Due	August 1, 2019
2019 Rates Updated	September 15, 2019
Readiness Review and Contract Negotiations Completed	September 27, 2019
CCO 2.0 Contracts Signed	September 30, 2019
Notice to Proceed	October 1, 2019
Member Allocation	October 1 to November 29, 2019
CCO 2.0 Contracts Effective	January 1, 2020