

The Future of the Oregon Health Plan: Big Ideas to Improve Coordinated Care in Oregon



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Oregon
Health
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Thanks to our local outreach partners!

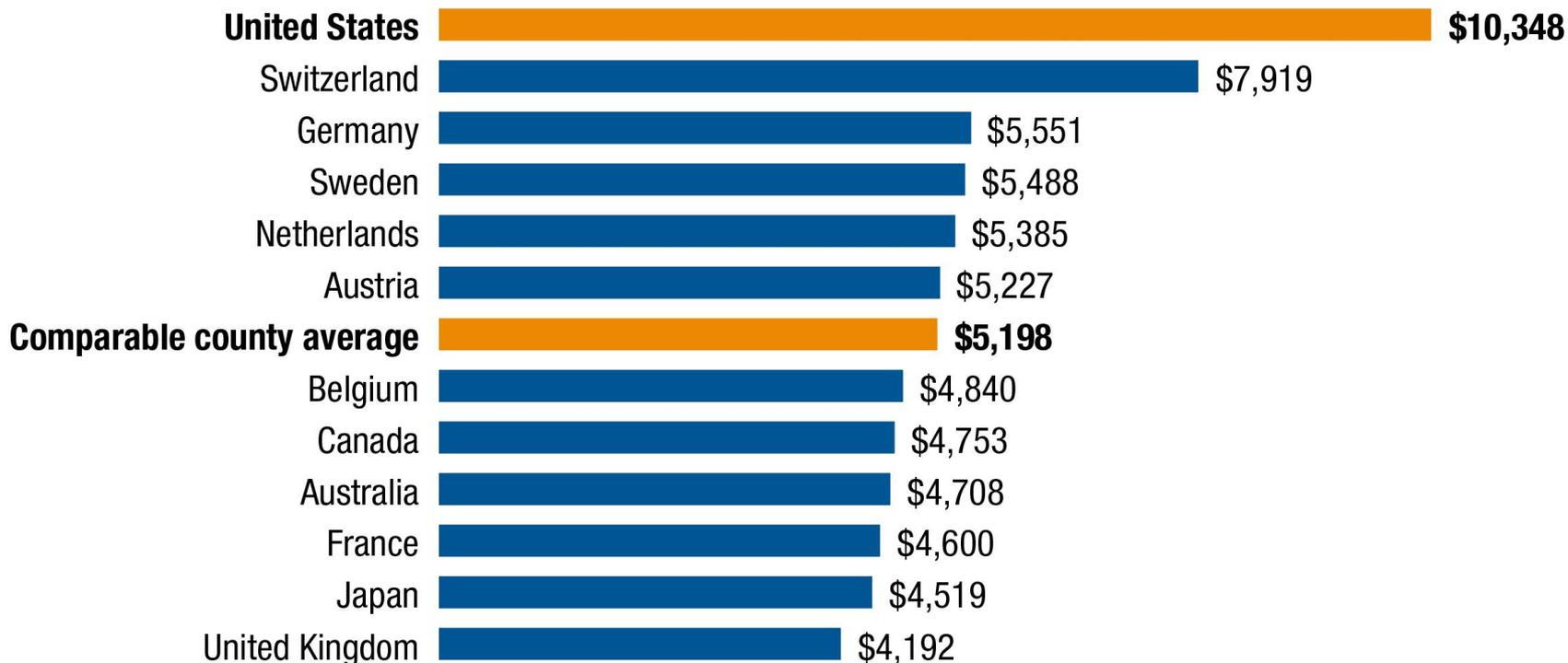




The US spends **twice as much** on health care as other wealthy countries.

Total health expenditures per capita

U.S. dollars, PPP adjusted, 2016



Source: Source: U.S. data are from the 2016 National Health Expenditures Account. Comparable country data are from OECD (2017), "OECD Health Data: Health expenditure and financing: Health expenditure indicators", OECD Health Statistics (database). DOI: 10.1787/health-data-en (Accessed on March 19, 2017)

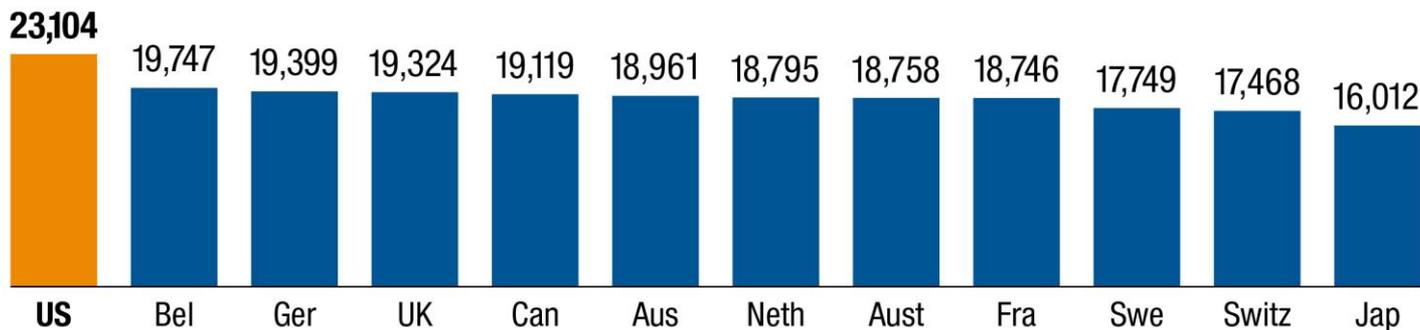


For all that spending...

We often don't get better outcomes and we aren't healthier.

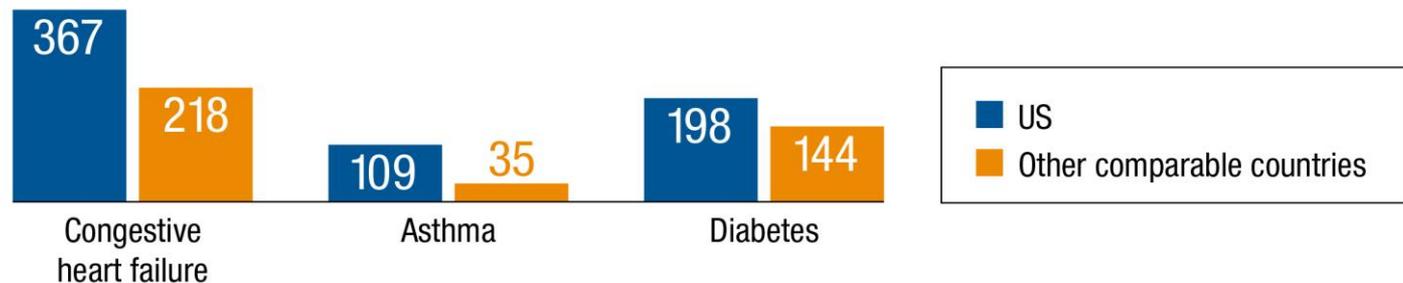
Disease burden is higher

Age standardized disability adjusted life year (DALY) rate per 100,000 population, 2015



Hospital admissions for preventable diseases are higher

Age standardized hospital admission rate per 100,000 population for asthma, congestive heart failure, hypertension, and diabetes, ages 15+, 2012





Oregon's answer: Coordinated care organizations (CCOs)

2012: New CCOs replace fragmented system

OHA created CCOs to improve care delivery in the Oregon Health Plan.



Improve health



Pay for better quality and better health



Reduce waste and costs



Coordinate care



Create local accountability



Maintain sustainable spending



Align financial incentives



Measure performance



Health transformation results

1 Better health

CCO members who report better health: **↑13** percentage points
(59% to 72%, 2011–2015)

2 Better care

Avoidable ER use in Oregon: **↓50** percent
(2011–2016)

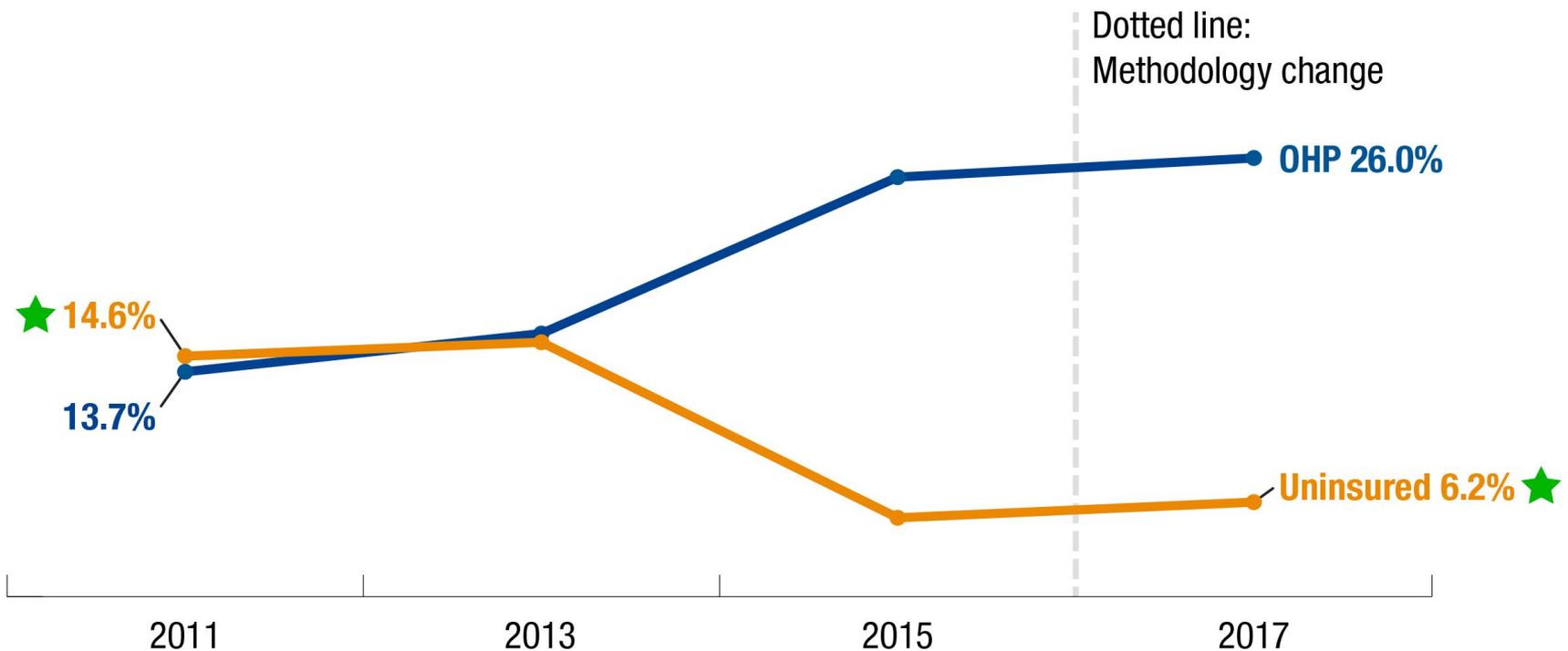
3 Lower costs

Taxpayers save: **\$2.2** billion
(2012–2017)



Success: Expanded coverage

The percent of Oregonians without insurance dropped ten percentage points with the ACA expansion (that's about 400,000 people)





Looking ahead: Challenges and opportunities

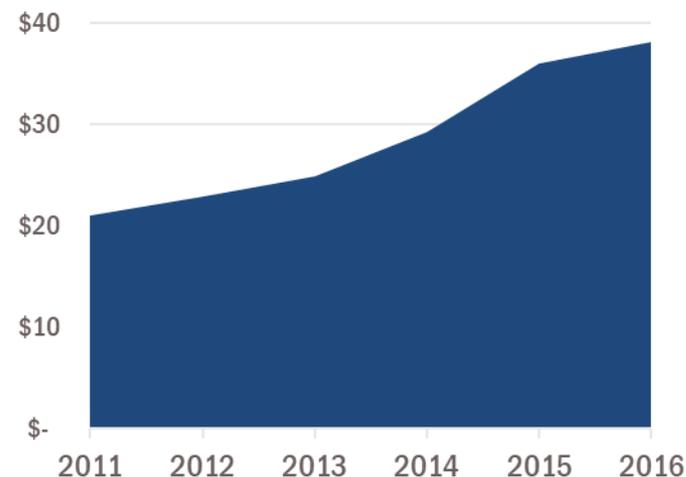
The nation spent **\$3.3 trillion** on health care in 2016, or **more than \$10,000 per person**.

We have reduced the growth in Medicaid spending in Oregon, but there's more work to do:

- Health care still unaffordable for many.
- Disparities persist.
- Rising prescription drug spending (see graph on right).
- Still mostly paying for quantity regardless of quality.
- Expand focus to transformation in other markets.

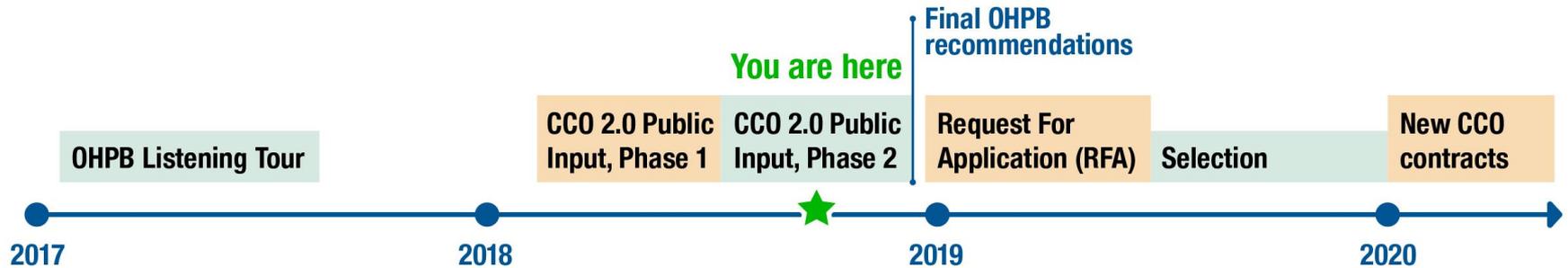
Pharmacy expenditures

All Payer All Claims, figures in \$ billions





CCO 2.0 timeline



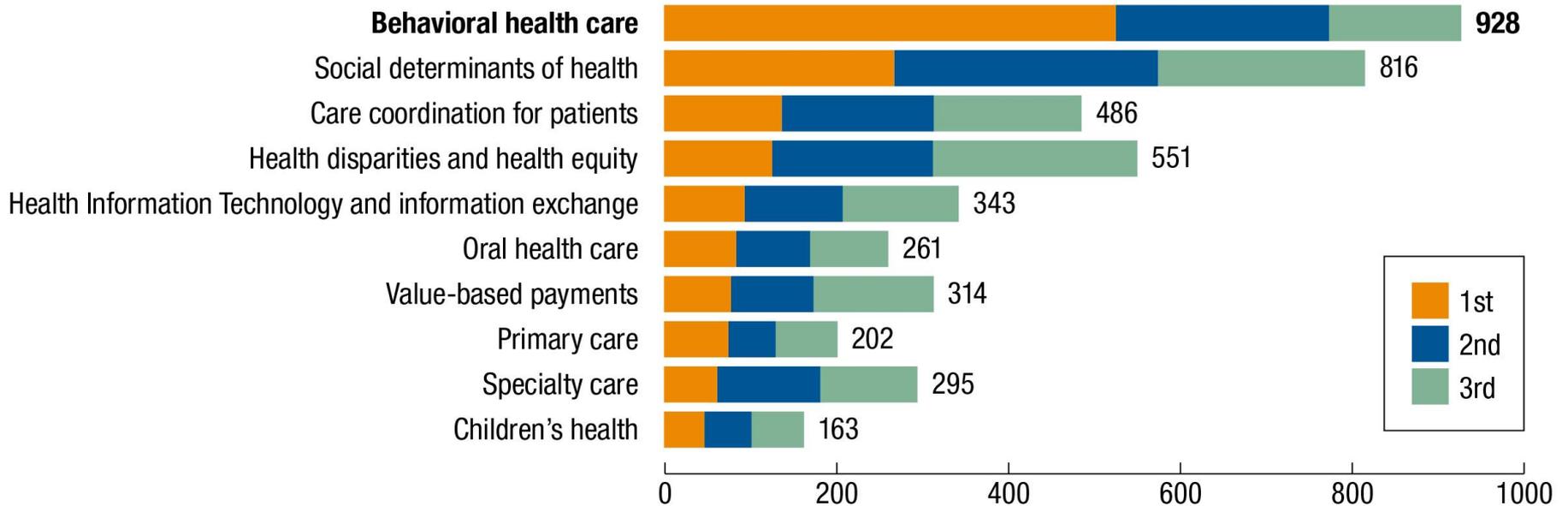
CCOs will be selected through a Request for Application (RFA) process

- Only current CCOs and companies with an existing Oregon “footprint” can apply
- Considering asking applicants to apply for regions with an option for current CCOs to apply for their current service area

What we've heard: Top OHP priorities

Looking to the future of CCOs, or what we call “CCO 2.0”, which of the areas need more attention and work to improve?

All survey takers: 928 (61.8%) of respondents ranked behavioral health care as one of the top 3 areas that needs attention.





Five big ideas

Five big ideas to improve coordinated care in Oregon:

-  Improve behavioral health
-  Address the social factors that affect health and reduce health disparities
-  Reduce health care costs
-  Pay for better health
-  Strengthen transparency and accountability



Improve behavioral health



Big idea:

Require CCOs to make sure members have immediate access to mental health and addiction services (behavioral health) without having to navigate the system on their own.

What it might look like:



Set targets for better behavioral health outcomes (e.g. No children spend spending days in an emergency room due to a mental health crisis)



Pay for “warm handoffs” between physical and behavioral health providers



Require CCOs to offer OHP members more provider choices when they need behavioral health care.



Improve behavioral health



Big idea:

Require CCOs to make sure members have immediate access to mental health and addiction services (behavioral health) without having to navigate the system on their own.

Things to think about:



Better results for members.



Increased health and wellness in Oregon communities.



Continued CCO innovation with a focus on behavioral health.



There will need to be a bigger investment in behavioral health before we will see cost savings.



Lack of providers in some places may make it hard for CCOs to meet the need.



Address social factors that affect health and reduce health disparities



Big idea:

Give more OHP members help with housing, food insecurity, transportation and other supports that promote good health. Require CCOs to do more to ensure better health for everyone in the community.

What it might look like:



Require CCOs to spend a larger portion of their budgets on social factors that can lead to poor health (e.g., pay for a housing case manager at a local nonprofit).



Require CCOs to increase use of Traditional Health Workers, like Peer Support Specialists and Doulas.



Require CCOs to dedicate staff and resources to improve health equity.



Require CCOs to work with non-profit hospitals, local health departments and other CCOs in the same area on a common plan to address social factors.



Address social factors that affect health and reduce health disparities



Big idea:

Give more OHP members help with housing, food insecurity, transportation and other supports that promote good health. Require CCOs to do more to ensure better health for everyone in the community.

Things to think about:



Better (and often less costly) solutions to problems which have a large impact on health.



Better collaboration to reduce differences in health outcomes within the community.



Some communities may have fewer social service providers and local organizations to partner with.



More spending on social factors could mean fewer dollars for other services.



Reduce health care costs



Big idea:

Keep OHP costs in line with overall cost-of-living increases. (Today, Oregon's goal is to keep OHP costs below health care inflation, which is higher.)

What it might look like:



Set lower spending targets.



Give CCOs more financial rewards to improve health and save costs.



Help CCOs purchase lower cost drugs.



Reduce health care costs



Big idea:

Keep OHP costs in line with overall cost-of-living increases. (Today, Oregon's goal is to keep OHP costs below health care inflation, which is higher.)

Things to think about:



Oregon's health care investment is more sustainable.



More state dollars are available for schools, public safety and other priorities.



Some CCOs may not be able to remain financially strong, which could disrupt member care.



Doctors and other providers may get paid lower rates and choose not to serve CCO members.



The state has limited ability to reduce drug costs.



Pay for better health



Big idea:

More health care providers are paid for improving member health and cost savings, instead of the number of visits or services they provide. This is called 'value-based payment.'

What it might look like:



Require CCOs to meet a target for the number of providers who are paid based on health care quality and results (value), not just visits.



By 2024, require 70% of CCO payments to be based on value.



Require CCOs to make value-based payments to certain Primary Care clinics



Have CCOs work with public employee and commercial health insurance plans to expand payments for better health in all markets.



Pay for better health



Big idea:

More health care providers are paid for improving member health and cost savings, instead of the number of visits or services they provide. This is called 'value-based payment.'

Things to think about:

 Better health and quality of care for OHP members.

 More efficient health care system.

 Could help reduce health care costs.

 Big adjustment for providers.

 Some providers lack the tools and systems needed to report quality measures.

 No guarantee paying for better health will lower overall costs.



Strengthen transparency and accountability



Big idea:

Ensure CCOs are more accountable to OHP members and their communities.

What it might look like:



Require CCOs to have two community representatives (which may be OHP members) on their boards.



Require CCO advisory committees to reflect the demographics of their communities.



Make more CCO cost, quality and payment data publicly available.



Strengthen transparency and accountability



Big idea:

Ensure CCOs are more accountable to OHP members and their communities.

Things to think about:

 Better community representation in CCO oversight.

 More information about how CCOs spend their resources.

 CCOs may have to change current board and advisory committee members

 CCOs may not want to share payment data with potential competitors



Stay involved!

Share the survey

<http://bit.ly/OHPdirection>

Attend or watch an upcoming OHPB Board meeting

- July 10, 2018, 8:30 am – 12:00 pm
- August 7, 2018, 8:30 am – 12:00 pm
- September 11, 2018, Time TBD

Visit our CCO 2.0 webpage

<https://health.Oregon.gov>

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