# Basic Health Program (BHP)
# OHPB Update

Laurel Swerdlow, Tim Sweeney, Katie Waldo, Nikki Olson

July 11, 2023

Oregon Health Authority

# Today’s agenda

- Value of Oregon’s Basic Health Program (BHP)
- Timeline and OHPB vote
- July webinar on marketplace impact
- Public comment summary

# Value of Oregon’s Basic Health Program

# What is a Section 1331 Basic Health Program?

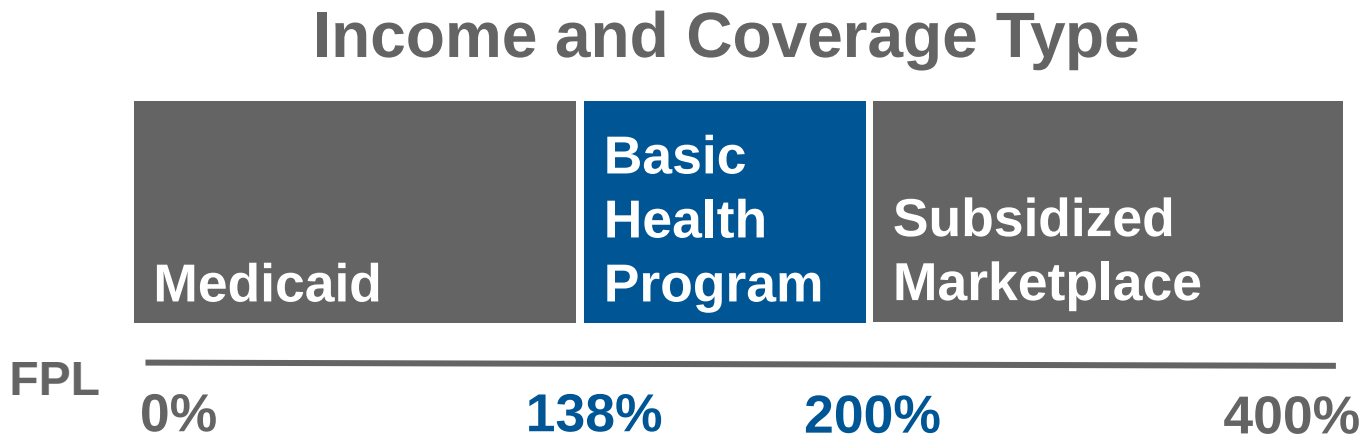
- A **Basic Health Program (BHP)** covers individuals up to 200% FPL who would otherwise be eligible for Marketplace coverage
- To establish a BHP, states must apply by submitting a **BHP Blueprint** to CMS
- To implement a BHP, states receive **federal funding** to cover BHP-eligible enrollees

# Oregon's BHP

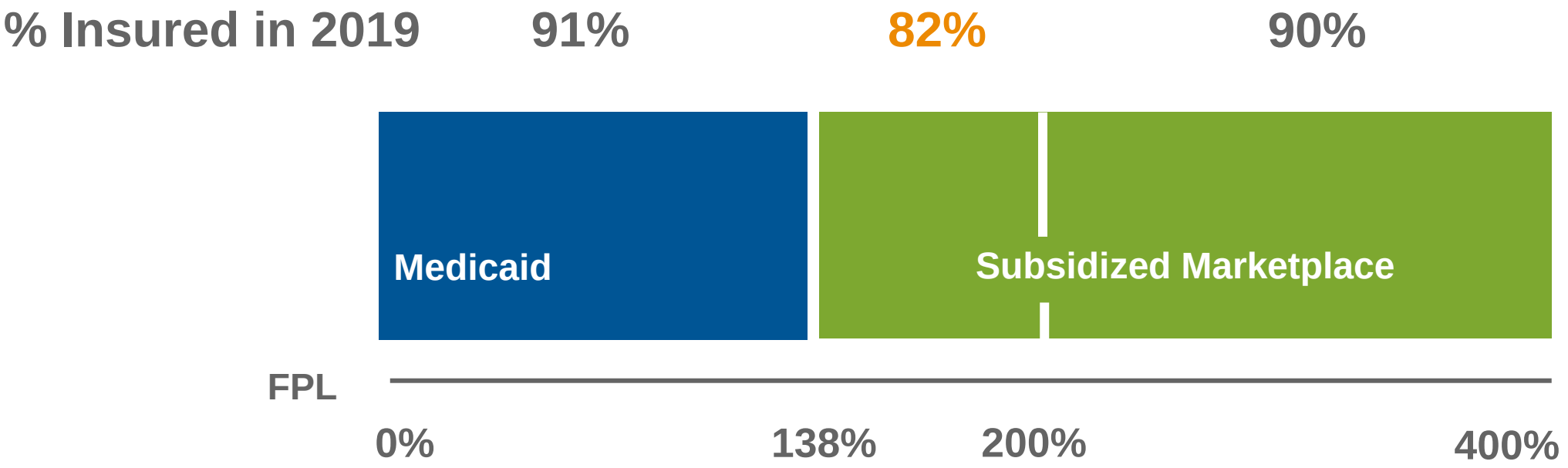
- OHP-like coverage
- Over 100,000 adults
- No enrollee costs
- Almost entirely federally funded

# BHP covers adults with incomes at 138-200% of the federal poverty level (FPL).

| Family Size | Annual Income |
| --- | --- |
| 1 | $20 - $29K |
| 3 | $41 - $60K |

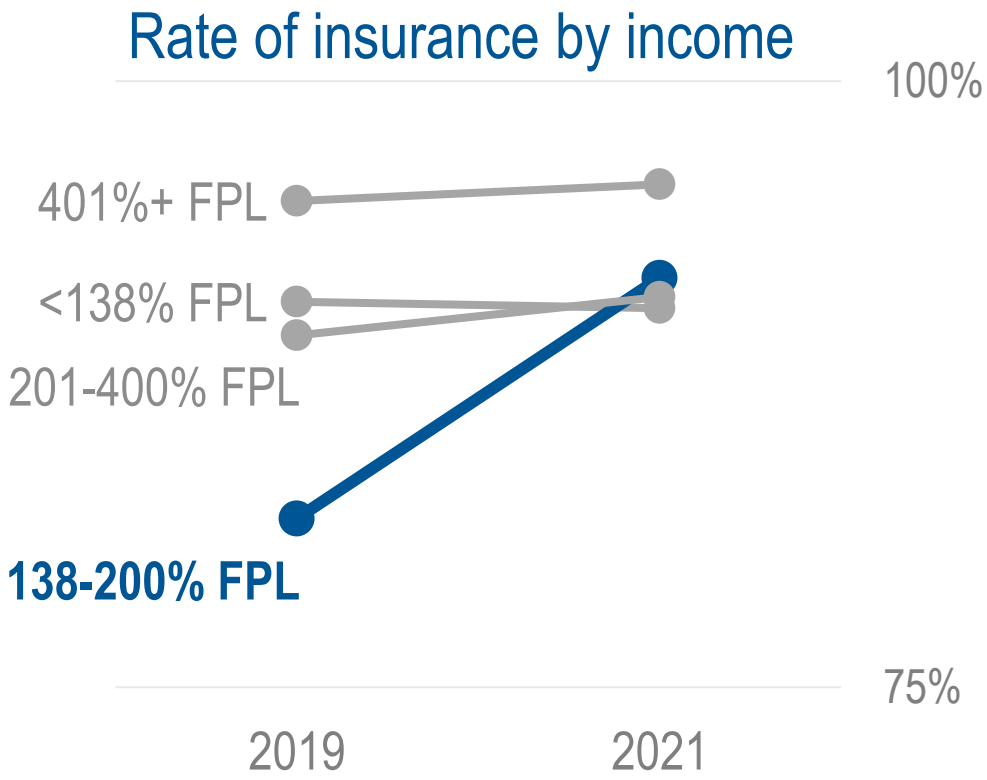


# People 138-200% FPL historically have lowest insurance rate



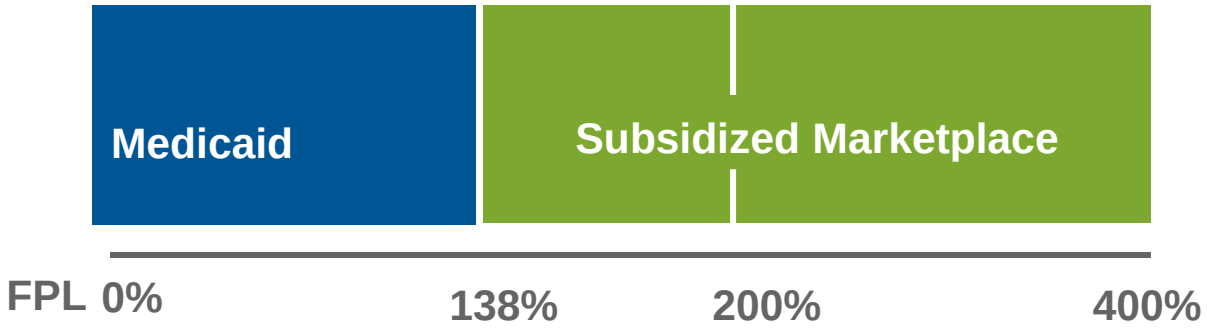
# Continued access to no cost coverage (Medicaid) improved insurance rates for the 138-200% group.

**Public Comment:** "We want to thank you and everyone working together on the OHP Bridge Plan and transition for those of us living always on the edge of our finances due to our complex medical issues. **Our lives were saved on many levels with OHP coverage during the pandemic."**



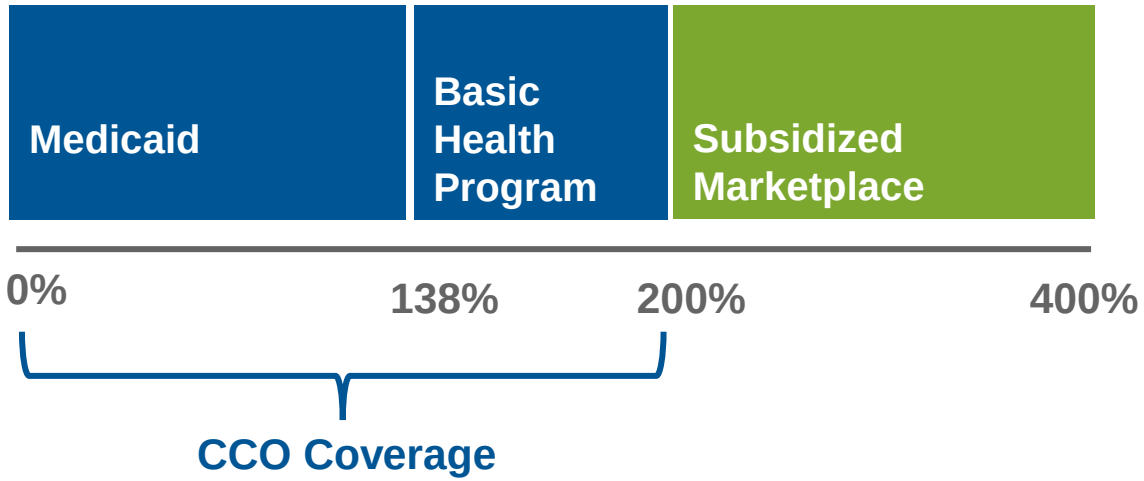
# The BHP is designed to help this population stay covered.

Without BHP




**Public Comment:** "While it is possible that some can afford a Qualified Health Plan on the marketplace or through an employer, **without a Basic Health Program, many will be caught in the insurance gap."**

With BHP




**Public Comment:** "I have had **so many more issues with healthcare access in the times I have had a higher income and no longer qualified for OHP** than in the times when I had a lower income and qualified. It shouldn't be this way."

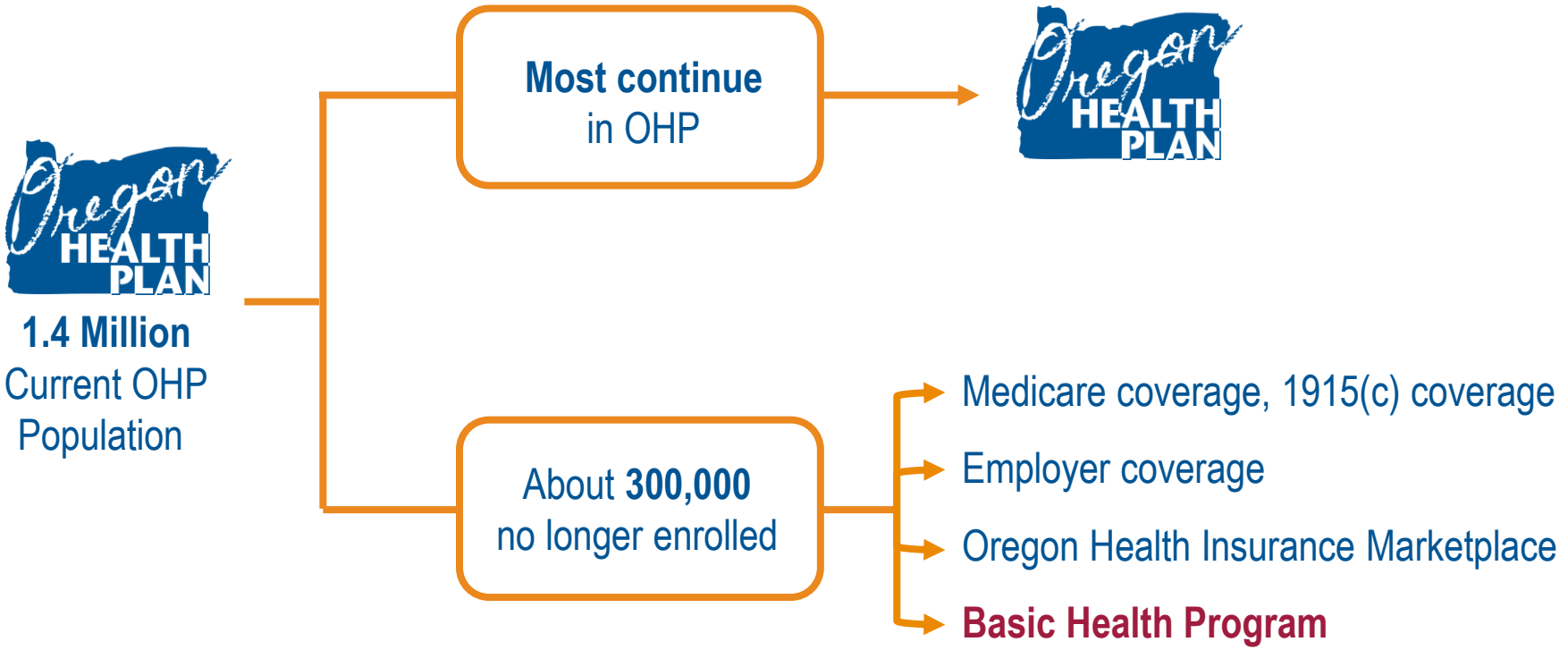
# The BHP is designed to help this population stay covered.

**HB 4035**

…to provide affordable health care coverage, improve the **continuity of coverage and care**…and **reduce health inequities** for individuals who regularly enroll and disenroll in the medical assistance program due to **fluctuations in their incomes**…

# Why do we need a BHP right now?

**Public comment:** “We also want to thank you for putting all the information out to **help answer questions we had when we first learned we might lose medical coverage as the emergency funding ended. We have been living in fear and confusion,** but documents like the "Basic Health Program Blueprint: Public Hearing" we just read clarified a lot for us.”



# The BHP will help preserve coverage gains.

- Preserves continuous coverage for ~55,000 people 138-200% FPL who will lose Medicaid.
- Without a BHP, more than 20,000 people could lose coverage during the Medicaid to Marketplace migration process.
- Over 11,000 people currently uninsured will enroll.

**Public comment**: “Any legislation or policy that extends popular access to programs like Oregon Health Plan is a net benefit for everyone on my caseload and gives the young people I support just a little more room to breathe. **I unhesitatingly support the extension of the PHE policies for Oregonians**.”

# Who will enroll in the BHP over the next few years?

## People Moving From Uninsured

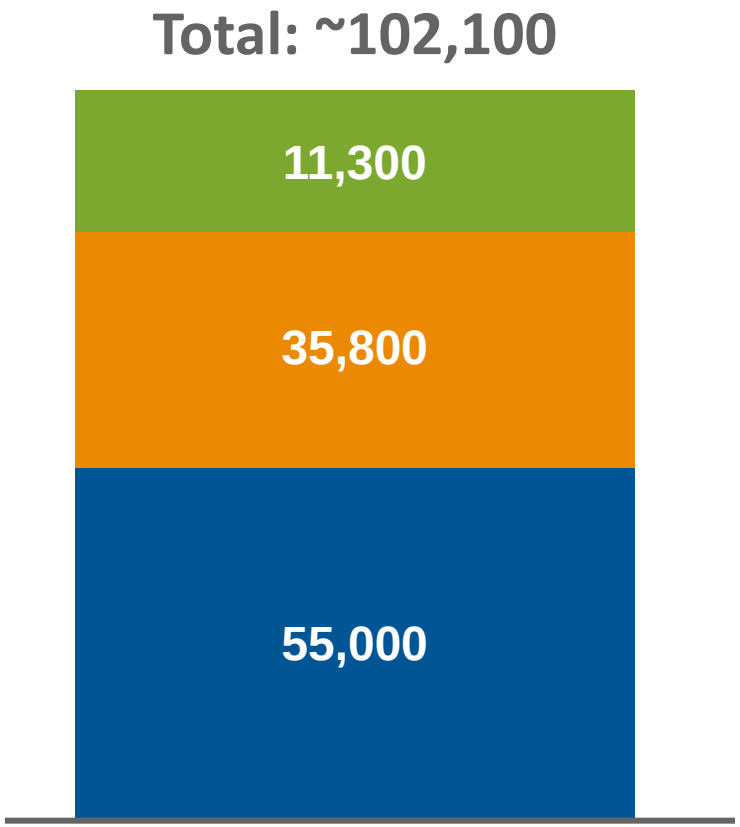
Based on the uninsured population in 2021, actuaries estimated BHP enrollment among the uninsured using microsimulation modeling, projected for 2025.

## People Moving From ACA Individual Market

Includes people currently covered in the Marketplace with income between 138-200% FPL in 2021, projected to 2025. This population will move to the BHP gradually over the course of 3 years.

## People Moving From Medicaid

Includes the 138-200% FPL population that will transition to the Temporary Medicaid Expansion category following the end of the PHE, who would otherwise be eligible for the Marketplace.



# How will this benefit people?

- The BHP will help **prevent people from cycling on and off CCO coverage** due to short-term fluctuations in income.
- In September 2019, 34% of people enrolling in OHP were returning after less than a year; 25% within 6 months.
- In 2019, “Lost OHP coverage” was the most common reported reason for being uninsured.*
- Cycling on and off coverage – **“churn”** – results in disruptions to care, worse health outcomes, and higher administrative costs.

*Oregon Health Insurance Survey (2019)

# The BHP will help prevent churn.

**Public comment**: “We appreciate the state’s understanding that individuals who may access the BHP have an increased likelihood of moving in and out of eligibility for OHP coverage, and **consistency with regard to benefits and provider network are beneficial to patients in terms of access and continuity of care**.”

# Timeline and OHPB vote

# Timeline

**2022**

- HB 4035
- Bridge Health Care Program Task Force

**2023**

- Temporary Medicaid Expansion (Approved & Funded)
- BHP Blueprint development
- Public input and Tribal engagement
- **OHPB vote**
- Submission to CMS
- CMS review

**2024**

- CMS approval
- BHP implementation July 2024

# HB 4035 and Task Force

**Program Goals**

- Preserve PHE coverage gains
- Maximize federal funding
- Administered by CCOs
- CCO service package
- No enrollee costs
- Capitation rates that eventually enable higher-than OHP provider payment
- Explore strategies to minimize premium increases and coverage loss for consumers >200% FPL who remain on the Marketplace

# Joint Task Force on the Bridge Health Care Program

HB 4035 created a task force to develop a proposal for a Bridge Program and submit a report with recommendations

## Task Force Summary:

- 19 members, 2 co-chairs (Sen. Steiner and Rep. Prusak)
- 14 meetings total between April and December 2022
- 2 reports published in September and December
- Actuarial analysis and microsimulation completed by Oliver Wyman

## Task Force Recommendations*:

1. Establish Bridge Program through a Section 1331 BHP
2. Phase implementation (phases 1-3)
3. Continue to explore “optionality” (phase 4)
4. Administered by CCOs
5. Eventual enrollment through exchange
6. Align contracting and implementation processes with OHP
7. Capitation rates that enable higher-than OHP provider payment
8. Adequately reimburse safety net providers
9. CCO service package
10. No enrollee costs
11. Waive 1331 requirement for plan choice
12. Incentivize Health Related Services
13. Ongoing consumer engagement/oversight
14. Gold benchmark or other mitigation strategy

*Pending further actuarial analysis and federal approvals.

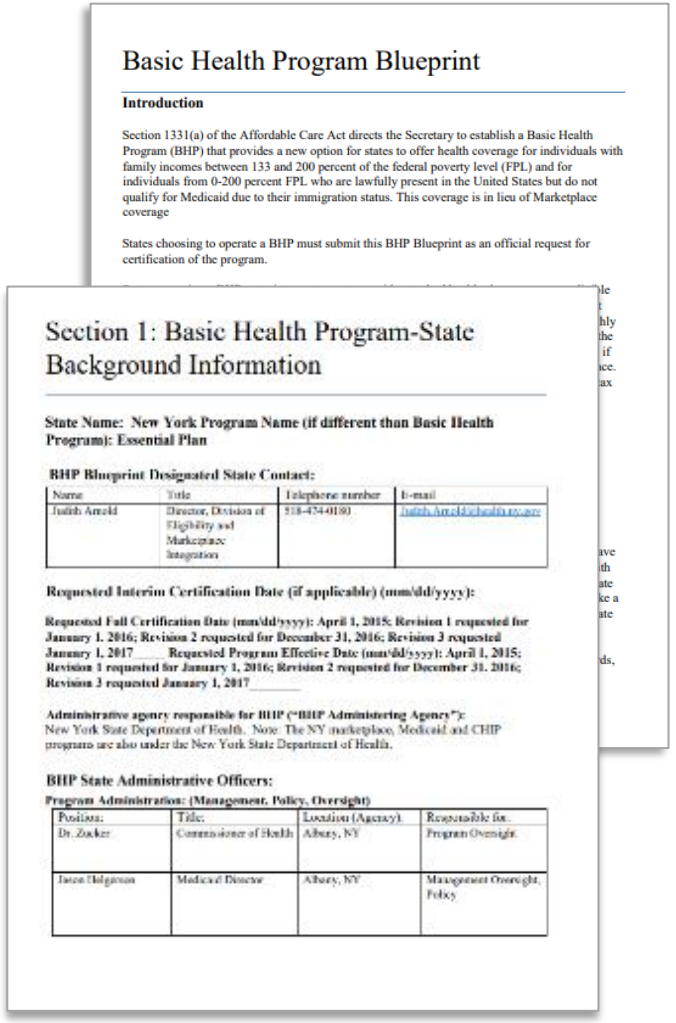
# BHP CCO engagement (2022-2023)

**CCO table purpose:** Meet with CCOs to solicit feedback on plan design, identify operational issues anticipated during implementation, and develop solutions to ensure successful launch and ongoing operation of the BHP.

| | Date | Focus |
|---|---|---|
| **1** | 9/22 | Intro/Background |
| **2** | 10/13 | Plan design discussion & identify other operational issues |
| **3** | 11/17 | Results of cost analysis and impact to plan design |
| **4** | 1/31 | Roadmap development |
| **5** | 2/28 | Operational timeline development |
| **6** | 3/28 | Investments in social determinants of health |
| **7** | 4/25 | Value Based Payment |
| **8** | 5/30 | Quality Metric Incentive Program |
| **9** | 6/27 | System build and directed and supplemental payments |

# BHP Blueprint substance and existing direction

- **BHP design choices** – shaped by Bridge Health Care Program Task Force recommendations and HB 4035 (2022)
- **Compliance with federal rules** – guided by Minnesota application
- **Operations and management of the program** – alignment with existing OHP processes and structures



Basic Health Program Blueprint

**Introduction**

Section 1331(a) of the Affordable Care Act directs the Secretary to establish a Basic Health Program (BHP) that provides a new option for states to offer health coverage for individuals with family incomes between 133 and 200 percent of the federal poverty level (FPL) and for individuals from 0-200 percent FPL who are lawfully present in the United States but do not qualify for Medicaid due to their immigration status. This coverage is in lieu of Marketplace coverage

States choosing to operate a BHP must submit this BHP Blueprint as an official request for certification of the program.

Section 1: Basic Health Program-State Background Information

**State Name: New York Program Name (if different than Basic Health Program): Essential Plan**

**BHP Blueprint Designated State Contact:**

| Name | Title | Telephone number | E-mail |
|---|---|---|---|
| Judith Arnold | Director, Division of Eligibility and Marketplace Integration | 518-474-0180 | Judith.Arnold@health.ny.gov |

**Requested Interim Certification Date (if applicable) (mm/dd/yyyy):**

**Requested Full Certification Date (mm/dd/yyyy): April 1, 2015; Revision 1 requested for January 1, 2016; Revision 2 requested for December 31, 2016; Revision 3 requested January 1, 2017____ Requested Program Effective Date (mm/dd/yyyy): April 1, 2015; Revision 1 requested for January 1, 2016; Revision 2 requested for December 31, 2016; Revision 3 requested January 1, 2017_____**

**Administrative agency responsible for BHP ("BHP Administering Agency"):**
New York State Department of Health. Note: The NY marketplace, Medicaid and CHIP programs are also under the New York State Department of Health.

**BHP State Administrative Officers:**

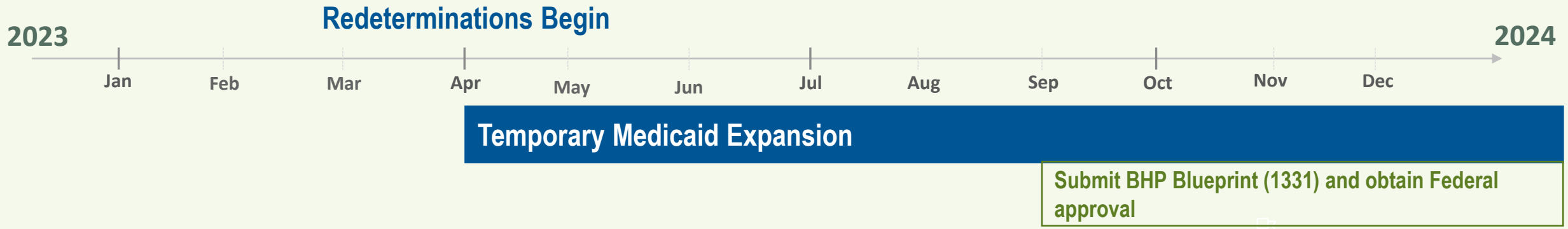
**Program Administration: (Management, Policy, Oversight)**

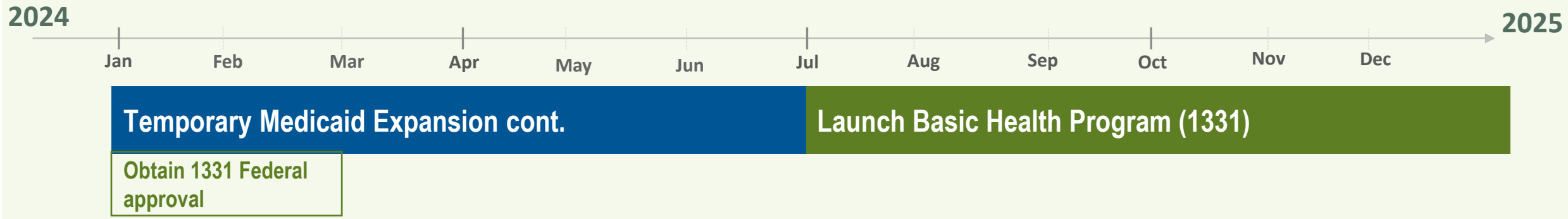
| Position: | Title: | Location (Agency): | Responsible for: |
|---|---|---|---|
| Dr. Zucker | Commissioner of Health | Albany, NY | Program Oversight |
| Jason Helgerson | Medicaid Director | Albany, NY | Management Oversight, Policy |

# BHP Blueprint sections

1. State background information
2. Public input
3. Trust fund
4. Eligibility and enrollment
5. Standard health plan contracting
6. Premiums and cost-sharing
7. Operational assessment
8. Standard health plan

# Temporary Medicaid Expansion and Basic Health Program



# Key policy context

# BHP impact to Marketplace

- Launching a Basic Health Program impacts enrollment and affordability of private plans on the individual marketplace.
- Due to current federal Marketplace policies, this impact will occur gradually over three years.

- Oregon has done extensive research on this impact and examined approaches to mitigate it.
- After 18 months of discussions with the Centers for Medicare and Medicaid Services (CMS), there are no viable federally-funded solutions without a state-based marketplace.

# Continuing to prioritize Marketplace affordability

- On July 18th there will be a dedicated webinar to talk through this critical and complex part of the work of HB 4035.
- OHA and DCBS are committed to continuing to work with carriers and legislators on solutions to improve marketplace affordability.

**Public comment**: "The agency has very recently communicated in various fora that it believes that **for plan year 2025, approximately 30% of enrollees will experience premium increases larger than $25 per-member, per-month (PMPM)…**

We may be supportive of the blueprint in general, and we always understood that the adoption of a basic health program blueprint would create some level of premium impacts. Nonetheless, given the late information before us we **urge the Oregon Health Authority to collaborate closely with the Department of Consumer and Business Services to seriously address this potentially looming impact to health insurance premiums.**"

# Continuing to prioritize Marketplace affordability

- 2023 Legislative session resulted in securing a plan for a state-based marketplace (SBM) for plan year 2027.
- Without an SBM, options are limited for 2025 and 2026 but OHA is continuing to explore all possible opportunities.

**Public comment**: "Also, while a smaller population than those who would benefit, we are **concerned for the financial impact on the estimated 11,500 people who would see their monthly premiums increase by $100-$200 by plan year 2027**. While this population will be earning double the income of those on the BHP, we recognize that increases of this size can still put people in financially precarious situations.

During the years leading up to plan year 2027, we **urge OHA to identify and pursue additional strategies to mitigate these large premium increases**. Fortunately, there is time; and we believe the agency, DCBS, and involved stakeholders possess the expertise to do so.

**Overall, we remain excited about the development of a Basic Health Plan and its ability to positively impact Oregon's insured rate and the health of low-income residents of our state.**"

# BHP Blueprint public comment

# BHP Blueprint public comment period

The public was invited to submit **verbal and written comments** on the draft Basic Health Program Blueprint from May 1, 2023 through July 1, 2023.

**Verbal comments** were given at two public hearings:

- May 9, 2023 | BHP-specific meeting
- May 31, 2023 | Medicaid Advisory Committee meeting

**Written comments** were submitted via e-mail and mailbox.

# Who submitted written public comment?

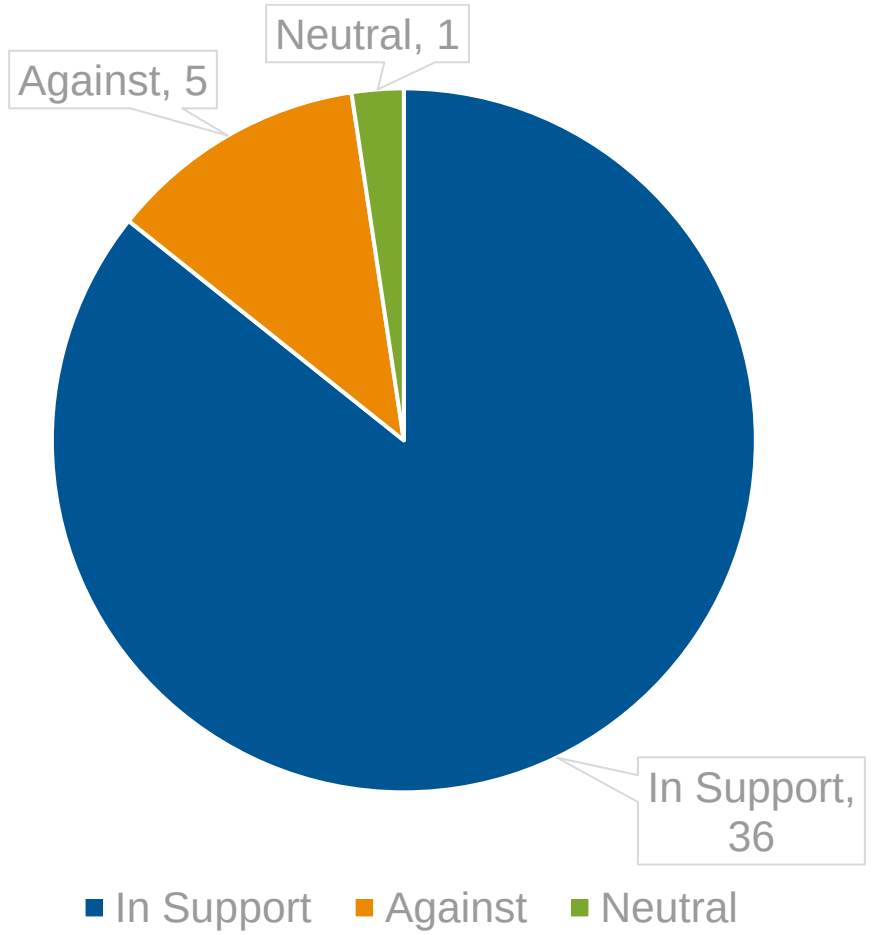
- Adapt Integrated Health Care
- American Lung Association
- Asher Community Health Center
- Cambia Health Solutions
- CareOregon
- Cascadia Health
- Central City Concern
- Columbia River Health
- Committee to Protect Health Care
- HIV Alliance
- Kaiser Permanente
- La Clinica
- LaPine Community Health Center
- Members of the public (7)
- Mosaic Community Health
- Multnomah County
- Multnomah County Health Department
- Nehalem Bay Health Center and Pharmacy
- Neighborhood Health Center
- Northwest Human Services
- Oregon Academy of Family Physicians (OAFP)
- Oregon Dental Association
- Oregon Nurses Association
- Oregon Primary Care Association (OPCA)
- Oregon State Public Interest Research group (OSPIRG)
- PacificSource
- Rogue Community Health
- SEIU Local 49
- The Leukemia & Lymphoma Society (LLS)
- The Main Street Alliance
- Virginia Garcia Memorial Health Center
- Wallace
- Waterfall Community Health Center
- Winding Waters
- Yamhill Community Care
- Yakima Valley Farm Workers Clinic

# Summary of written public comments

**Total individuals/organizations: 42**

**Common themes included:**

- General support for the BHP
- Support for expanding BHP coverage up to 400%
- Support for a state-based Marketplace
- Support for value-based payment and increasing provider reimbursement
- Concerns regarding increased costs for marketplace members
- Concern regarding communications and administrative burden related to a mid-year launch



# Next steps

# Communications / engagement plan

Over the next year, OHA will continue to engage the following groups to ensure a successful mid-2024 BHP launch:

- CCOs
- Marketplace carriers
- Community partners
- BHP eligible consumers
  - Medicaid transition to BHP
  - Marketplace transition to BHP
  - Uninsured to BHP

# Thank You

Oregon Health Authority