CCO 3.0 Procurement

Dave Inbody

CCOs – Past, Present & Future

CCO 1.0

Will the CCO Model work?

CCO 2.0

What health outcomes do we want to achieve?

Are CCOs compliant?

CCO 3.0

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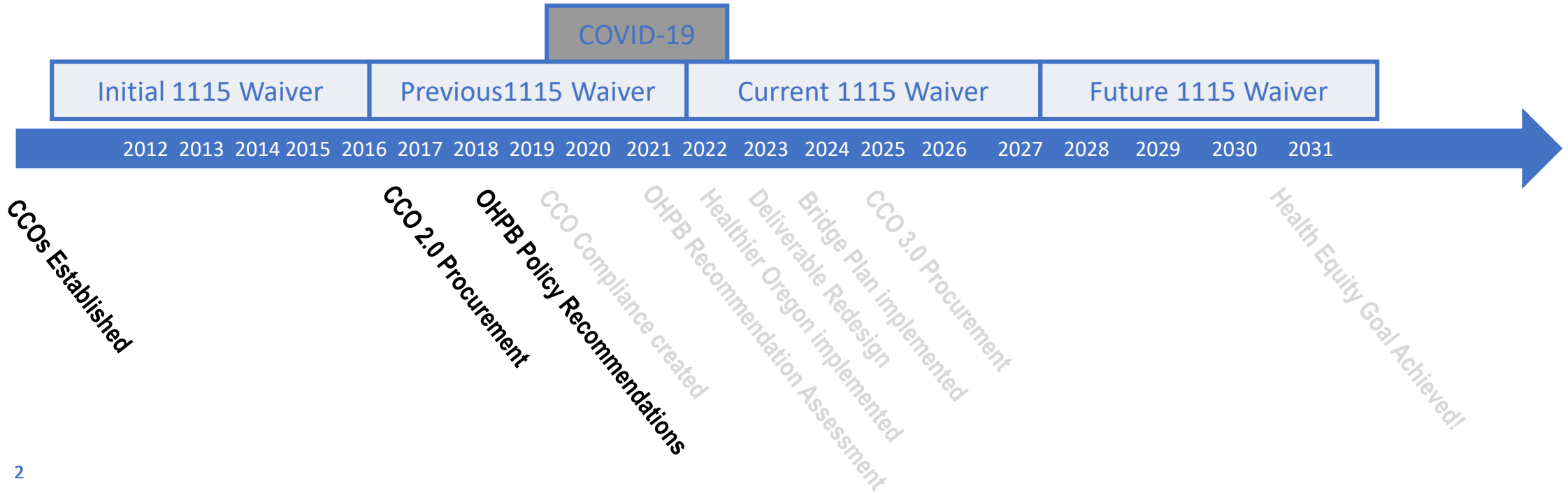

CCOs Established

Rather than cutting benefits & limiting eligibility in a flawed system, change the system for better access, value and outcomes

- HB 3650 (2011) established CCOs as managed care organizations in Oregon
- Launched under Affordable Care Act provisions with federal waiver flexibility
- Governor Kitzhaber, driven by Triple Aim (better care, better outcomes, lower cost), emphasized:
  - Integration and coordination of benefits and services
  - Local accountability for health and resource allocation
  - Standards for safe and effective care
  - Global Medicaid budget tied to sustainable rate of growth

CCO 2.0 Procurement – Policy & Accountability

- Did the CCO 1.0 Model work?
  - ✓ Constrained cost increases to 3.4% per year
  - ✓ Improved access to care
  - ✓ Significantly increased percentage of Oregonians with healthcare coverage
- Governor Brown identified four key priorities for CCO 2.0:
  - Focus on social determinants of health (SDOH) and health equity
  - Increase value-based payments (VBPs) and pay for performance (P4P)
  - Improve the behavioral health system
  - Maintain sustainable cost growth
- Oregon Health Policy Board (OPHB) developed 43 policy recommendations
- More than 200 CCO contract requirements (deliverables) established

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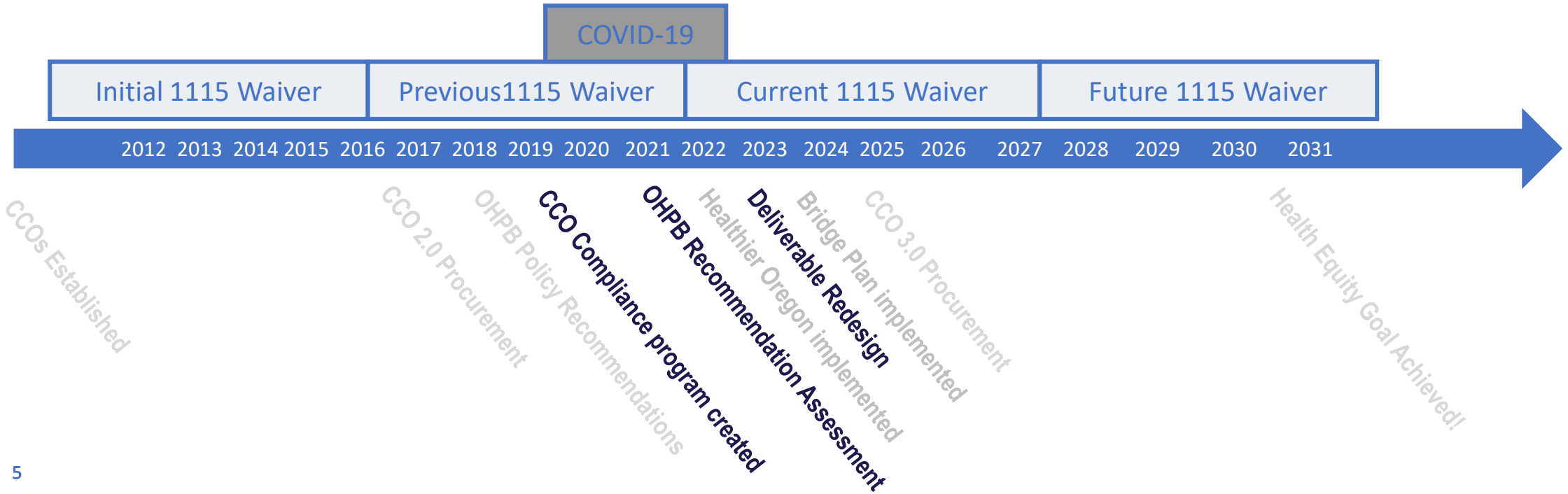
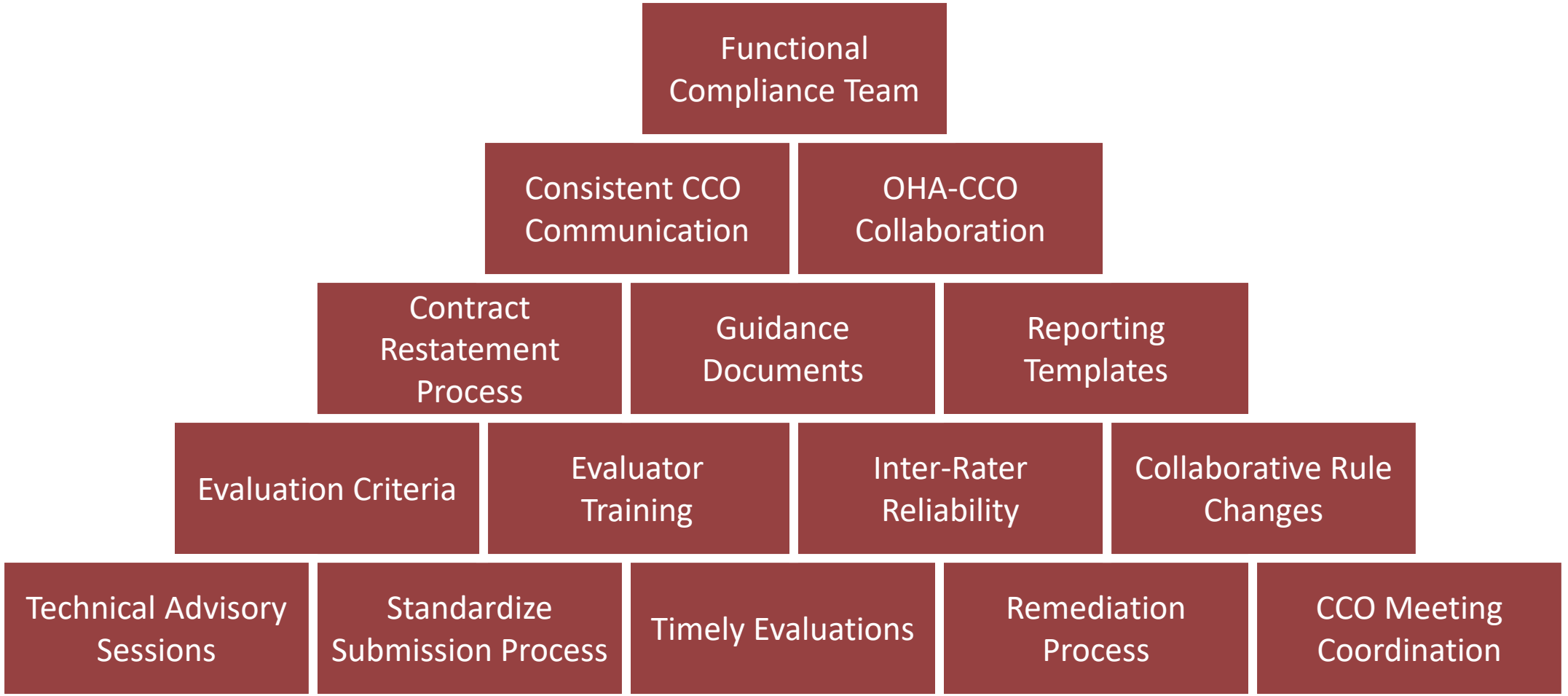


CCO Initial Compliance Challenges (2020)

- No established process to review/modify contract
- Unclear requirements
- No training and guidance (CCOs or OHA)
- Long evaluation turnaround times
- No consistent evaluation standards
- No process for addressing non-compliance
- Lack of trust between OHA & CCOs

"We need to build a compliance program in a collaborative way"

Building a Compliance Program (2020-2022)



Compliance Gap Analysis (2023)

- **CCO Deliverable Survey**
  - 139 CCO staff and 51 OHA staff responded
  - Extensive input and recommendations regarding 70 CCO deliverables
- Challenges Identified
  - Extensive allocation of time and resources (CCOs & OHA)
  - Questionable benefit or relevance
  - Redundant information requests
  - Overreliance on work process & narratives, not performance & outcomes
  - Manual, unreliable submission process
  - No means to evaluate CCOs comprehensively

Initiate deliverable redesign project...Be ready for CCO 3.0

Primary Objectives of Deliverable Redesign

1. Vet All Existing Deliverables for Purpose & Value
2. Create Requirement Categories and Focus on Core Deliverables
3. Automate Deliverable Submission Process for Data Tracking & Analysis

Reduce administrative burden for CCOs and OHA

Vet for Value & Purpose

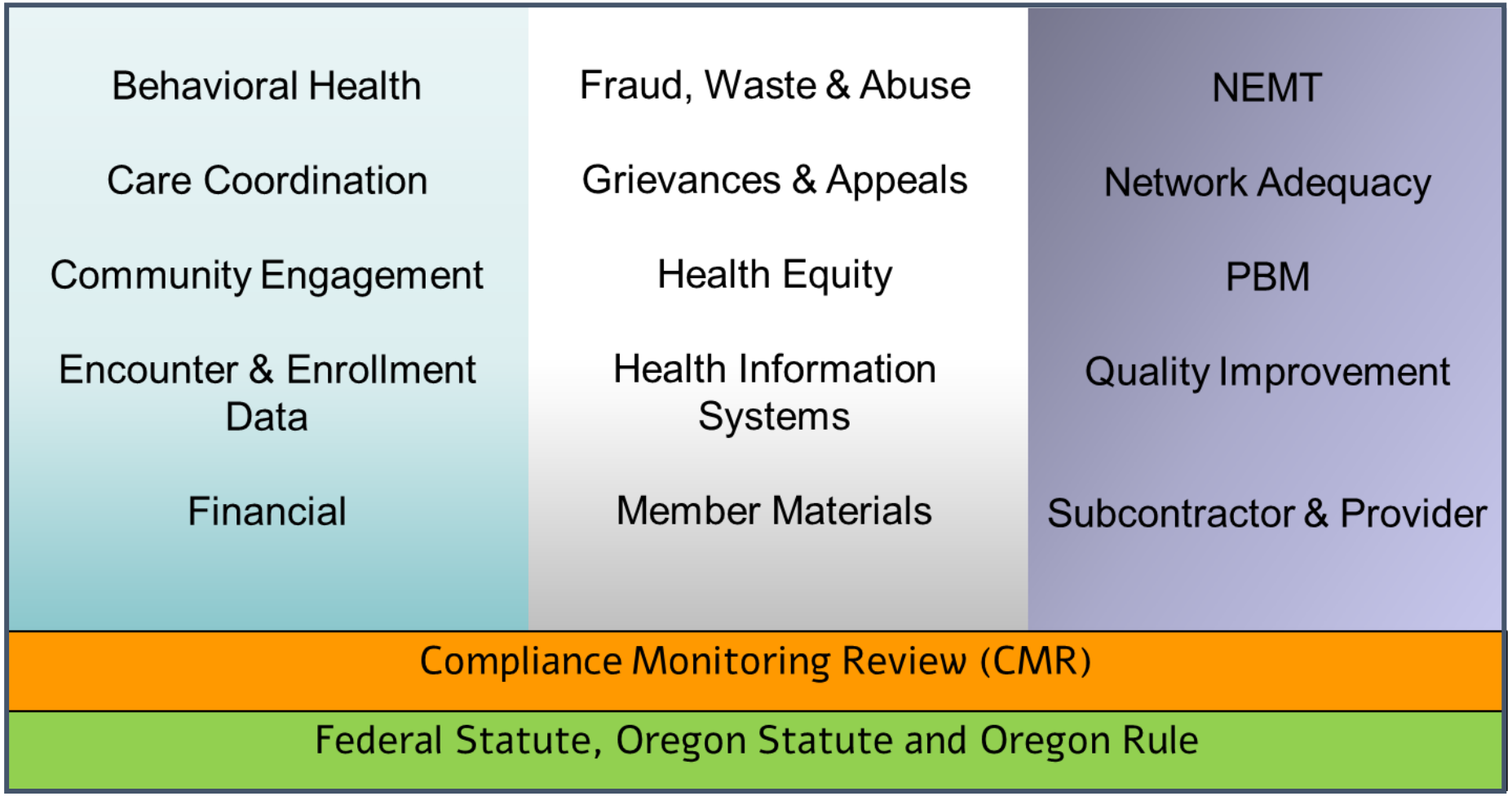
Deliverables Retained

- 69 Maintained Deliverables
- 13 Attestations
- 55 Submitted upon request or under certain conditions

Deliverables Eliminated

- 44 Combined with another deliverable
- 25 Removed

Deliverable Categorization



Evaluate & Improve Core Deliverables

Category	Core Deliverable(s)
Behavioral Health	Comprehensive Behavioral Health Plan
Care Coordination	Care Coordination Report
Community Engagement	Community Health Assessment(CHA); Community Health Improvement Plan (CHP)
Encounter & Enrollment Data	Non-Pharmacy Encounter Data; Valid Pharmacy Encounter Data
Financial	Annual & Quarterly Exhibit L Financial Reserve Template; Annual & Quarterly NAIC Financial Statement
Fraud, Waste & Abuse	Annual & Quarterly FWA Audits; Annual & Quarterly FWA Referrals & Investigation Reports; FWA Assessment Report; Prevention Handbook; Prevention Plan
Grievances & Appeals	Quarterly Grievance & Appeal System Report; Sample of NOABDs
Health Equity	Health Equity Plan; Language Access Self-Assessment; Quarterly Language Access & Interpreter Services Report; THW Integration & Utilization Report
Health Information Systems	Health Information Technology Roadmap
Member Materials	Member Handbook; NEMT Rider Guide
NEMT	Quarterly NEMT Report
Network Adequacy	Annual & Quarterly Delivery System Network (DSN) Provider Capacity Report
Pharmacy Benefit Manager	PBM Market Check Report
Quality Improvement	Transformation & Quality Strategy (TQS)
Subcontractor & Provider	Subcontractor & Delegated Work Report; Annual Subcontractor Performance Report

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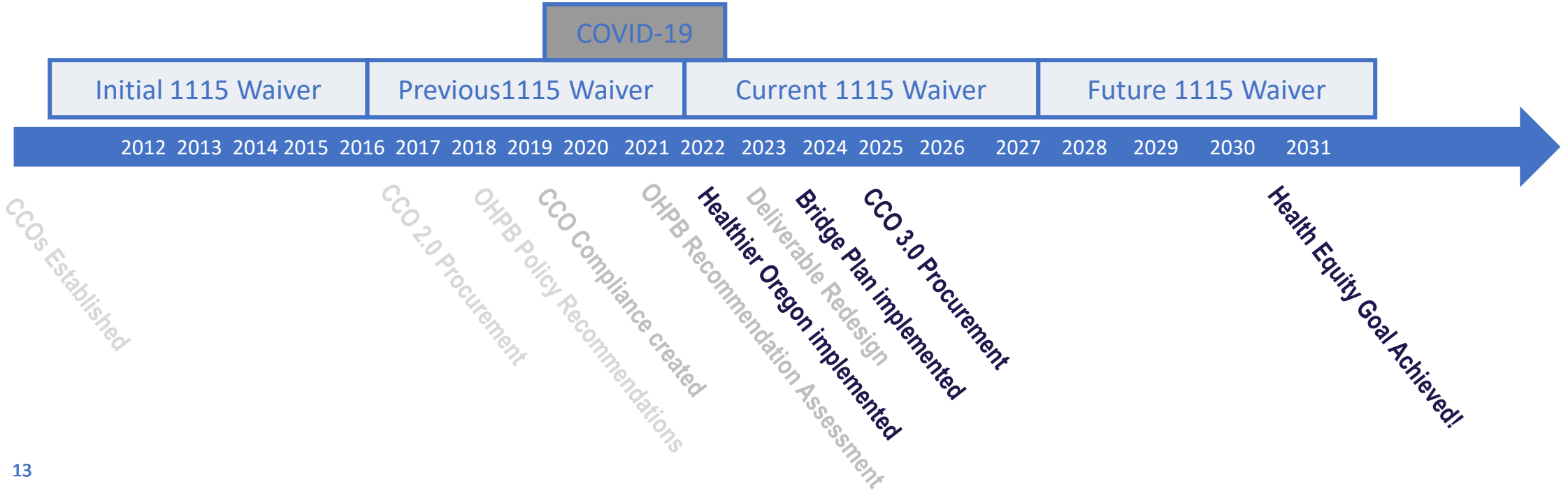

CCO 2.0 Evolution impacting CCO 3.0 Procurement

- Significant program and policy changes
  - 200+ new requirements, behavioral health initiatives and changing landscape, SDOH, 1115 waiver implementation
- Impact of COVID-19
  - "Service delivery experimentation," temporary rules, new work environment, collaboration strategies, member redetermination
- Maturing CCO model
  - Geography, service area, membership, member choice, organizational structure; Balancing statewide standardization and local flexibility; Are access and service delivery differences regional or health inequities?
- More than just a Medicaid contract:
  - Non-Medicaid Contract (Healthier Oregon, Vet Dental); Bridge Plan

OHPB Role in CCO 3.0

Letter from Governor Tina Kotek, January 2, 2024

"I direct the Board to prioritize the following areas:

…Lead public engagement for the next Coordinated Care Organization (CCO) procurement with an eye toward member experience and access to care. My office will work closely with the agency and Board to establish expectations for the next CCO procurement."

Why does CCO 3.0 Matter?

- Largest contracts for State of Oregon
- Health care coverage for 1.4 million Oregonians (90%+ Medicaid)
- Align Oregon Goals for Medicaid
- New 1115 Waiver beginning 2027
- Leverage CCO performance & reset expectations
- Push limits on community engagement & collaborative decision making
- Make the 2030 Health Equity Goal REAL

Tentative Project Timeline

Initiation Phase
(late 2024)

- Define objectives
- Review CCO performance
- Identify resource needs

Planning Phase
(early 2025)

- Develop project plan
- Community engagement
- Complete risk assessment
- Establish technical advisory committee

Execution Phase
(late 2025-early 2026)

- Release RFP/RFA
- Submission & evaluation
- Contracting
- Member transition
- Communication & education

Implementation & Closeout Phase
(late 2026-early 2027)

- Accountability requirements
- Communication & education
- New contract effective (1/1/2027)
- Conduct lessons learned
- Create closeout report