



Office of the Director

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May 10, 2011

The Honorable Laurie Monnes Anderson, Co-Chair
The Honorable Mitch Greenlick, Co-Chair
The Honorable Tim Freeman, Co-Chair
Joint Special Committee on Health Care Transformation
900 Court Street NE, Room 453
Salem, OR 97301-4048

Dear Co-Chair Persons:

The Oregon Health Policy Board would like to express our appreciation and support for your critical work on HB 3650. As you know, Governor Kitzhaber and the Board chartered the Health System Transformation Team to develop a common vision of a new delivery system model based on the Health Policy Board's triple aim of better health, better health care, and lower costs.

On March 23rd, the team submitted to the Legislature a straw person proposal for a high-value, transformed health delivery system for Oregon Health Plan and Medicaid clients. The plan focused on coordinated mental, physical, behavioral, and oral health to free up dollars trapped in an inefficient system, increase focus on prevention, and to improve care.

The centerpiece of the plan sent forward to the Legislature outlined the functions of Coordinated Care Organizations (CCOs) – locally governed networks that would be responsible for the health and care of Oregonians under a transformed health system. Further, it called for global budgeting and changing the way in which we deliver and pay for health care with a move toward team-based, patient-centered care, rather than continuing to use a fee-for-service model.

The legislative proposal outlined in HB 3650 is the result of groundwork laid by the Legislature when it created the Oregon Health Policy Board and chartered it to create an action plan for health. The proposals included in the Board's action plan are the result of extensive public input and citizen engagement—more than 300 people participated in

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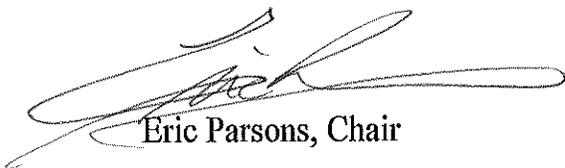
workgroups and committees with more than 1,000 additional Oregonians participating in public meetings across the state.

The movement away from a fragmented, uncoordinated health system is a very positive development. It also represents a significant change for providers, stakeholders and others. Successful implementation will go hand in hand with education, outreach, and involvement from Oregonians across the state.

We are encouraged by the public process for this legislation to date and support broad statewide input in the development of Coordinated Care Organizations. We thank you again for your time on this important issue. We believe that the success of this Legislation will be central to achieving better health, better health care and lower costs in Oregon. To that end, we would like to offer our assistance by hosting a public input process once the legislation is passed.

Thank you for your time—we are looking forward to working with you to further engage Oregonians in your efforts.

Sincerely,



Eric Parsons, Chair



Lillian Shirley, Vice-Chair