

Health System Transformation Team
Minutes
February 2, 2011
Willamette University
Putnam University Center
6:00 PM to 9:00 PM

Item

Governor's welcome and opening remarks (6:07 PM)

Co-chair Dr. Bruce Goldberg opened the first meeting of the Health System Transformation Team, with the Governor's Health Policy Advisor, Mike Bonetto, co-chairing. Eileen Brady joined by phone and Terry Coplin was absent. The facilitator for these meetings is Diana Bianco of Artemis Consulting.

Governor Kitzhaber began the meeting with his opening remarks:

- We are not gathered to study the problem – we know the problem. “We have a medical system that is too expensive, it's too inflationary, and we can't afford anymore. And it's not producing the outcomes that we ought to be getting.”
- The challenge is twofold: In the first year, we must reduce costs to stay within a budget. But this is also an opportunity to redesign the system starting in the second year of the biennium and going forward from there.
- “Your responsibility, it seems to me, is to figure out what that new delivery model looks like even while we maintain the old model for the first year. That's like changing the tire on a Volkswagen while you're driving down I-5, I appreciate that. But if there's any group of people that can make that happen, it's people right here in the state of Oregon.”
- On the issue of federal waivers: There's a desire within the federal government for a state, or several states, to demonstrate that the federal health care reform is not only about expanding coverage, but can also be a fulcrum for fundamental delivery system reform. There is a willingness to put the effort into working with the states on system reform ideas.

Review: (6:34)

Mike Bonetto reviewed the Team's [Charter](#) and [Work Plan](#).

- This Team was chartered by, and is working under, the auspice of the Oregon Health Policy Board (OHPB), and it reports back to the Board and the Governor. This Team's work is an extension of the OHPB's *Action Plan for Health*.
- All meetings are open to the public. There is also a public input mechanism through our website.
- Specific work products that we expect from this process are: **Elements for successful delivery system transformation**. What are the key elements in terms of the state moving forward and engaging new delivery systems? What needs to be a part of that and how can we put those pieces in place?
- **Will these changes have the desired impact on the budget?**
- **Legislation:** Once we have a clear plan and a vision for a system that we want to reach, we need to then work backwards and think about what we need to do legislatively, both at a state and federal level in terms of waivers, to make our plan operational.

This Team has a very tight timeframe for moving through a substantial amount of work. The beginning of April is a deadline for having a work product to turn over to the legislature.

Dr. Goldberg emphasized again that this Team has a clear timeline, clear deliverables, and a clear endpoint.

Diana Bianco explained the idea of “working meetings.” Each meeting will follow a similar pattern:

- There will first be information supplied to the group (today, for example, we will be seeing a presentation about redesigning the delivery system within a budget constraint).
- The Team will break out into small assigned discussion groups. Each group will have a facilitator and scribe. The group discussions will last for about an hour and will cover the topics and questions for that week.
- Then we will reconvene as a large group to go over some of the best ideas that were discussed at the break out tables.
- The next week we will come back and have another topic that we will tackle in a similar fashion, but we will also hear about a lot of the work that has been done between meetings, and some of the progress made on discussion topics of past weeks.
- We think this is how we can use all of your time as effectively as possible.
- Public input will also be folded into our work.

The question was raised as to whether this is meant to be a consensus process as well as a design process. The answer remains to be seen, but the group will strive for consensus in most cases. The expectation is that there will be difficult conversations, trade-offs, and challenges, and we may surprise ourselves in finding consensus where we thought there may have been none. There will be no voting during this process.

Redesigning our delivery system and budgetary constraints (6:54)

Dr. Goldberg presented a power point on the budget situation currently facing the state of Oregon.

- Expenditures are growing at a far greater rate than revenues.
- We are going to consider the Oregon Health Plan budget and the long term care budget as the dollars that we have to work with to create this system. That is 2/3 of the general fund dollars that go into health care in this state.
- Amount we need to make up with reductions in provider payments & provider benefits combined with the substantive system redesign is about \$850 million (slides 18 and 19).
- Our vision is to restructure our health care delivery system to deliver better health, better health care and lower costs (Triple Aim).
- We must align incentives and increase accountability.

The presentation can be found [here](#).

Breakout Sessions (7:30)

Ms. Bianco organized the break out session. Groups were assigned to answer the following questions:

1. What ideas do you have to manage within the cuts proposed in Year 1 and at the same time preserve access and quality? Are there better alternatives for attaining the necessary savings?
2. What will be needed to be successful?

Summary: Breakout groups report back (8:20)

The Team reconvened as a group to discuss some of the ideas, issues, and options that were raised during the breakout sessions. A summary of the options with some estimates of savings will be brought back to the group at the 2/9/11 session.

The summary of the break out sessions can be found [here](#).

Closing remarks and notes on next week (8:55)

The Team will move forward quickly, starting next week, and will continue to work through this problem.

Everyone was encouraged to think about year two over the next week and to come prepared to talk next Wednesday.

Adjourn (9:00 PM)**Next meeting:**

February 9, 2011

Willamette University

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