



Health Policy and Analytics Division
Medicaid Policy

Kate Brown, Governor

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January 12, 2017

Ms. Victoria Wachino
Centers for Medicare and Medicaid Services
Children and Adults Health Programs Group
Mail Stop: S2-01-16
7500 Security Boulevard
Baltimore, MD 21244

Dear Ms. Wachino,

I am pleased to accept the Centers for Medicare & Medicaid Services' (CMS) approval of the amendments to and extension of the Oregon Health Plan, the State's Medicaid and Children's Health Insurance Program (CHIP) demonstration project authorized under Section 1115(a) of the Social Security Act (project numbers 21-W-00013/10 and 11-W-00160/10, dated January 12, 2017.)

This approval, provided through the CMS approval letter, Special Terms and Conditions and waiver and expenditure authority documents for the period of January 12, 2017 through June 30, 2022, allows the State to continue to enhance Health System Transformation with the expansion of the Coordinated Care Model and performance-driven system aimed at improving health outcomes while continuing to bend the cost curve.

Oregon is committed to building on the gains it has made in partnership with this Administration, and to renewing this demonstration to take Health System Transformation to the next level through targeted modifications to the current waiver. Applying lessons learned from implementing Coordinated Care Organizations (CCOs) in the preceding demonstration period, Oregon will expand and refine the state's transformed health care delivery system while continuing to maintain a sustainable rate of growth of health care costs. Areas of focus in this renewed demonstration include maintaining CCOs and the coordinated care model; integration of physical, behavioral, and oral health care; increased investments in health related and flexible services; advanced use of value-based payments; improvements in access and quality of care for American Indians and Alaska Natives; and expansion of the Coordinated Care Model to dual-eligible members.

I want to thank you for your time and commitment as well as that of your staff in working with the State on this demonstration renewal over the past several months. The staff's perseverance, thoughtful feedback, and assistance was exceptional. Our work together will benefit the lives of the more than 1 million people served by the Oregon Health Plan.

Thank you again for your commitment to this effort.

Sincerely,

Lori Coyner, MA
Medicaid Director

CC:

Kate Brown, Oregon Governor
Andy Slavitt, Acting Administrator, CMS
Eliot Fishman, Director, State Demonstrations, CMS
Susan Johnson, Director, HHS Region X
Lynne Saxton, Director, Oregon Health Authority
Jeremy Vandehey, Health Care Policy Advisor, Office of the Governor