The Oregon Health Authority: One State's Path for Quality, Affordable Healthcare for All

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Healthcare Value Hub Conference
November 8, 2017

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Oregon's Strategy for Health Reform, Oversight, Value

- Consolidate the state's healthcare purchasing and use that power to drive value and reform
- Create a health policy board for oversight, policy development and public input
- Establish mechanisms for insurance rate review
- Begin with Medicaid reforms as "pilot"
  - Local organizational structures: Coordinated Care Organizations
  - Global budgets
  - Quality standards linked to finances
- Extend to: Public employees, teachers, local government, insurance exchange, commercial market

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Oregon Health Authority

- Consolidate state healthcare purchasing into single agency
  - Medicaid, behavioral health, public health, public employees and their families, teachers and their families, other
- Develop uniform contracting and quality standards
- Establish evidence based guidelines for care
- Health policy development
- Analytic support for policy

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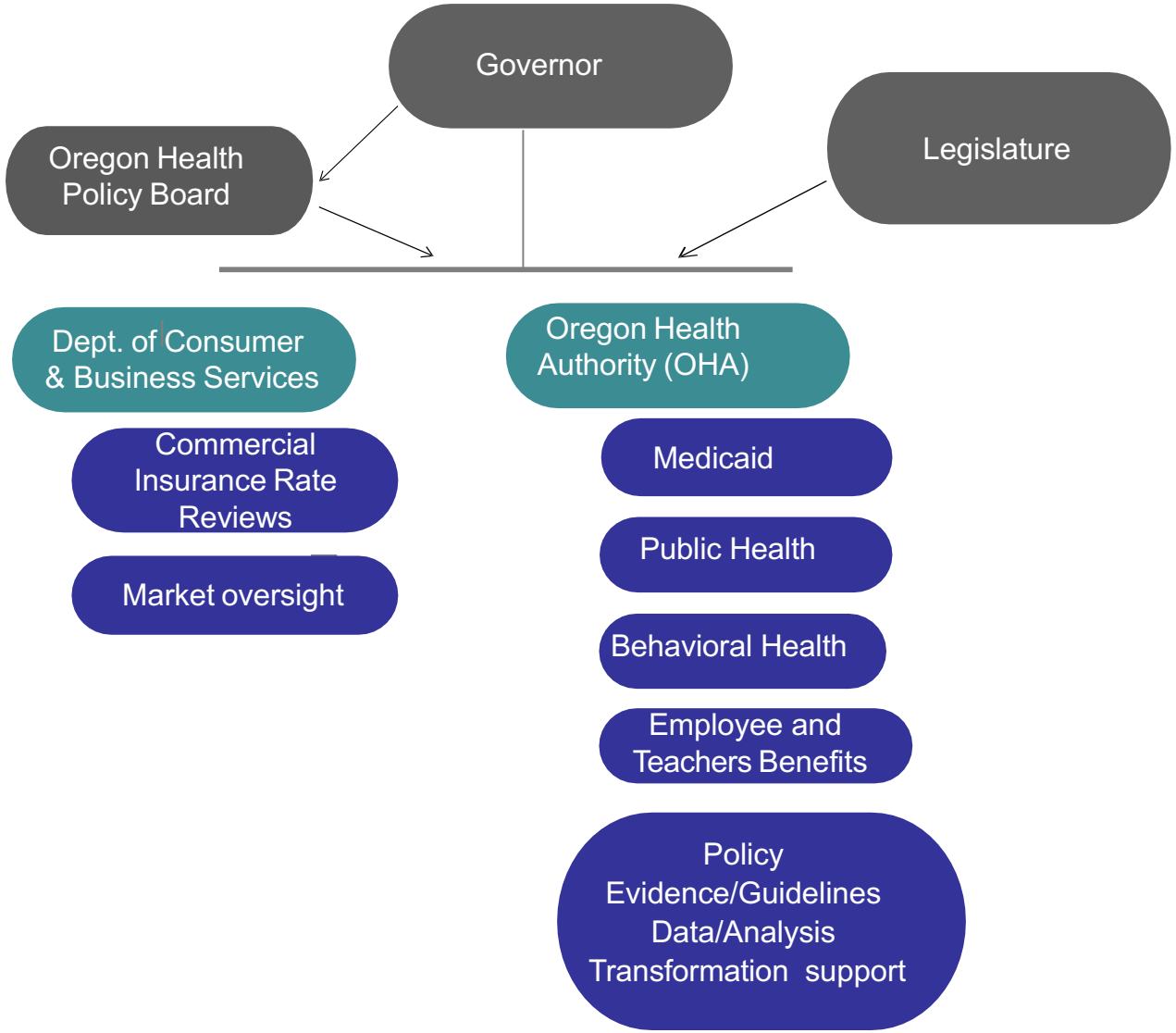
Oregon Health Policy Board

- 9 members appointed by Governor, confirmed by Senate
- Policy making body for Oregon Health Authority
- Develop plan for access to affordable, quality care for all
- Establish statewide healthcare quality standards
- Establish cost containment mechanisms
- Ensure sufficient healthcare workforce

- Authority to: submit legislation, organize and oversee work of the Oregon Health Authority


Governor
Oregon Health Policy Board
Legislature
Dept. of Consumer & Business Services
Commercial Insurance Rate Reviews
Market oversight
Oregon Health Authority (OHA)
Medicaid
Public Health
Behavioral Health
Employee and Teachers Benefits
Policy
Evidence/Guidelines
Data/Analysis
Transformation support

Advantages

- Consistent health policy direction
- Single point of accountability for health and healthcare
- Leverage >30% of health care expenditures to promote better value
- Greater efficiency in delivery of care (e.g. standard quality measures, value based payment)
- Consolidated data, analysis and technical support
- Consistent platform for multi-payer efforts

Oregon's Coordinated Care Model

Local Accountability & Governance

Global Budget with Fixed Rate of Per Capita Growth

Integrated and Coordinated Care

At Risk for Quality (Metrics)

Flexibility

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Progress to Date

- Every CCO is living within their global budget.
- The state is meeting its commitment to reduce Medicaid spending trend on a per person basis by 2 percentage points.
- State-level progress on measures of quality, utilization, and cost show promising signs of improvements in quality and cost and a shifting of resources to primary care.
- Some progress in establishing uniform quality standards and payment guidelines
- Public employee and teacher purchasing moving slowly toward original vision

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A Few of the Many Considerations and Lessons Learned

- There is no perfect structure
  - Appropriate staffing is essential
  - Both authority and influence are needed
- Common vision and leadership are key
  - Common vision for reforms/changes/interventions is critical
  - Leadership (legislative, executive, stakeholder) commitment to the goals and deliverables
  - Engaging stakeholders around that common vision is critical – CEO's, consumers, CMS
- Payment reform is critical – don't expect new ways of doing business with old methods of payment
  - Payment needs to help drive value
- Multi-payer initiatives can greatly accelerate change in delivery systems

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A Few of the Many Considerations and Lessons Learned

- Never forget Medicare or politics
- Importance of communication and stakeholder involvement
- Data and analysis must be reliable and trusted
- Need to recognize and help health care institutions transition and plan for new business models!