

# Director's Straw Person Plan: An Overview

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# This Draft Is...

- A framework for discussion
- A distillation of the work of many:
  - Committees & Work Groups
  - Board Hearings
  - Community “Listenings”
  - Formal & informal input over 10 months
- More illustrative (with a few specifics) than definitive; greater detail is available when appropriate

# Components of a Plan:

- Vision & Goals
  - Where do we want to go?
- Structure (Organizational Framework)
  - Who's going to help us get there?
- Strategies & Actions
  - How will we get there?
- Resources
  - What will we need to get there? What's in the “toolkit”?
- Timeframe
  - How long will it take? Key milestones?
- Benchmarks & Evaluation
  - How will we know the plan is working?

## Problems

- Health care costs too much
- Lack of focus on maintaining/improving health
- Coverage & access are declining

## Goals

- Contain the annual increases in health care costs to the CPI
- Continuous improvement in quality & outcomes
- Improve the health of ALL citizens
- Expand coverage to uninsured Oregonians

# A Proposed Vision for 20xx:

- Less than 5% of Oregonians are without health care coverage
- The annual rate of increase in health care costs has been maintained at CPI + (1% to 2%) for the previous 5 consecutive years
- Oregon meets or exceeds every major national quality benchmark (both acute & ambulatory)
- Oregon leads the nation in key population health benchmarks...across all population subgroups

# The Role of State Government

- Create the vision & goals for Oregon
- Set benchmarks and standards
- Measure, analyze & report to public on performance
- Purchase health care services wisely
- Regulate (e.g., health insurers, licensing)
- Act as a convener (or participant) for collaboration & voluntary, coordinated action

# Who Leads?

## Integrated & Coordinated Health Policy

- Create Oregon Health Commission (OHC)
  - Replaces Fund Board & Health Policy Commission
  - Modifies Health Services Commission & Health Resources Commission
  - Integrated staff, financial & related resources
- Statutory structure similar to OHFB
  - Add 4 ex-officio members
    - Director, Department of Human Services
    - Director, Department of Consumer & Business Services
    - Director, PEBB & OEBC
    - Administrator, OPHP

# Parallel Strategic Actions (2009-15):

- Transformation of Oregon's health care systems
  - Optimize Value: cost, quality, safety, outcomes, population health
  - Reward Innovation
- Affordable coverage for ALL
  - Reduce the number of uninsured
  - Ensure sustainable coverage

# System Transformation, Phase I (2009-2010):

- Focus on “building the foundation”
  - Information & Reporting
  - Setting Standards
  - State Purchasing Policy
  - Public Health Initiatives
  - Community Collaboratives

# Information & Reporting:

- Uniform statewide data sets (OHC, DCBS, DHS)
  - Statewide, regional, community
  - Longitudinal & comparative
- Insurance carrier performance (DCBS, DHS, OHC)
  - Commercial + OHP contractors
- Health care facility performance (OHC, DHS)
- “System” performance (OHC)
- Routine, understandable reporting to public
  - Joint OHC, DCBS, DHS responsibility
  - Directed to providers, purchasers, citizens, policy makers

# Setting Standards:

- Data reporting (claims, financial, utilization)
- Administrative standardization
- Uniform quality & outcome measures
- Integrated health home (IHH) standards
- Clinical standards, guidelines & protocols
  - Evidence based treatments
  - Comparative effectiveness

# State Purchasing Policy:

- Common Contract Standards
  - Quality & outcome performance standards
  - IHH criteria
    - Case management payment policy
    - Incentives for innovation with special populations
  - Evidence-based coverage & utilization management policies
  - Payment for administration (PMPM basis)
  - Patient decision aids (for preference sensitive care)
  - Oregon Prescription Drug Program (OPDP) as benchmark
- Collaborate with other public & private sector purchasers

# Public Health:

- Tobacco Use & Obesity
  - Set statewide goals for a 10-year plan
  - Establish standards for Community Health Initiatives
    - Community partnership requirements
    - Accountability/performance targets
  - Measure results: \$\$ tied to performance
- POLST
  - Establish statewide registry for Physician Orders for Life-Sustaining Treatment

# Community Collaboratives:

- Stimulate integration/coordination of physical, mental and oral health (DHS)
  - Establish performance measures
  - Waive administrative requirements that stifle community innovation
  - Engage & partner with multicultural communities
- State support of  $n$  local collaboratives
  - Matching \$\$ for tri-share programs
  - Technical assistance
  - Accountable Care Communities ?

# Affordable Coverage for ALL

- Note: Expanding coverage should have an impact on costs if *cost shift* \$\$ are recovered & returned to private payers.
- Strategic Options for Coverage Expansion:
  - One Giant Leap ?
  - Staged Expansion ?
- Pragmatism + Sustainability suggests a staged expansion of coverage

# Coverage Expansion, Phase I (2009-2010):

- Preserve and expand the Oregon Health Plan
  - Healthy Kids (< 200% FPL)
  - OHP Standard (adults < 100% FPL)
    - RETAIN, REVISE and RENEW
- Financing (revenue) strategy

## System Transformation, Phase II (2010-2011):

- Implement 2009 legislation; monitor medical & premium trends
- Develop recommendations for enhanced state purchasing policies
  - “Centers of Excellence” contracting
    - State programs, public employers, others?
- Convene OHC Payment Reform Council
  - Recommendations on emerging concepts
    - Bundle services, “baskets of services”

# Coverage Expansion, Phase II (2010-201?):

- Develop Essential Benefit Package alternatives at various price points
- Related issues
  - Minimum coverage standards
    - Those currently covered
    - Those receiving state contribution
  - Assuring participation
  - Network options (commercial, OHP, other)
- Detailed business plan for Insurance Exchange
  - Pathway to individual & small group market reforms
- Assess sustainability factors

# Timeline & Milestones (TBD)

2009	2010	2011	2012	2013
> Legislation . . . .		> Legislation . . . .		> Legislation . . . .
> OHC Work Plan . . . . .	> OHC Work Plan . . . . .	> OHC Work Plan . . . . .	> OHC Work Plan . . . . .	> OHC Work Plan . . . . .