

Oregon Health Fund Board Reform Strategies and Proposed Legislation

Working Draft- For Discussion Only 04/07/09

Oregon Health Fund Board Health Care Reform Strategy	HB 2009-10 Amendments	Bills on Behalf of the Governor and the Health Fund Board
The Keystone for Reform, The Oregon Health Authority		
Create an Oregon Health Authority to act as an integrator of health care and community services, a smart purchaser, and an instigator of community-based innovation.	Establishes a Health Authority and Health Authority Board within state government to integrate and coordinate health care purchasing, streamline government health-related activities and to set ambitious health care quality goals, for the purposes of improving healthcare quality and affordability (Sec. 1, 10, 11, 20). Board qualifications are specified (Sec. 4). Advisory bodies created on state health care purchasing and the health care workforce (Sec. 7).	<i>Proposed amendments to SB 453 would allow the Oregon Health Fund Board to sunset according to current statute to avoid duplication of functions.</i>
Bring Everyone Under the Tent		
Expand coverage for all children and low-income adults.	Expands coverage through a sliding-scale premium assistance program for individuals up to 300% FPL (Sec. 26). Reduces enrollment barriers, allows presumptive eligibility for low-income pregnant women and maximizes effective outreach (Sec. 25 & 30). Establishes health care assessments on insurers, managed care plans, large hospitals (excluding small rural hospitals). (Sec. 36-54).	HB 2117 (Will be amended into HB 2009) Expands coverage for children up to 300% FPL, reduce enrollment barriers, includes outreach and enrollment initiatives, and the Governor's Recommended budget reopens OHP Standard. HB 2116 (HB 2009 has placeholder language for revenue source) establishes a provider tax on 25 DRG hospitals (excluding small rural hospitals) and managed care organizations.
Expand coverage for all Oregonians.	The Authority Board is required to develop and submit to the Legislative Assembly a plan to provide and fund access to affordable, quality health care for all Oregonians by 2015. The Board is also required to investigate and report on the feasibility and advisability of future changes including the following: a requirement for every resident to have health insurance coverage, a payroll tax tied as a means to encourage continued health insurance by employers, expansion of the Oregon Health Insurance Exchange to administer a program of premium assistance and advance reforms of the insurance market (Sec. 9(1)(b) & (m)(A-C)).	<i>No similar legislative language in OHFB Senate Bills.</i>

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Set High Standards, Measure & Report		
Establish an all payer, all claims data collection program.	Creates an all-claims database to collect health data to monitor and evaluate health reform in Oregon and to provide comparative cost and quality information to consumers, providers and purchasers about Oregon’s health care system (Sec. 10(2)(a)).	SB 453 creates and implements an all-payer, all-claims data collection program.
Empower the Authority to set standards.	Empowers the Authority, in consultation with the Department of Consumer and Business Services (DCBS), to <u>set standards and rules</u> for DCBS review of administrative expenses of health insurers, approve health insurance premium rates, and enforce rules. Develops uniform contracting standards for the purchase of health care services. (Sec. 10(1)(i)(A-C) & 10(2)(b)).	SB 454 authorizes DCBS to establish uniform statewide standards for the administrative functions of all licensed health insurers. SB 456 authorizes OHP to develop quality indicators (as part of an Integrated Health Home Program – see below).
Create a Clinical Improvement Assessment Project.	Empowers the Authority to develop uniform contracting standards for the purchase of health care services by state agencies will include: uniform quality performance measures; evidence-based guidelines for major chronic diseases, health care services with unexplained variations in frequency or cost; and comparative effectiveness guidelines for select new technologies and medical equipment, and a statewide drug formulary for use by publicly funded health benefit plans (Sec. 10(2)(b)(A-D)).	SB 455 brings the state, healthcare insurers and providers together to develop and implement common evidence-based clinical guidelines and best practice standards for the use of medical technology. It also requires PEBB, OEBC, The Department of Corrections, and the Department of Human Services and other public bodies to develop purchasing strategies that encourage the adoption of these guidelines.
Establish an Oregon Quality Institute.	The Quality Care Institute is created within the Authority. Establishes and continuously refine uniform, statewide health care quality standards for use by all purchasers of health care, third party payers and health care providers as quality performance benchmarks. Requires a report to the Legislature by 12/31/10 (Sec. 17a(1)&(2)).	SB 453 Establishes a data collection program to monitor quality and establish rules to allow reporting for performance evaluation for the state as deemed appropriate.

Unify Purchasing Power		
Create a Public Employers Health Cooperative.	Creates a Public Health Benefit Purchasers Sub-Committee to identify and recommend to the Board specific areas where uniformity of benefit plan designs and contracts to achieve maximum quality and cost outcomes, and collaborate with the committee to develop steps to implement joint contract provisions. (Sec. 7(2)(a)). The Board is authorized to undertake joint contracting for health care services on behalf of public entities beginning for the 2011-13 biennium (Sec. 9(2)(a)).	<i>No legislative language.</i>
Establish a health insurance exchange.	Directs the Oregon Health Authority to develop a plan for the staffing, funding and administration of the Oregon Health Insurance Exchange in consultation with DCBS. No later than October 1, 2010, the Board shall submit a request to Legislative Council for a measure to implement the plan. Must include the following: plans for implementation, funding, benefit requirements, rating standards including community rating and guaranteed issue, role of state and state-funded nonprofit purchasers, enforcement rules for sale of insurance, role of carriers, the principle of little or no cost to individuals, and the development of a publicly-owned health plan. (Sec. 17b).	<i>No legislative language.</i>
Implement regulatory actions to contain health care costs.	The Authority is authorized, in consultation with the Department of Consumer and Business Services, with the review of administrative rates of insurers, approval of rates, and enforcement of rating rules (Sec. 10(1)(i)).	SB 454 requires insurers and third party administrators to report to DCBS their administrative expenses on a per member per month basis and to justify changes. Requires insurers/TPAs report contracted prices with providers to OHP. OHP is authorized to publicly report annual changes in contracted rates. <i>(Workgroup in process to possibly adjust language)</i>

Stimulate System Innovation & Improvement		
Implement the integrated health homes model.	<i>No legislative language.</i>	<p>SB 456 establishes within OHPR the Oregon Integrated Health Home Program. Through this program, OHPR will establish criteria and a simple process for certifying (<i>pending amendment changes to identifying</i>) integrated health homes and develop a set of uniform quality indicators for integrated health homes and acute facilities. OHPR will create an advisory committee to advise the office on this program. Directs DHS, PEBB, and OEBC (<i>pending amendments would provide private purchasers with opportunities to collaborate with state purchasers</i>) to establish uniform contract standards to promote the provision of integrated health homes for public employees, especially those with chronic diseases. Directs DHS to provide reimbursement (<i>pending amendments clarify that DHS will provide reimbursement if current budget levels allow</i>) in the state's medical assistance program for services provided by certified integrated health homes. Establishes a collaborative in which state agencies and certified integrated health homes share best practices (<i>pending amendments would provide private purchasers and insurers with opportunities to join collaborative</i>)</p>
Integrate behavioral health services with physical health services.	<i>No legislative language.</i>	<p>SB 456 includes integration of behavioral health and physical health in a clinical setting.</p>
Establish a Payment Reform Council.	<i>No legislative language.</i>	<p>SB 453 establishes a payment reform subcommittee of the Oregon Health Fund Board. <i>In proposed amendments to SB 453 that would allow the Oregon Health Fund Board to sunset according to current statute, OHPR/DHS would do further work on Payment Reform.</i></p>

<p>Provide high quality and dignified end-of-life care to all Oregonians.</p>	<p><i>No legislative language.</i></p>	<p>SB 451 requires DHS to establish a statewide voluntary, electronic POLST registry and creates an advisory committee to advise DHS on the registry.</p>
<p>Establish programs to promote community-based innovation.</p>	<p>The Authority is required to guide and support community-centered health initiatives designed to address critical risk factors, especially those that contribute to chronic disease. Initiatives are to be consistent with public health goals, strategies, programs and performance standards adopted by the board to improve the health of all Oregonians. Board to regularly reports to the Legislative Assembly on the accomplishments and needed changes to the initiatives (Sec. 9(1)(g) & 10(1)(g)).</p>	<p>SB 456 includes funding for one or more grants to support community-based primary and secondary prevention activities focused on chronic diseases in line with the goals of the Statewide Health Improvement Program to prevent chronic disease and reduce the utilization of expensive and invasive acute treatments.</p>
<p>Expand public health throughout Oregon.</p>	<p>See above, community health initiatives (Sec. 9(1)(g) & 10(1)(g)).</p>	<p>SB 456 (See above) requires DHS to establish aggressive goals for the reduction of tobacco use, obesity, and other chronic disease risk factors and to collaborate with community partners to develop and implement a strategic plan to achieve the goals. HB 2122 increases the tobacco taxes to fund public health and health promotion programs.</p>
<p>Establish a Medical Liability Reform Council.</p>	<p><i>No legislative language.</i></p>	<p>SB 453 establishes a medical liability reform subcommittee of the Oregon Health Fund Board. <i>Proposed amendments to SB 453 would allow the Oregon Health Fund Board to sunset according to current statute so as to not duplicate legislative language in HB 2009-10. Further work on liability reform would go under OHPR/DHS.</i></p>
<p>Promote the adoption of health information technology throughout Oregon.</p>	<p>The Authority would investigate and report to the Legislative Assembly on the feasibility and advisability of future changes to the health insurance market in Oregon including, but not limited to the implementation of a system of interoperable electronic health records utilized by all health care providers in this state (Sec. 9(1)(m)(D)).</p>	<p>SB 452 establishes within DHS a Health Information Technology (HIT) Oversight Council and defines membership and terms. The Council will coordinate: statewide HIT policy; activities to move the adoption of HIT, achieve interoperability, and ensure privacy and security standards; and, resources spent on HIT across the state. The Council will provide oversight for a public-private purchasing collaborative or alternative mechanism</p>

		to help providers identify high quality HIT products and services and obtain affordable rates for electronic health records. <i>(Pending amendments would also allow the Council to determine whether to establish a HIT loan program and to implement the program.)</i>
Ensure Health Equity for All		
Prevent health disparities before they occur, reduce barriers to care, and improve quality of care.	The Board would implement a program to provide health insurance premium assistance to all low and moderate income families legally residing in Oregon. The Board will investigate and report to the Legislature to cover all low and moderate income Oregon families and advance reforms of the insurance market (Sec. 9(1)(c)&(m)). The Authority would be responsible for conducting targeted and aggressive outreach to multicultural communities, individuals living in geographic isolation, and individuals with other barriers to accessing care (Sec. 24). DHS would implement a streamlined and simple application process with application assistance as well as application/enrollment assistance through qualified state workers in consultation with community members directed at vulnerable and hard-to-reach populations. The assistance will be targeted to individuals with language, cognitive, physical or geographical barriers in applying for medical assistance (Sec. 25).	HB 2117 would establish the Healthy Kids Plan where all children in Oregon would be eligible for the program (with restrictions on assistance based on income). HB 2117 (Healthy Kids) includes funding for outreach at the community level. SB 456 establishes directs the office to pilot community-based strategies to enhance culturally and linguistically competent services provided by integrated health homes (IHH). <i>(Pending amendments would require the IHH Collaborative to share best practices for maximizing integrated health home utilization by medical assistance recipients, including culturally and linguistically appropriate outreach and care delivery.)</i> HB 2124 requires regulatory boards for health profession licensing to collect demographic information for OHP. SB 453 Establishes a data collection program to monitor quality including but not limited to race, ethnicity, and primary language. SB 452 Establishes the Health Information Technology Oversight Council within DHS to develop a strategic health information technology plan for the state including expansion of access to medical interpreter services.
Train a New Health Care Workforce		
Ensure Oregon's health care workforce is sufficient.	Creates a Health Care Workforce Sub-Committee of the Authority Board coordinate efforts to recruit and educate healthcare professionals and retain a quality workforce. The Council's members should include Oregonians who collectively have expertise,	SB 457 directs OHP to establish a data collection program using the health professions' licensing process and provide routine data analysis so Oregon has the capacity to: (1) understand Oregon's health care workforce; (2) inform public

	<p>knowledge and experience in a broad range of health professions, healthcare education, and healthcare workforce development initiatives (Sec. 7(3)(a)).</p>	<p>and private educational and workforce investments; and (3) inform policy recommendations for the Governor's Office, legislative leadership and state agencies regarding Oregon's health care workforce.</p>
<p>Advocate for Federal Change</p>		
<p>Align federal policy with Oregon's reform efforts.</p>	<p>The Authority Board is to do the following: request federal waivers or other approval necessary to implement the defined duties, implement insurance coverage expansions, and work with the Oregon congressional delegation to pursue change at the federal level. (Sec. 9(3)). (Sec. 9(1)(i)). (Sec. 27) (Sec. 28).</p>	<p>SB 453 as originally proposed gives the OHFB the authority to request federal waivers needed to implement its comprehensive reform plan, upon legislative approval of the plan, and makes the Oregon Health Fund Board (OHFB) a permanent entity and allows the group to continue its work to develop and implement a comprehensive health reform plan. <i>Proposed amendments to SB 453 would allow the Oregon Health Fund Board to sunset according to current statute so as to not duplicate legislative language in HB 2009-10.</i></p>