
LEGISLATIVE UPDATE

Prepared for ORHA

September 30, 2012**CCOs now cover most of Oregon**

Oregon now has 13 CCOs providing Medicaid services to 500,000 of the 650,000 Oregonians on the Oregon Health Plan. Three more CCOs have received provisional certification and are expected to begin providing services soon.

In testimony to a joint meeting of the House and Senate Health Committees, Bruce Goldberg, Director of the Oregon Health Authority, likened developing the CCOs to building a house, saying the foundation must be completed first, then you can layer in other components like oral health. He also said there is going to be a punch list of items that have to be taken care of, once the CCOs are up and running.

Concern was raised about the Consumer Advisory Councils (CACs) required of each CCO. According to a group called CCO Watch, only 5 CCOs have CACs, 3 more have provisional committees, and only half of the CCOs mention advisory councils on their web sites or have online applications.

DCOs and CCOs

One of the thornier issues for CCO development turns out to be integration of the Dental Care Organizations (DCOs) into the CCOs. The law says a CCO must have contracts with all of the DCOs in its service area by July 1, 2014 giving both groups time to work out the details.

Some DCOs and CCOs are anxious to integrate services right away. OHA put the brakes on that saying its IT system was not ready, so the earliest that integration can take place is January 1, 2013.

Other CCOs don't want to contract with all of the DCOs and are trying to get around that requirement by setting up their own dental panels. Legislation is expected in 2013, though Sen. Alan Bates (D-Medford) said he hopes the issue can be worked out administratively.

CCO Metrics coming in November

Dr. Goldberg told legislators the OHA will have provisional metrics in place for the CCOs by November 5. He said they are also working on payment systems linked to hitting those goals and outcomes. Goldberg said, "One of the simplest ways to stay within a global budget is to withhold care. Tracking metrics will help insure that doesn't happen."

Sen. Alan Bates (D-Medford) who is also a physician, said that is a very aggressive timeline and asked, "Can't we get a break here?" Goldberg told him that this is one area where Oregon's federal partners are insistent. He said they already got a delay from July 1, so he does not anticipate there will be any more delays.

CCO cost cutting

Legislators want to know where the savings are expected to come from in the new CCOs. “My impression is that the CCOs are business as usual,” Rep. Mitch Greenlick (D-Portland) told Bruce Goldberg. “Where will the cost savings come?”

Goldberg says the waiver agreement with the federal government presumes zero cost savings in the first year, 1% in year two and 2% in year 3. He told the House and Senate Health Committees that the CCOs are required to submit transformation plans by January 1, 2013 detailing how they are going to change. Some of those changes are expected to include the use of innovator agents, more community health workers, and increased emphasis on primary care homes. “I’m optimistic,” Goldberg said.

Med Mal Proposal

Bud Pierce, MD, president of the OMA and co-chair of the Patient Safety and Defensive Medicine Workgroup, briefed legislators on the proposal worked out with trial attorneys. It is based on early discussion with patients when bad outcomes occur, leading to resolution or mediation if needed. The right of the patient to sue is preserved in this process.

Pierce says it is based on a model used by the University of Michigan Hospital since 2001. He says their experience led to increased reporting of adverse events, more payments to injured parties but lower payments per claim.

Sen. Jeff Kruse (R-Roseburg) who also serves on the work group, says the legislative concept is “a very unfinished product” but “I have every confidence we will get this done and this will be a fine outcome.”

70 Practices Chosen for Comprehensive Primary Care Initiative

Oregon is one of seven areas of the country chosen to take part in a four-year Comprehensive Primary Care Initiative designed to support practices that want to enhance their primary care services. The 70 practices that were chosen in Oregon will receive enhanced payments from the Medicare, commercial insurers and the Oregon Health Plan to support better-coordinated health care services.

The funds may be used to offer more or more flexible hours, additional services such as nutrition or smoking-cessation counseling, and to better coordinate care for patients with multiple chronic conditions.

Practices selected include clinics run by the Providence Medical Group, OHSU, the Oregon Medical Group, Samaritan, Care Oregon, St. Charles and others.

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