CCO 2.0 Compliance & Metrics

February 7, 2020
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Oregon Health Authority

Agenda

• Medicaid
• Managed Care Organizations & Coordinated Care Organizations
• Medicaid in Oregon
• What Does CCO 2.0 Mean to You?
What is Medicaid?

*Joint federal-state funded program, run by states providing healthcare to low income families and individuals*

In Oregon, Medicaid recipients are members of Oregon Health Plan (OHP)
Before Medicaid

- Limited federal healthcare payments to states
- States purchased services for public assistance recipients
- Huge variances in scope of services between states

Medicaid & Medicare Established (1965)

**Medicare** – Federal program providing healthcare for retirees and disabled

**Medicaid** – Joint federal-state funded, run by state providing healthcare to low income families and individuals

- Designed to expand access to care to needy
- State required to provide core set of services (primarily acute services)
- States given flexibility to provide additional services
- States could opt to serve medically needy not receiving public assistance
Brief Medicaid History

• 1965 – Medicaid & Medicare Established

• 1972 – Supplemental Security Income (SSI) - Medicaid eligibility linked

• 1981 - Omnibus Budget Reconciliation Act - added managed care option

• 1996 - Welfare Reform – eligibility no longer tied to SSI

• 1997 – Children’s Health Insurance Program (CHIP) - expands eligibility

• 1997 – Balanced Budget Act – more options for managed care

• 2005 – Deficit Reduction Act – expands eligibility for disabled children

• 2010 – Affordable Care Act (ACA) - most provisions effective 2014

Affordable Care Act & Medicaid

• Minimum income eligibility at 133% of federal poverty level

• Federal coverage of newly eligible (2014-2017) then phase down to 90% by 2020

• Basic Health Program – States given option for low-income residents to purchase healthcare coverage who would otherwise purchase through Health Insurance Marketplace
Managed Care Organizations (MCOs) & Coordinated Care Organizations (CCOs)

What is a Managed Care Organization (MCO)?

• Health care delivery system contracting with state

• Organization accepts per member per month (capitation) payment for delivering services

• Intended to reduce costs, expand utilization and improve quality of services
Medicaid Use of Managed Care Plans

What is a CCO?

Community-based organization serving as a single point of accountability for health quality and outcomes for Oregon Health Plan (OHP) members

- Unique to Oregon, CCOs first certified in 2012
- 15 CCOs in Oregon with specific service areas
- Covered members per CCO vary from 12,000 to 276,000
- Types of Organizations:
  - For-profit and non-profit organizations
  - Former MCOs
  - Wholly owned by hospital systems
  - Subsidiaries of insurance companies
CCO 2.0 Service Areas

Medicaid in Oregon
Medicaid - Working Across Agencies

Centers for Medicare & Medicaid Services (CMS)  
Oregon Health Authority (OHA)  
Coordinated Care Organization (CCO)  
Service Provider

Federal  
State  
Regional  
Local

Oregon Health Authority (OHA)

Committed to lowering and containing costs, improving quality and increasing access to health care in order to improve the lifelong health of Oregonians

- Overseen by Oregon Health Policy Board
- Established in 2009
- Formerly part of Department of Human Services (DHS)
OHA Divisions

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What Does CCO 2.0 Mean to you?
1. Governor’s Four Improvement Priorities

- Improve Behavioral Health
- Address Social Determinants of Health and Health Equity
- Increase Value and Pay for Performance
- Maintain Sustainable Growth Rate

2. The 1115 Waiver

**Highlights of Oregon Waiver (2017-2022)**

- Integration of physical, behavioral, and oral health care through a performance driven system that makes continual improvements to health outcomes and continues to bend the cost curve
- Social determinants of health and health equity - improving population health outcomes
- Sustainable rate of growth puts federal funds at risk in return for adopting use of value-based payments.
- Expand coordinated care model for ensuring better outcomes for members eligible for both Medicare and Medicaid

[https://www.oregon.gov/oha/HSD/Medicaid-Policy/Pages/Background.aspx](https://www.oregon.gov/oha/HSD/Medicaid-Policy/Pages/Background.aspx)
3. Office of the Inspector General Findings

1. OHA provided insufficient oversight and guidance to the CCOs
2. CCOs provided insufficient oversight and guidance to subcontractors

4. OHA Compliance in CCO 2.0

- Interpreting Requirements
  - Federal Requirements
  - 1115 Waiver
  - OAR and ORS
  - CCO Contracts
- Streamlining Submission Processes
- Enhanced Evaluation of Deliverables
- Interpreting Outcomes
- Public Transparency
5. Requirements vs. Performance

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<th>Performance</th>
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<td>“What should the system do?”</td>
<td>“How does the system work?”</td>
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<td>Process-focused</td>
<td>Results-focused</td>
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<td>Dictated by Law, Contract</td>
<td>Determined by Standards</td>
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<td>Attestation, Audit</td>
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Thank you for participating!

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