



Primary Care Payment Reform: The Oregon Experience

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Patient-Centered Primary Care Home (PCPCH)

Background:

- HB 2009 (2009) – establishes Oregon Health Policy Board (OHPB)
- OHPB implements PCPCH Committee to develop definitions
 - Three tiers
 - Truly patient-centered
 - Includes wide range of services (e.g., co-located behavioral health)
- Affordable Care Act (2010) – includes Comprehensive Primary Care Initiative – Oregon one of five test regions
- 90%+ Oregon primary care practices PCPCH certified, most at highest tier



Coordinated Care Organizations

- Oregon's first 1115 waiver in 1990 – Oregon Health Plan
- Series of bills – HB 2009 (2009), HB 3650 (2011), SB 1560 (2012) to move from MCO model to fully coordinated model
- New 1115 waiver in 2012:
 - Maintain medical inflation rate < 3.4%
 - All healthcare entities included (physicians, PT, hospitals, etc)
 - Much more flexibility re how to spend funds
 - Federal & state metrics for accountability
- Regional (16 total, a few areas have two CCO's)
 - First ones enrolled members fall 2012, before ACA expansion
 - Increased focus on primary care



Primary Care Payment Reform Collaborative

- SB 231 (2015) – Established Collaborative, Key Stakeholders
 - Public & private payers
 - Primary care providers
 - Health systems
 - Oregon Health Authority staff
 - Facilitated
- Required OHA to develop definition of primary care, determine percent spend on primary care by each CCO and commercial carrier
 - family medicine, general internal medicine, naturopathic medicine, obstetrics and gynecology, pediatrics or general psychiatry
- Requires report to legislature by fall 2016
 - Current payment models
 - Examples of alternative models
 - Recommendations for next steps



Primary Care Payment Reform Collaborative

- Goals
 - Increase investment in primary care (without increasing costs to consumers or increasing the total cost of health care);
 - Improve reimbursement methods, including by investing in the social determinants of health; and
 - Align primary care reimbursement by purchasers of care.



Primary Care Payment Reform Collaborative

- Support
 - Use of value-based payment methods;
 - Provision of technical assistance to clinics and payers in implementing the initiative;
 - Aggregation of data across payers and providers;
 - Alignment of metrics, in concert with work of the Health Plan Quality Metrics Committee established in ORS 413.017; and
 - Facilitation of the integration of primary care behavioral and physical health care



Metrics

- CCO Metrics revised annually
- Each commercial carrier has its own metrics
- SB 440 (2015) established combined metrics & scoring task force
- Goal: develop standardized set of metrics & scoring for all payers
 - Facilitate reporting
 - Enhance comparisons between practices & providers
 - Payer confidence in “bang for the buck”



Payment Reform Collaborative Findings

- Primary care spending reports – wide variation (6%-18% of Medical Loss Ratio)
- Some improvement each year from 2015 to 2017
- Unmasking helped



Supporting Data for Payment Reform

- Portland State University report on savings associated with PCPCH program (September 2016)
 - Demonstrates 4.2% reduction in per member cost
 - Effect increases every year practice is certified
 - \$13 savings for every \$1 spent (e.g. avoiding hospital & sub-specialty care)
- This report supported Oregon's successful application to participate in new CPC+ program
 - Almost all commercial carriers & CCO's participate
 - Problem: Does not benefit all practices
 - Medicare program, so no pediatrics practices
 - No FQHCs – cost-based reimbursement



SB 231 (2015) –Recommendations

- Increase per capita investment in primary care
- Invest to increase infrastructure, support transformation (technical assistance)
- Move steadily away from fee-for-service (FFS) toward value-based payments
- Use current definition of primary care (SB 231)
- Oregon PCPCH program & NCQA can be used (but most Oregon practices follow PCPCH model)



SB 231 (2015) –Recommendations

- Payments should reach providers, not just health systems (helps get away from FFS)
- Everyone accountable (providers, payers, state)
- Payment reform must meet health needs of community on multiple levels
- Must align with CPC+ while supporting other practices not included in that model



SB 231 (2015) – Recommendations

- Ongoing support for practice transformation
- Strong connection with health plan quality metrics & scoring
- Continue work of Collaborative
- Data aggregation (compare apples to apples)
- Behavioral health integration



Remaining Barriers

- Redefinition of primary care
 - Prescription drugs in or out?
- Implement work of metrics & scoring task force
- Ongoing refinements of system



Take-Aways

- Money matters: businesses, individuals, carriers, state & federal government all recognized validity of data on savings from PCPCH
- Outcomes matter – avoiding unnecessary hospitalization, etc
- Collaborative process works when all relevant stakeholders come to the table in good faith
- You'll never get complete consensus – be happy to get most of the way there
- Understand what represents meaningful progress on the path to payment reform



Resources

Oregon Patient-Centered Primary Care Home information

<http://www.oregon.gov/oha/hpa/csi-pcpch/pages/index.aspx>

Coordinated Care Organizations

<http://www.oregon.gov/oha/HSD/OHP/Pages/Coordinated-Care-Organizations.aspx>

CCO Metrics

<http://www.oregon.gov/OHA/HPA/ANALYTICS/Pages/CCO-Baseline-Data.aspx>



Resources

Primary Care Payment Reform Collaborative

<http://www.oregon.gov/oha/HPA/CSI-TC/Pages/SB231-Primary-Care-Payment-Reform-Collaborative.aspx>

Primary Care Spending Report

http://www.oregon.gov/oha/HPA/CSI-PCPCH/Documents/2017%20SB231_Primary-Care-Spending-in-Oregon-Report-to-the-Legislature.pdf

CPC+

<http://www.oregon.gov/oha/HPA/CSI-TC/Pages/Comprehensive-Primary-Care-Plus.aspx>



Resources

2013 OHA/Health Leadership Council Report

http://www.oregon.gov/oha/HPA/CSI-PCPCH/Documents/multi-payer_support_strategy2.pdf

Portland State PCPCH Study

<https://olis.leg.state.or.us/liz/2017R1/Downloads/CommitteeMeetingDocument/116229>

