

Medicaid Expansion in Oregon

The Financial Impact on Providers

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Resa Bradeen, MD
Chief Medical Officer

FamilyCare Health Plans

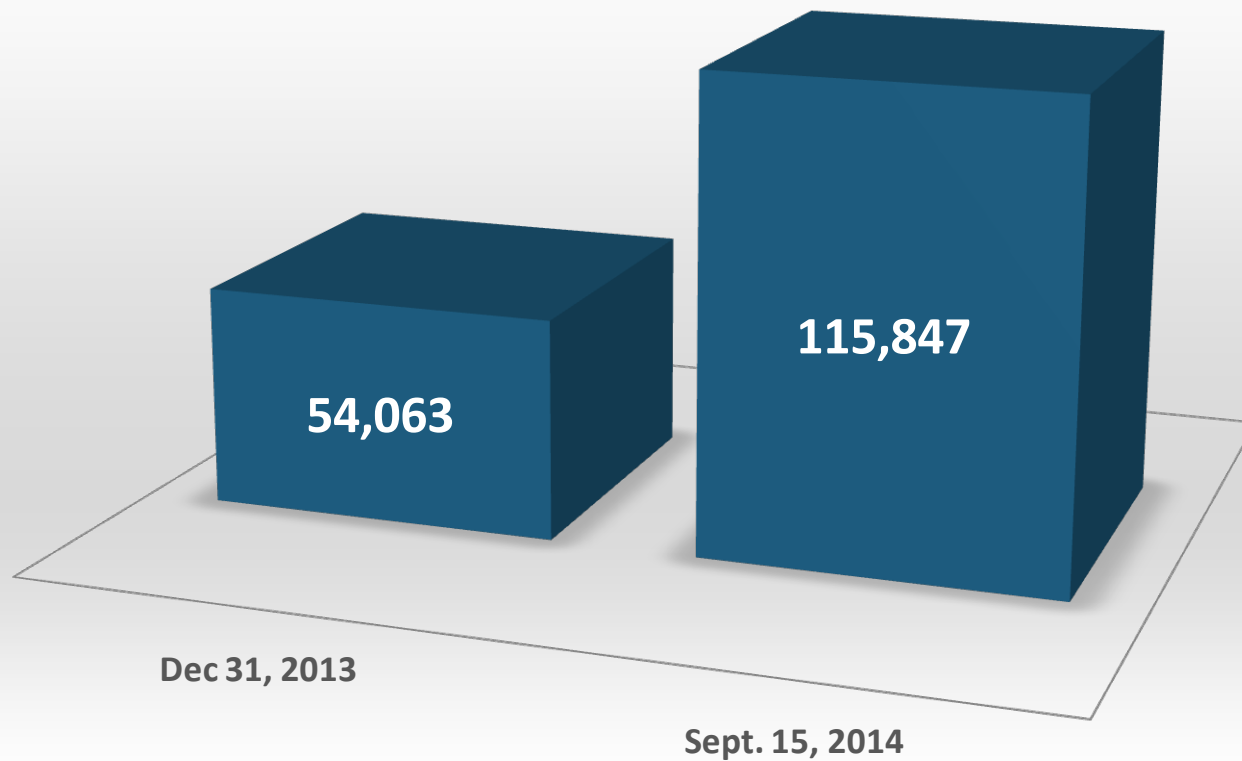


- Began operations in 1985
- Incorporated Mental Health in early 2000's
- Became a CCO August 1, 2012
- Medicaid/Medicare – TriCounty
- Medicare also in Eastern Oregon
and Northern Coast

Expansion Population 2014



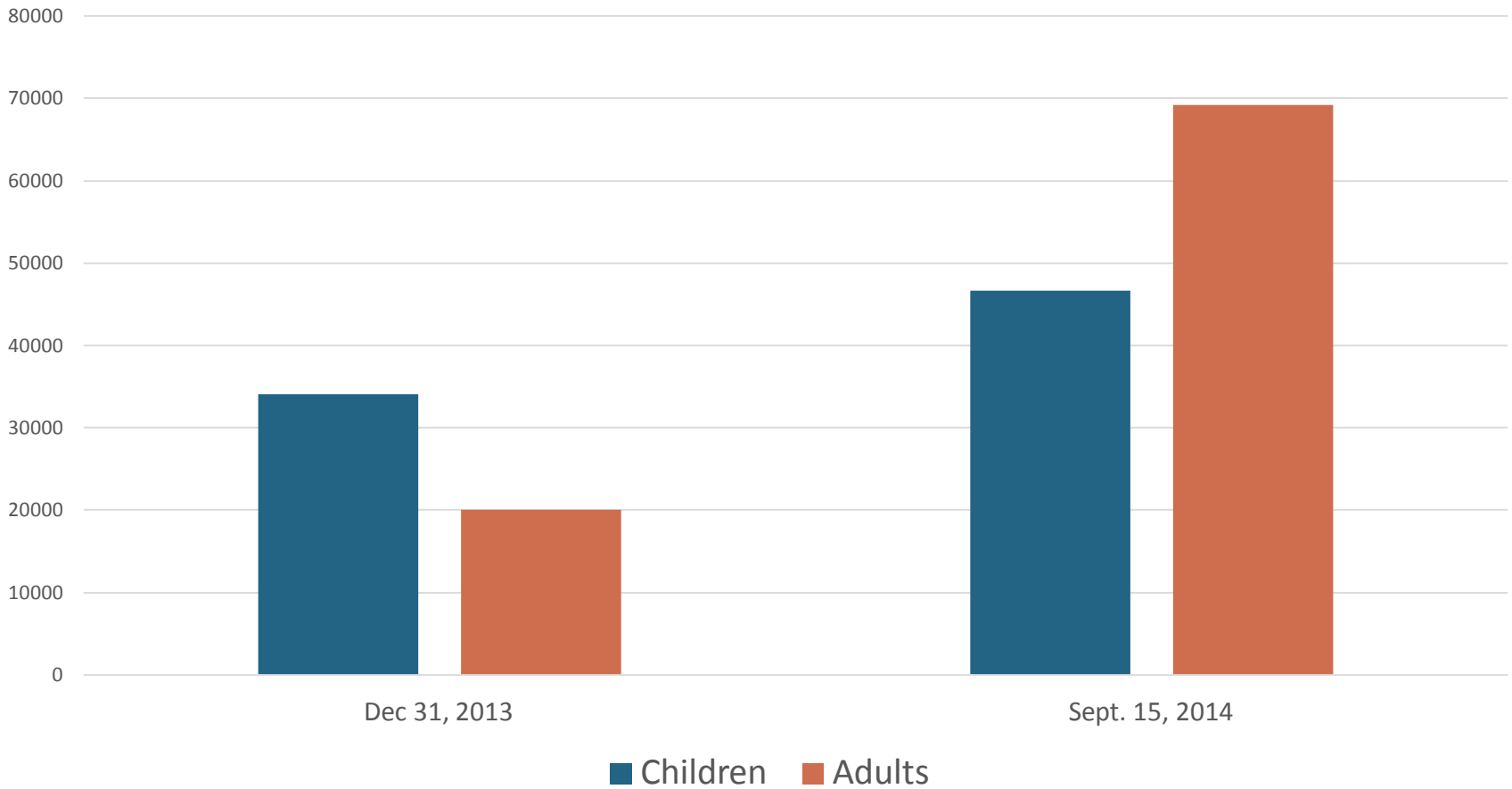
Change in Total



Children / Adults



Number of Members



Successes



- All patients have an assigned PCP
- Outreach welcome calls to all new members
- Expanded network
- Great collaboration at a community level
- Network and providers are engaged in serving this additional population
- Network and providers are engaged in improving quality

Challenges



- Rapidity of expansion was not predicted
- Staffing
- Timeliness of authorizations, claims processing, and other health plan functions
- Constant change 😊
- Community availability of certain specialists and/or areas of treatment
 - Addictions
 - Pain management/treatment options
 - Particular specialist availability
 - Post hospital housing/support for members with homelessness and complex medical problems



Practice Observations

- Some of the patients were previous patients that did not have coverage (especially FQHC's)
- Greatly increased demand for services
 - Initially Primary Care
 - Now, more Specialty Care
- Marked shift in payer mix for Systems, FQHC's, and Private Clinics
 - Different meanings for different clinics

Pediatrics



- Oregon passed Universal Health Care for children in 2009
 - Significantly decreased number of uninsured children
 - Medicaid was for children <200% FPL
- 2014 – Expanded Medicaid for Children to 300% Federal Poverty Level (FPL)
 - Family of Four; Yearly Income \$71,550
- Pediatricians and Children’s Hospitals have seen marked shift in payer mix
- Cost shifting is not sustainable

FamilyCare's Response



- Increased Primary Care Reimbursement by 40% in 2013
- Increased Primary Care Reimbursement by total of 80% in 2014 (Commercial levels)
 - Improved access
- Currently increasing compensation for office-based codes for specialists to commercial levels
 - Allows for improved access to specialty consultation
- Development of non-visit based payment models and models that allow for integrated care delivery
- Increasing how payment is tied to Quality
- Evaluating payment increases and methodologies for Addiction and Mental Health treatment
- Evaluating partnerships with Hospitals to produce Win/Win situations for decreases in ER utilization and Hospital Stays