

# EXECUTIVE SUMMARY

## Incentives for better services

The report lays out how Oregon's coordinated care organizations (CCO) performed on quality measures in 2013. This is the fourth such report since coordinated care organizations were launched in 2012 and the first to show a full year of data. This report also shows the quality measures broken out by race and ethnicity.

In addition, based on a full year's performance measurement, the coordinated care model is entering a new phase - for the first time part of the reimbursement for the services CCOs performed for Oregon Health Plan members will be based on how well they performed on 17 of these key health care measurements.

Under the coordinated care model, the Oregon Health Authority held back 2 percent of the monthly payments to the CCOs which were put into a common "quality pool." To earn their full payment, CCOs had to meet improvement targets on at least 12 of the 17 measures and have at least 60 percent of their members enrolled in a patient-centered primary care home. All CCOs showed improvements in some number of the measures and 11 out of 15 CCOs met 100 percent of their improvement targets.

In addition, coordinated care organizations are continuing to hold down costs. Oregon is staying within the budget that meets its commitment to the Centers for Medicare and Medicaid Services to reduce the growth in spending by 2 percentage points per member, per year.

Overall, the coordinated care model showed large improvements in the following areas for the state's Oregon Health Plan members:

- √ **Decreased emergency department visits.** Emergency department visits by people served by CCOs have decreased 17% since 2011 baseline data. The corresponding cost of providing services in emergency departments decreased by 19% over the same time period.

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- √ **Decreased hospitalization for chronic conditions.** Hospital admissions for congestive heart failure have been reduced by 27%, chronic obstructive pulmonary disease by 32%, and adult asthma by 18%.
- √ **Developmental screening during the first 36 months of life.** The percentage of children who were screened for the risk of developmental, behavioral, and social delays increased from a 2011 baseline of 21% to 33% in 2013, an increase of 58%.
- √ **Increased primary care.** Outpatient primary care visits for CCO members' increased by 11% and spending for primary care and preventive services are up over 20%. Enrollment in patient-centered primary care homes has also increased by 52% since 2012, the baseline year for that program.

The report also shows areas where there has been progress but more gains need to be made, such as screening for risky drug or alcohol behavior and whether people have adequate access to health care providers. While there were gains in both areas, officials say that the state will put greater focus on them in the year to come. Access to care is particularly important with more than 340,000 new Oregon Health Plan members joining the system since January of 2014.

Oregon is at the beginning of its efforts to transform the health delivery system. By measuring our performance, sharing it publically and learning from our successes and challenges, we can see clearly where we started, where we are, and where we need to go next.