OREGON
Jeremy Vandehey
Executive Order and/or Statute
Oregon passed Senate Bill 889 in the 2019 legislative session with broad bipartisan support, creating the Health Care Cost Growth Target Program. The program is now codified in Oregon Revised Statute 442.386. The OHA has authority to convene an Implementation Committee to develop an implementation plan, establish a health care cost growth benchmark, establish methodologies for calculating health care cost growth, require organizations to submit annual reports on health care cost growth and spending trends, and hold public hearings on cost growth. Oregon has yet to adopt legislative or executive authority to implement enforcement mechanisms for those entities who exceed the cost growth target, but this will be considered in the upcoming 2021 legislative session.

Implementation status
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Additional Policy Initiatives

Other initiatives include efforts to advance value-based payment models, including requirements for Medicaid coordinated care organizations (CCOs) in the CCO 2.0 VBP Roadmap for Medicaid coordinated care organizations (CCOs) in the CCO 2.0 VBP Roadmap, and for public employee plans and technical assistance resources provided by OHA’s Transformation Center. These include:

- Existing requirements to measure and report on primary care spending
- Existing requirements to measure and report on hospital commercial median payments
- Statutorily required Primary Care Payment Redesign Collaborative
- Adoption of a statewide quality measure menu set, overseen by the Health Plan Quality Metrics Committee, and a robust internal quality measurement program
- Existing Prescription Drug Price Transparency program

Oregon has also:

- Established a stakeholder body working on a value-based payment strategy and compact
- Adopted a transparency measure for benchmarking the cost growth target for a specified reason: First a performance improvement plan, and then financial penalties for exceeding the target repeatedly
- Begun annual cost hearings modeled on Massachusetts’ annual practice

"The concept of targets isn’t going to solve all things health care but it’s a pillar of our state health care plans in terms of where to expand coverage, contain costs, and drive value. This program will provide a lot of the data infrastructure to have an informed process about how to move forward on our goal of high-quality, affordable health care.”

Jeremy Vandehey

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