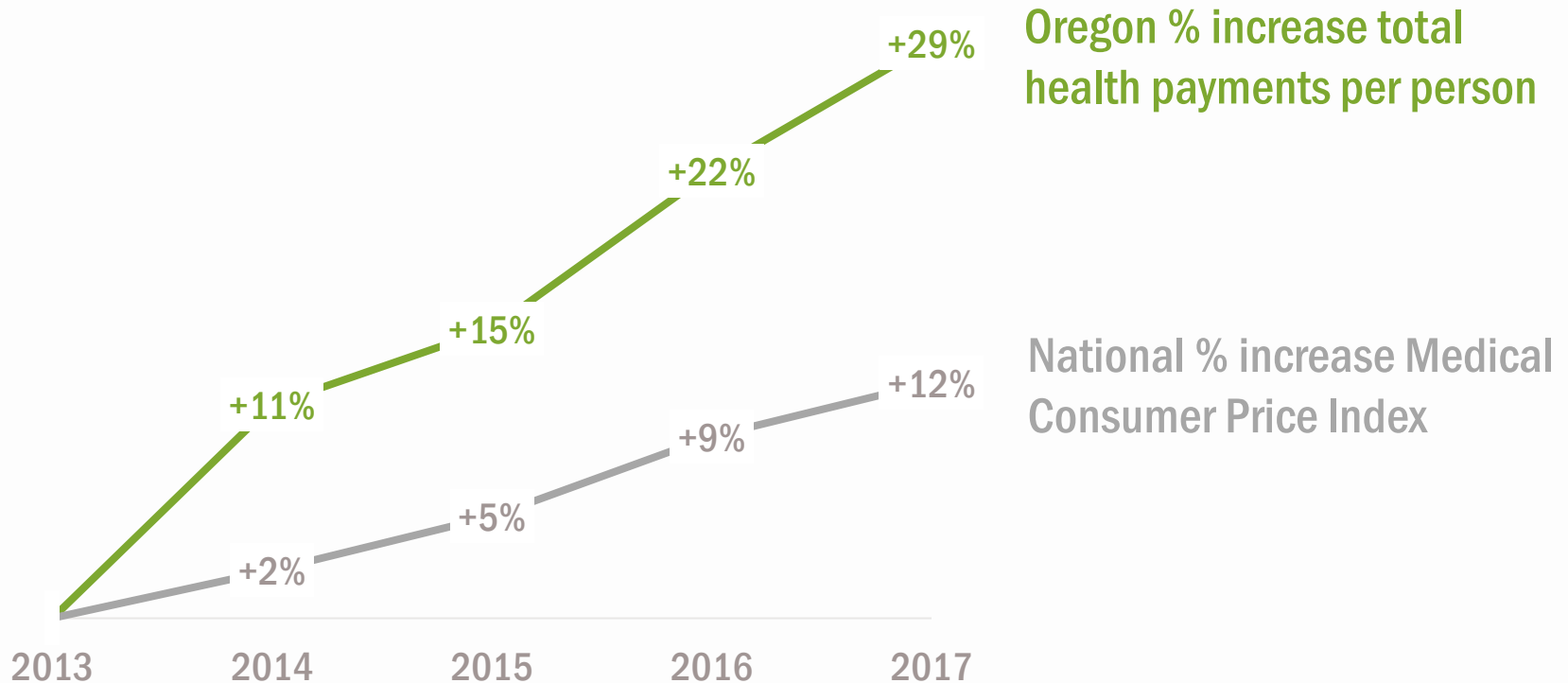

Oregon's Health Care Cost Growth Target Program: Accountability

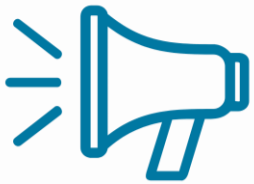
Testimony in support of HB 2081 (2021)
Jeremy Vandehey, Director, OHA Health Policy & Analytics



Health Care Costs are Growing



A statewide health care cost growth target provides...



Transparency

Sustainable
Target

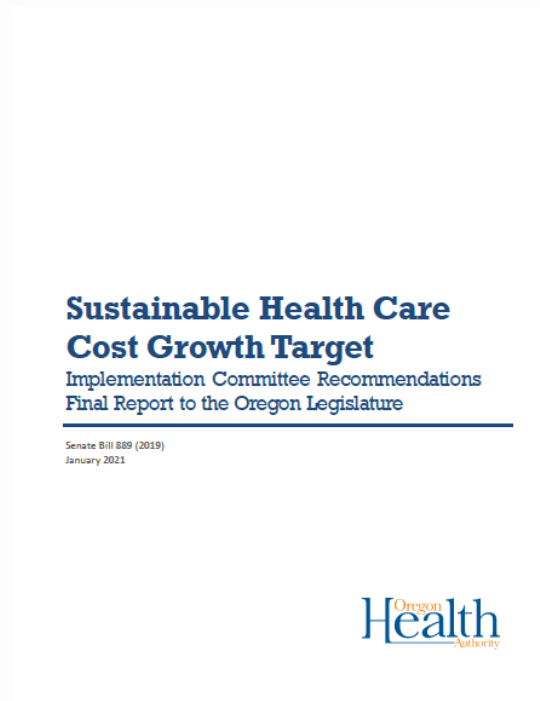
Total Cost of Care
Approach

A Common
Goal

Implementation Committee Recommendations

Committee Workstreams

Final Report – Jan 2021



HB 2081: Accountability for Cost Growth Target Program

- ✓ Requires Performance Improvement Plans for payers and provider organizations who exceed the cost growth target without reason in a given year.
- ✓ Establishes financial penalty for payers and provider organizations who exceed the cost growth target without reason in three out of five years.
- ✓ Civil penalties for failure to report data / participate

	2021	2022	2023	2024	2025	2026	2027
Data Analysis Year	Baseline: 2018-2020	Year 1 : Cost growth from 2020 to 2021	Year 2: Cost growth from 2021 to 2022	Year 3: Cost growth from 2022 to 2023	Year 4: Cost growth from 2023 to 2024	Year 5: Cost growth from 2024 to 2025	Year 6: Cost growth from 2025 to 2026
Public Reports and Public Hearings	Baseline report and first public hearing. 2018-2020 data; COVID-19 impact	Year 1 report and second public hearing: 2020-2021 performance	Year 2 report and third public hearing: 2021-2022 performance	Year 3 report and fourth public hearing: 2022-2023 performance	Year 4 report and fifth public hearing: 2023-2024 performance	Year 5 report and sixth public hearing: 2024-2025 performance	Year 6 report and seventh public hearing: 2025-2026 performance
Accountability: PIPs	N/A	N/A	PIPs, based on Year 2 performance. PIPs publicly reported	PIPs, based on Year 3 performance PIPs publicly reported PIP progress reports publicly reported	PIPs, based on Year 4 performance PIPs publicly reported PIP progress reports publicly reported	PIPs, based on Year 5 performance PIPs publicly reported PIP progress reports publicly reported	PIPs, based on Year 6 performance PIPs publicly reported PIP progress reports publicly reported
Accountability: Escalating Measure	N/A	N/A	N/A	N/A	N/A	Escalating measures apply, based on payers or providers exceeding the cost growth target in 3 out of 5 years (Years 1-5)	Escalating measures apply, based on payers or providers exceeding the cost growth target in 3 out of 5 years (Years 2-6)

Value Based Payments are a key strategy for achieving the target

A collaborative partnership to advance the adoption of VBP across Oregon



- VBP Voluntary Compact
- VBP Compact Workgroup

<http://www.orhealthleadershipcouncil.org/oregon-value-based-payment-compact/>