

FACT SHEET *Nov. 30, 2015*

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SoonerCare Aged, Blind or Disabled (ABD)

Information Gathering

- Request for Information (RFI) was issued in August, as a first step toward implementing HB 1566. Three types of responses were received:
 - o **Capitated health plans** willing to assume financial risk and responsible for both care coordination and service delivery. This was the predominant model, accounting for half of the responses.
 - o **Managed Fee-for-Service (MFFS) (or Administrative Service Organizations (ASO))** to be paid for care coordination only.
 - o Various proposals from **regional, community-based providers** desiring the opportunity to participate in care coordination within their geographic area and scope of competence (e.g., McAlester Regional; primary care clinics).

The OHCA next met over a two-month period with a broad range of stakeholders throughout the state, to document what stakeholders see as core principles of effective care coordination and how stakeholders believe these principles could be advanced through an Request for Proposals (RFP). Stakeholders included:

- o Members and their families
- o Providers of all types
- o Case managers for members receiving in-home support services today
- o Tribal representatives/tribal providers
- o Health insurers (Oklahoma-based and national)
- o Agency partners
- o Elected officials

Stakeholder Recommendations

- Stakeholders made recommendations for ensuring effective care coordination, including:
 - o Identifying all members with needs through initial assessment
 - o Conducting comprehensive assessments, when appropriate
 - o Developing member/family-centered care plans
 - o Authorizing and delivering services timely
 - o Addressing provider gaps, including personal care (many stakeholders identified this as a major concern today – care plans are developed but services cannot be initiated due to a shortage of qualified providers)
 - o Improving provider quality through pay-for-performance opportunities (also referred to as value-based purchasing)

Preserving and building on the success of existing care coordination initiatives that already serve a small portion of the ABD population (e.g., Program of All-Inclusive Care for the Elderly (PACE) and Health Access Network (HANs))

- Stakeholders recognized that care coordination cannot cost more in the short term than the current program and must achieve savings in the long term
- A few stakeholders weighed in to support one model or the other, but most were more focused on outcomes (achieving recommendations) than on a particular model

OHCA Model Selection

- The OHCA and its consultant took into consideration RFI responses, stakeholder input and legislative intent when considering the two primary models (MFFS/ASO or capitated health plan).
- MFFS/ASO option
 - o Improves care coordination
 - o Does not address provider shortages or advance pay-for-performance/value-based purchasing, as the organization would not be capitated for service delivery
 - o Exposes the state to greater financial risk, as service costs remain the responsibility of the OHCA. If costs are over budget, the agency will have to resort to provider rate cuts and benefit cuts to address
 - o Would supplant some existing initiatives, such as the HAN. These initiatives would be discontinued for ABD members, to avoid paying twice for care coordination of the same individuals
- Capitated health plan option
 - o Improves care coordination
 - o Shifts financial risk for service delivery to the plans
 - o Has the ability to use the RFP process to advance other stakeholder/state objectives:

- Selecting plans with strategies for addressing provider shortages over time, and favoring these plans when making awards
 - Selecting plans with strategies for advancing quality through contracts with providers that employ pay-for-performance
 - Selecting plans that form partnerships with existing initiatives, such as HANs, and with regional provider organizations
- Note: To achieve meaningful results under this model, it is essential that members residing in nursing facilities ultimately be enrolled; delaying their enrollment by two years already has reduced the model's potential short term impact.

Final note: The major work lies ahead. The state must strike an appropriate balance between program improvements and affordability. The RFP process ultimately will determine what the state can afford to do and the pace at which progress can be made.