

Oregon Health Policy Board

Global Budget Methodology Work Group Charter

Approved by OHPB on [date]

I. Authority

The Oregon Health Authority (OHA), under House Bill 3650, Section 13, is establishing a public process to inform the development of an Oregon Integrated and Coordinated Health Care Delivery System. This system will deliver integrated health care and services to Oregonians through a Coordinated Care Organization (CCO) model of care, beginning with Oregon Health Plan enrollees and with special attention to coordinating care and services for Medicare beneficiaries who are also on the Oregon Health Plan.

The goal is a health care system where Coordinated Care Organizations (CCOs) are accountable for care management and providing integrated and coordinated health care for each organization's members. CCOs will be managed within fixed global budgets and will provide efficient, high quality, culturally competent care aimed at reducing medical cost inflation. Additionally, Oregon's health care system will maintain regulatory controls necessary to ensure affordable, quality health care for all Oregonians, while supporting the development of regional and community accountability for health and health care equity.

As the policy-making and oversight body for OHA, the Oregon Health Policy Board (Board) establishes the Global Budget Methodology Work Group to provide input on the development of methodology used to create global budgets beginning with Coordinated Care Organizations. The global budget methodology shall be scalable to additional populations including programs in the Oregon Health Authority. The Work Group will be guided by House Bill 3650, the Board's 2010 report *Oregon's Action Plan for Health*, and by OHA's Triple Aim:

- improving the lifelong health of all Oregonians;
- improving the quality, availability and reliability of care for all Oregonians, and;
- lowering or containing the cost of health care so that it is affordable for everyone.

This charter shall expire on December 31, 2011 or when the Board determines that the charter has been fulfilled, whichever is sooner.

II. Scope

The Global Budget Methodology workgroup is charged with providing input on draft design and implementation considerations for a global budget approach including:

1. Proposed methodology for calculation of a global budget that is applicable to different populations (i.e. Oregon Health Plan, PEBB, OEBC, etc.)
2. Proposed criteria for selecting programs, populations, and funding sources to be included in the Oregon Health Plan global budget and input for sequencing of additional components in subsequent years
3. Global budget risk adjustment or stratification options that could be included to address concerns regarding enrollment and other risk considerations that are applicable to different populations (i.e. Oregon Health Plan, PEBB, OEBC, etc.)
4. Analysis of approach for including Medicare funding stream for non-long term care costs of full dual eligibles.

OHA staff will provide work group members materials in advance of scheduled meetings in order to ensure adequate review time and meaningful input.

III. Timing/Schedule

The Global Budget Methodology Work Group will hold meeting which will begin in August 2011 and conclude in November 2011. The meeting sessions will serve as an opportunity for the work group to review and respond to proposals or alternatives that address the draft design and implementation considerations outlined in the Scope section above.

IV. Staff Resources

Co-chairs: Mike Bonetto, Health Advisor to the Governor, and Bruce Goldberg, OHA Director

Staff: Gretchen Morley, OHPA Acting Deputy Administrator, and Russell Voth, OHPA Policy Analyst

V. Work Group Membership

The Global Budget Methodology Work Group members are appointed by and will serve at the pleasure of the Governor. Please see following page(s) for a list of Work Group membership.

[insert membership]

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