



Friday, January 7, 2022

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AllCare Health Public Comments Regarding the Draft 1115 Medicaid Waiver:

AllCare Health is pleased to support the general goals outlined in the Draft 1115 Medicaid Waiver. We support increasing access to coverage, creating better continuity of care and coordination for members experiencing transitions, improving financial flexibilities to address community health needs, constructing upstream health metrics and increasing community voices & accountability to address health inequities.

Overall, while we have a few operational and implementation concerns, we think the Draft 1115 Medicaid Waiver proposal is moving in the right direction on four out of the five goals. Below we provide some general comments and concerns.

**Increasing access to coverage:**

AllCare very much supports creating opportunities to increase health insurance coverage for Oregon health plan (OHP) members. Expanding eligibility and redetermination timelines will help ensure continuity of care for OHP members across the state. Evidence from Oregon and nationwide shows keeping continuity of care between providers and members improves health outcomes for members and reduces overall costs.

Our concern is, even if we maintain a 3.4% rate of growth for OHP, increasing the number of OHP members will greatly increase Oregon's share of Medicaid payments. In this waiver, we don't see a path to sustainably fund this increase in state matching dollars. As health care providers, we see the long-term value in making these investments in Medicaid, but we fear future state governments may not share this commitment. In order to maintain continuity of care for OHP members, we must have stable and reliable funding. We ask that the OHA outline a long term funding strategy through the waiver to fund this increase in state Medicaid obligation.

**Creating better continuity of care and coordination for members experiencing transitions:**

AllCare Health very much supports these efforts and applauds the Waiver's concept to break down silos in the different healthcare delivery settings. Tearing down barriers between delivery systems through



better coordination and clearer funding structures will close gaps in the system for members. The result will be better care for members and reduced gaps in care and duplicative services.

We do have concerns about the implementation of strategies proposed in the Draft 1115 Medicaid Waiver. Following establishment of CCOs in 2012, it took significant time and effort to break implementation barriers between mental, physical, and oral health. Equally difficult conversations are likely to occur if Oregon is successful in getting its waiver requests. CCOs and other stakeholders must have time and flexibility to make new integrated systems work. We request this flexibility be factored into any implementation plan.

**Improving financial flexibilities to address community health needs:**

AllCare Health has been a champion of financial flexibility for CCOs making upstream investments in health. Simply put, the current rate-setting procedures penalize CCOs for making such investments. And yet, even with those penalties, CCOs have spent millions of dollars investing in non-medical health-related support. Some of this has been captured by the OHA by considering Community Health Investments, but many other impactful upstream health investments are discounted as mere “administrative” expenditures. This needlessly discourages such investments.

We support the general concepts of creating flexibility and surety in CCO budgets. There are, however, key shortcomings in implementation of HB 3353 as outlined in the Draft Waiver. The Waiver is largely silent on the requirements funding must meet in order to be counted toward the 3% investment (2021: *HB 3353 Section 2 (3)*). The legislature contemplated the importance of these safeguards that create accountability for CCOs and the communities we serve. Those safeguards should be included as a focus of the waiver.

Including the 3% upstream health investment as medical expenditures for rate calculation, as outlined in HB 3353, is fundamental to our health system’s continued success. It is vitally important to the viability of the CCO model and moves Oregon even farther ahead as a Medicaid innovator.

**Constructing upstream health metrics**

AllCare Health supports the concept of applying CCO incentive metrics to encourage CCOs to make more upstream health investments. This is a system that is proven to work, and we would warn against significant changes to the current structure of the metrics-setting process. There could be significant unintended consequences. The Waiver should also make clear that these metrics are focused on a small amount of high value upstream investments. “Metric fatigue” is a concern, and Oregon Providers (and now Community Based Organizations) must focus the majority of their time on providing care.

**Increasing community voices & accountability to addresses health inequities**

AllCare Health and the AllCare Community Advisory Councils have made our concerns clear about the current proposed policies proposed in the Draft 1115 waiver. We have attached our comment letters to this email.

To be clear, AllCare is strongly supportive of incorporating more diverse voices and promoting community accountability to ensure that health needs of all people are being met. Our concern is that equity silos can create divergent efforts that are unsustainable in a “grant-based” system. This is



antithetical to the legislative intent of HB 3353. Quite simply, the program outlined in the current Draft Waiver does not shift power to the community as the legislature intended, rather it shifts power from local communities to the OHA.

It is our experience that the leading issue with sustainable equity investments in the community has been the fact that CCOs have never had a true global budget. These investments are strongly supported by our Community Advisory Councils, our CCO Board of Governors, and locally based organizations.

Our request is that you make the following meaningful changes to Oregon's 1115 Waiver Request:

- 1.) Follow the bi-partisan concepts laid out in HB 3353 as written and supported by more than 80% of the legislature.
- 2.) Before the Waiver Request is finalized, invite public comment, so stakeholders, especially Community Advisory Councils, can help ensure any waiver changes are in keeping with the intent of HB 3353 and avoid unintended consequences for OHP members.
- 3.) Make clear that the identified 3% of investments in health equity and SDOH-E be recognized as Medical Expenditures. This identification is crucial to make these investments sustainable.
- 4.) Make clear a request for full federal funding of these important upstream investments.

While we and our community have significant concerns about some implementation concepts in the waiver, four out of the five major pillars of the draft waiver are consistent with the Coordinated Care Model. We thank you for considering our recommended changes to the Draft 1115 Medicaid Waiver. We hope that as you consider these changes, robust community feedback will help refine the final waiver to benefit all Oregonians. AllCare Health stands ready and willing to help in that effort.

Sincerely,

AllCare Health