### **OREGON HEALTH FUND BOARD**



# **NEWS RELEASE**

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General Questions: Cynthia Griffin, 503-367-4699 Program Contact: Barney Speight, 503-373-1817 Copy of Draft Plan: <a href="http://healthfundboard.oregon.gov">http://healthfundboard.oregon.gov</a>

## Oregonians Craft an Ambitious Plan to Revamp Health Care and Build a Healthy Oregon

The Oregon Health Fund Board has issued a "working draft" report calling on Oregonians to create a world-class health system. According to the Board, "this is not just an idealistic aim. It is the pragmatic choice."

The Board notes that health care costs too much, many people fail to get necessary care or sometimes get the wrong care, our population is not as healthy as it could be, there are gross ethnic and economic inequalities in health and health care, and we do not have a system that can meet the needs of a growing and aging population.

"There is a real sense of urgency that we must change at a foundational level how we organize and use health care," said Charles Hofmann, MD, of Baker City, a member of the Board and former president of the Oregon Medical Association. "We can't fix this broken system simply by throwing more money at it nor can we make a false promise of expanding access to an unsustainable system."

"Many Oregonians have devoted untold hours over this past year to help tackle this tough problem that impacts each of us, no matter where we live, how much we make, or how hard we work," said Bill Thorndike, chair of the seven citizen member Oregon Health Fund Board, charged by the 2007 Healthy Oregon Act (SB 329) with developing the plan.

"We are asking Oregonians to review the draft plan – and give us your best thinking so we can fine-tune our final report for the Governor and Legislature," said Thorndike.

"Over the past year, I have not talked to one insurance executive, one hospital administrator, one doctor, or one citizen who thinks the healthcare system is working. It seems we are in agreement about the need for transformation," noted Board member Eileen Brady, co-owner of New Seasons Market, which offers health care benefits to its more than 1800 employees and their families.

"Transforming the way we organize and use health care is not the only key to lowering costs and raising the quality of our care," explained Marcus Mundy, Board member and president of the Urban League of Portland. "We must couple system reform with expanding access to care and individual responsibility for practicing good health habits to ensure health security for Oregon families and businesses."

The working draft is subject to public comment throughout September. The Draft and Executive Summary are posted at <a href="http://healthfundboard.oregon.gov">http://healthfundboard.oregon.gov</a>. Board members will present the plan and then listen to Oregonians in ten community town hall forums across the state from September 8-18. They also will take formal testimony in a public hearing on September 30, in addition to receiving written comment on-line and via email during September. Details are attached and on the Board website. The Board will spend October finalizing the report for the Governor and Legislature.

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The Board's plan is a staged approach that lays a firm and sustainable foundation for a healthy Oregon and addresses four fundamental issues: contain rising costs, improve access to and equity of care, gain better quality and value from the delivery system, and improve public health and healthy behaviors. Strategies are arrayed under seven key building blocks of change:

- Bring everyone under the tent. As a first step, cover children and some low-income adults by
  leveraging federal funds with provider-based taxes. These taxes should <u>not</u> be passed on to the public
  in the form of higher health care costs or insurance premiums. Subsequent coverage expansions
  during 2011-2013 will be tied to cost containment and available funding.
- <u>Set high standards, measure and report</u>. Ensuring transparency of costs and health outcomes throughout the system will create competitive pressure between providers to continuously improve.
- <u>Stimulate system innovation</u>. Insisting on new models of care including prioritizing prevention, managing chronic disease, sharing decision making at end-of-life, using evidence-based medicine and strongly emphasizing primary care will improve health outcomes and reduce costs.
- <u>Unify and leverage purchasing power</u>. By coordinating its purchasing strategies, the State will lead the way to stimulate development of new models of care, reduction of unnecessary administrative costs and reasonable price setting. Combining tough purchasing power with innovative solutions that deliver high value services will increase the pace of change.
- <u>Train a new workforce</u>. They will meet the coming crunch and together with existing professionals, will help build an innovative delivery system.
- Focus on health equities. Addressing the social determinants that are the root causes of ill health is the only way to build a healthy population.
- Advocate for Federal changes. In addition to Federal waivers, and additional funding, Oregon must advocate for Federal policies that support our goals.

Underlying these strategies is the recommendation to establish a new Oregon Health Authority to be a catalyst for change.

"Creating world-class health care in Oregon is good business. Oregon is a creative economy, and we have the science and leadership talent not only to transform how we take care of ourselves, but to create a high-value health system which will drive Oregon's economy," said Board member Jonathan Ater, chair of Ater Wynne LLP.

Growing concern with rising costs, declining access to health care and the resulting impact on families, businesses and the state budget, prompted lawmakers in the final days of the 2007 legislative session to ask the Board for a plan of action.

- Oregonians spend \$19 billion a year for health care; yet Oregon ranks 36<sup>th</sup> in healthcare quality according to the Commonwealth Fund's State Scorecard
- Thousands of working Oregonians don't have secure access to health care for their families; one in six Oregonians (600,000 nearly 17%) is uninsured
- Between 2000 and 2006, Oregon per capita income increased 18.5%; during that same time period, average family health insurance premiums in Oregon increased 74.5%
- Businesses large and small are feeling an impact on their bottom lines and their abilities to provide employee health insurance
- Doctors and patients are frustrated with navigating complex medical and insurance systems
- Uncertain state revenues and increasing health inflation are forcing difficult choices between health care, education, transportation and other key services

Since October 2007, the Board and its six committees, have heard expert testimony, reviewed leading edge research, studied successful models in other states and countries, and listened to hundreds of Oregonians in community meetings across the state.

"We have a unique opportunity – one Oregonians are well-equipped to address," explained Ellen Lowe, a 30-year advocate for the poor and vulnerable and a leader in creating the original pioneering Oregon Health Plan. "Together we have produced a workable plan that can put Oregon at the nation's forefront." Lowe chaired the Board's Eligibility/Enrollment committee.

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The seven Board members have experience, knowledge and expertise in the areas of consumer advocacy, management, finance, labor and health care. They represent the geographic and ethnic diversity of the state.

- Bill Thorndike, Medford Board Chair, President Medford Fabrication
- Jonathan Ater, Portland Board Vice Chair, Chair & Senior Partner Ater Wynne LLP
- Eileen Brady, Portland Board Vice Chair, Co-Owner New Seasons Market
- Tom Chamberlain, Salem/Portland, President Oregon AFL-CIO
- Charles Hofmann MD, Baker City
- Ray Miao, Bend, volunteer State President AARP Oregon
- Marcus Mundy, Portland, President The Urban League of Portland

Barney Speight is Executive Director of the Oregon Health Fund Board, assisted by staff of the Office for Oregon Heath Policy and Research.

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Oregonians have a number of venues in which to review and give feedback on the Draft Report during September.

## Ten Community Town Hall Forums - Sept 8-18, 6:30-9pm (schedule follows)

Presentation by Board and staff members on the plan's concepts: majority of time given to audience questions and comments. Oregonians asked to focus comments on the Report's concepts and limit comments to no longer than 2 minutes to allow as many people as possible to speak. Comment cards to be distributed; written testimony may be left.

## Formal Public Testimony - Sept 30, noon - 5 pm

The Oregon Health Fund Board will devote its entire meeting to receiving public testimony, both oral and written. Location: Kaiser Permanente Town Hall; 3704 N. Interstate; Portland

### Submitting written testimony/comments

Email: ohfb.info@state.or.us

Mail: Oregon Health Fund Board, General Services Bldg., 1225 Ferry St SE, 1st Fl, Salem 97301

Deliver to: any "Building a Healthy Oregon" community town hall forum

## Schedule of Community Town Hall Forums (all are 6:30-9pm)

Portland	9.8	Oregon Convention Center, 777 NE Martin Luther King Blvd.
Hillsboro	9.9	City of Hillsboro, Civic Auditorium, 150 E. Main St.
Bend	9.9	Central Oregon Comm. College, Hitchcock Auditorium, 2600 NW College Way
Medford	9.10	Medford City Council Chambers, 411 West 8th St. #312
Gresham	9.11	Mt. Hood Community College, Visual Arts Theatre, 26000 SE Stark St.
Eugene	9.11	Lane Community College, 4000 East 30th Ave., Bldg. 19, Room 202
Salem	9.15	First Congregational Church of Christ, Huntington Hall, 700 Marion St. NE
La Grande	9.16	First Presbyterian Church, 1308 Washington Ave.
Corvallis	9.17	Episcopal Church of the Good Samaritan, 333 NW 35th St.
Newport	9.18	Atonement Lutheran Church; 2315 N. Coast Hwy.

Information: 503-373-1538 Email ohfb.info@state.or.us

Schedule posted <a href="http://healthfundboard.oregon.gov">http://healthfundboard.oregon.gov</a>