

**MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS OF
Eastern Oregon Coordinated Care Organization, LLC
(EOCCO)**

**October 17, 2019
Eastern Oregon Trade & Center (EOTEC), Hermiston, Oregon**

**BOARD MEMBERS
PRESENT:**

Catie Brenaman, Dennis Burke, Kevin Campbell, Bruce Carlson, Jeremy Davis, Larry Davy, Harold Geller, Renee Grandi, Diane Kilkenny, Robin Richardson, and Chris Siegner.

Carlos Olivares, Mike Smith, James Williams, and Christopher Zadeh attended via telephone.

OTHERS PRESENT:

Dave Evans, Debra Florence, Sean Jessup, Marilyn McGaffin, Moda/ODS Community Health. Dr. Chuck Hofmann, EOCCO clinical consultant. Bob Seymour, Grande Ronde Hospital. Bob Houser, Morrow County Health District. Charles Tveit, Lake District Hospital. Troy Soenen, GOBHI. Ray Gibbons.

Estela Gomez, EOCCO Innovator Agent, Dr. Sarah Laoisa, EOCCO clinical consultant, Derek Daly, Blue Mountain Hospital District, and Dan Grigg, Harney District Hospital attended via telephone.

**WELCOME AND
INTRODUCTION:**

Mr. Richardson welcomed everyone to the meeting and announced that EOCCO had been awarded a new five year contract by OHA to continue its work serving Eastern Oregon. Mr. Richardson noted that several of the smaller, rural CCOs were only awarded single year contracts and would remain under a high level of regulatory scrutiny by the OHA in the coming year. He further offered that the requirements under CCO 2.0 are significantly more prescriptive and extensive than the previous CCO contract.

STAFF UPDATES:

Mr. Jessup announced that Dr. Laoisa will be resigning from her position as the EOCCO contract Medical Director effective November 1, 2019 due to work conflicts. Dr. Laoisa will continue to support EOCCO by working with the regional opioid prescribing group and the Clinical Advisory Panel.

Mr. Jessup explained that Dr. Hofmann will take over the responsibilities previous managed by Dr. Laoisa. Mr. Richardson thanked both Dr. Laoisa for her service to EOCCO and its members and Dr. Hofmann for stepping in to take over those responsibilities.

CALL TO ORDER:

Mr. Richardson called the regular session of the meeting to order.

APPROVAL OF MINUTES:

Mr. Campbell noted a clarification to the June 20, 2019 meeting minutes regarding the two references to Mr. Davis which referred to two different individuals (Jeremy Davis and Glen Davis). Upon a motion made by Mr. Geller and seconded by Mr. Smith, the Board unanimously approved the minutes with the noted clarification from the Board meeting on June 20, 2019. Copies of the minutes were distributed to the Board in advance of the meeting.

**OREGON HEALTH
AUTHORITY UPDATE:**

Ms. Gomez presented her report to the Board, copies of which were provided in advance of the meeting. Ms. Gomez announced that Ms. Karen Wheeler will fill the role of tribal liaison for EOCCO and noted that EOCCO is the first CCO to designate this advisor role under CCO 2.0. Ms. Gomez announced that the Transformation Center will be hosting needs assessments calls regarding the incentive metrics for well child measures with additional details included in her report. Additionally, Ms. Gomez announced that the dental toolkit is now available to providers and CCOs online.

Ms. Gomez took a moment to recognize the EOCCO team for their incredible effort in completing the readiness review. She noted the professionalism and preparedness demonstrated by all the staff during the readiness review. Mr. Richardson commended the Moda team and thanked Mr. Campbell for the effort and flexibility shown by the GOBHI team in response to the readiness review.

**2019 CLAIM FORECAST &
2020 RATES:**

Ms. McGaffin presented the current 2019 claims forecast to the Board. Ms. McGaffin explained that current overall inpatient trend was down due to inpatient utilization decreases. She explained that the

severity of the inpatient encounters was pushing the cost up with newborn and mental health and substance abuse as the highest contributing factors.

Ms. McGaffin presented on some cost changes which were notable in 2019 effecting the prescription claims cost trends. She indicated that there are three classes of drug comprising the largest contribution to costs.

Ms. McGaffin informed the Board that OHA will be utilizing the Prometheus program for data analytics to assess the data to be reported by all CCOs under the CCO 2.0 requirements. Mr. Richardson advised that EOCCO will continue to use its own database for internal analytics going forward for internal reporting. Ms. McGaffin cautioned that only about 30% of the CCO reported data will ultimately be included in Prometheus. This will result in less comprehensive data analytics than the EOCCO database. Mr. Campbell noted that he is concerned that, due to the limited nature of data going into Prometheus, it may skew data towards metro area issues. Ms. Brenaman added that she was concerned that the transient population would not be adequately represented in the data since only members who have 2 years of enrollment in the system will be included. Ms. Brenaman asked about the data updates and Ms. McGaffin advised that OHA is anticipating recasting the data every 6 months. Ms. McGaffin noted she would provide updates on the OHA Prometheus project.

FINANCIAL UPDATES:

Mr. Evans presented the EOCCO's balance sheet as of August 31, 2019. He noted that the cash and cash equivalents are down from last December which is reflective of the distribution payments. Mr. Evans advised that the EOCCO's investment strategy shift from holding cash to investing has been successful over the past year and has amounted to earnings being used to offset a portion of current claims losses. The increasing claim trend has resulted in an increase in the MLR to 92% based on current predictions which is higher than EOCCO has experienced in years' prior. Mr. Evans advised that the increased MLR is not only a result of increasing claims costs but also captures the premium rate hold in 2018 and rate decrease in 2019.

Mr. Evans further explained that EOCCO will receive a premium rate increase in 2020 which should help the 2020 MLR rate.

Mr. Evans shifted the discussion to the new CCO 2.0 capital requirements and the newly proposed compliance timeline. Mr. Evans explained that the CCO 2.0 contract requires commercial level capital reserves by 2021 for all CCOs. Mr. Evans explained that OHA had recently provided notice to the CCOs that it expected the 200% capital reserves were expected by the end of 2019. EOCCO leadership pushed back against the expedited deadline and obtained a concession from OHA allowing EOCCO to meet the capital requirements in three stages between 2019 and 2021. Mr. Evans noted that all EOCCO owners have been approached regarding the additional capital contributions. Dr. Grandi inquired as to how the future owner capital contributions factor in with potential profitability. Mr. Evans advised that the capital contribution amounts are based on no net losses or profitability in the coming two years. In the event that EOCCO is profitable, the owner capital contributions will be reduced accordingly.

Mr. Williams inquired after the acceleration of the timeline to meet the 200% capital requirement and how the 200% amount came about. Mr. Jessup clarified that the Oregon legislature passed legislation that provided OHA the authority to follow National Association of Insurance Commissioner (NAIC) guidelines for commercial insurers. Mr. Richardson noted that the acceleration of the capital requirement timeline came directly from OHA and was unexpected. Mr. Richardson and Mr. Burke suggested that the EOCCO consider legislative or association of CCO strategies to address concerns over the extensive requirements under CCO 2.0. Dr. Grandi inquired as to the penalty for failing to meet the capital requirements. Mr. Richardson explained that the EOCCO's contract could be cancelled and the geography would likely be given to another CCO to manage.

The Board shifted its discussion to the CCO 2.0 RFA and Readiness Review process. Mr. Campbell voiced

concerns regarding the 5 year contract cycle and RFA process with OHA. He noted that a 5 year cycle only provides 3 years of useful time as the first year is still transitional and the final year is focused on the next bid cycle. Dr. Grandi voiced concerns that the 5 year contract cycle does not provide incentives to CCOs to invest in long term solutions since the focus will be on projects and services that will show results within the condensed 5 year contracting period. Mr. Richardson reiterated the need to continue conversations around strategies for managing OHA's new requirements and legislators' understanding of the success and limitations in the new CCO 2.0 regulations.

CCO 2.0 UPDATES:

Mr. Jessup highlighted some of the more extensive requirements under the CCO 2.0 contracts. He reminded the Board that the new CCO 2.0 requirements are more prescriptive and less flexible than the original CCO contracts and regulations. During Mr. Jessup's presentation, Ms. Brenaman posed a question regarding the roles and responsibilities of the Community Action Committee (CAC) Nominating Committee required under the new regulations. She explained that current CAC members are appointed by the county commission for each local community advisory council (LCAC). Ms. Brenaman suggested that the process in place for the current LCACs be funneled up to the CAC Nominating Committee to make for the most streamline process for finding and nominating members to the CAC and LCACs.

Mr. Jessup provided details regarding the other new mandatory committees as well as the required staff positions under the CCO 2.0 requirements. Ms. Brenaman asked for clarification regarding several new requirements and the overlap that these have with existing state and local programs, namely the Material Infant Home Visit program. Mr. Siegner posed several questions regarding the new requirements for THWs and the Board discussed the challenge of "claim type" level reporting on these services that, by their nature, do not tend to be rendered in a traditional medical visit setting.

Mr. Jessup provided a high level presentation regarding the new requirements for funding social determinants of health (SDOH) and explained the purpose of the SHARE fund. Mr. Jessup noted that EOCCO will be required to submit a report by June 2020 detailing how SDOH funding and programs will be accomplished with investment to begin in 2021. Mr. Soenen expressed concern that the new reporting around SDOH could have a chilling effect on the organizations in the best position to effect meaning changes within their communities. He explained that most organizations are comprised of volunteers who do not have the bandwidth to complete all of the layers of reporting under the new CCO 2.0 requirements. Ms. Brenaman echoed Mr. Soenen's concerns.

**EOCCO CLINICAL
COORDINATOR UPDATE:**

Dr. Hofmann advised that ten metrics will be retired from the current suite of nineteen and noted that four new metrics will be added to bring the new total to fifteen. Dr. Hofmann provided an update on two staffing changes and noted that Ms. Whidden will be managing the incentive measure program going forward. Dr. Hofmann explained the new grant program will be slightly different than in years past. Historically, local CACs had been funded based on influencing quality measure performance. Under the new grant program, Dr. Hofmann noted that funding will be focused on SDOH and community engagement plans. He further noted that transformation grants totaling \$750,000 will be available for opt-in projects including an oral health focused program in 2020. He announced that the application for grants has been released and responses are due by January 17, 2020.

Dr. Hofmann moved on to discuss the annual health summit, noting that it was engaging and successful based on all accounts. Dr. Hofmann also advised the Board that there are two open positions on the Clinical Advisory Panel (PCP Physician and PCP Non-Physician). He asked the Board to seek out individuals who may be qualified to hold the position and interested in participating. If an individual expresses interest, he/she may submit a letter of interest and curriculum vitae.

Mr. Soenen explained the new meeting requirements for CCO 2.0 to hold a community meeting in every county covered by the CCO. He noted that EOCCO covers the largest number of counties as well as the largest geographical region making this requirement particularly challenging. He noted that EOCCO has proved up to the challenge with 15 total meetings across all 12 counties. He noted that the community opinion has been positive and people were interested in hearing about the work done by EOCCO over the past several years and how these projects have made a major impact on the communities EOCCO serves.

**INFORMATIONAL
REPORTS & UPDATES:**

Mr. Jessup walked through the reports that were provided in advance of the meeting.

PUBLIC COMMENT:

The Board opened the meeting to the public for comments. No public comment was made.

ADJOURN:

There being no further business, the meeting was adjourned.


Assistant Secretary