

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

**February 21, 2020
Moda Tower, Portland, Oregon**

**BOARD MEMBERS
PRESENT:**

Catie Brenaman, Dennis Burke, Dr. Bruce Carlson, Jeremy Davis, Larry Davy, Harold Geller, Dr. Renee Grandi, Ken Hart, Diane Kilkenny, Carlos Olivares, Robin Richardson, Mike Smith, Karen Wheeler, James Williams and Christopher Zadeh.

OTHERS PRESENT:

Robert Gootee, Mark Danburg-Wyld, Bill Dwyer, Dave Evans, Debra Florence, Sean Jessup, Kayla Jones, Summer Prantl, Jim Rickards, Courtney Whidden-Riviera, 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. Paul McGinnis, Henry O'Keefe, Troy Soenen, GOBHI. Derek Daly, Blue Mountain Hospital District. Dan Grigg, Harney District Hospital. Glenn Davis, Yakima Valley Farm Workers Clinic. Chris Siegner, Symmetry Care, Inc. Estela Gomez, EOCCO Innovator Agent. Sarah Miller Worden, UMCHS. Eric Griffith, Northeast Oregon Network.

Ray Gibbons and Sheri Smith attended via telephone.

**WELCOME AND
INTRODUCTION:**

Mr. Richardson welcomed everyone to the Board meeting and thanked everyone for making the trip to Portland. He explained that this meeting is a great opportunity for the Board to meet and engage with the Moda team that works on behalf of EOCCO.

Mr. Richardson introduced Mr. Robert Gootee, Moda's CEO. Mr. Gootee took a moment to speak about a recent conversation with Gov. Kitzhaber regarding the historic work to lay the foundation of the CCO structure that Oregon currently enjoys. He thanked the group for the tens of thousands of lives that EOCCO impacts every day in eastern Oregon. Mr. Gootee offered to answer questions of the Board. Mr.

Tviet asked where he saw Moda in the next five years. He gave a brief overview of the initiatives currently on Moda's 5-year strategic plans.

Mr. Jessup thanked Ms. Audrey Thomas for all of her work in organizing the Board meeting and the additional related events.

Mr. Richardson took a moment to introduce the new Board member, Ms. Wheeler, who will be joining the EOCCO Board representing GOBHI and replacing her predecessor, Mr. Campbell. She gave a brief summary of her professional background and time with GOBHI prior to transitioning into her role as interim CEO for the organization.

Mr. Richardson noted some additional changes to the Board. Mr. Mike Smith would be stepping down from his Board position as he has moved out of Sherman County and now resides in Southern Oregon. He thanked Mr. Mike Smith for his service to the Board and noted the amazing programs that were pioneered in Sherman County. Mr. Smith said a few words about his experience working with EOCCO and thanked EOCCO's support to the people of Sherman County.

Mr. Richardson continued on to explained that Ms. Breneman would also be stepping down from her position as RCAC chair as well as her position on the Board. Mr. Richardson thanked her for all of her service to EOCCO and its members and noted that these resignations would be effective after the meeting adjourned.

Mr. Richardson congratulated both Wallowa Memorial Hospital and Baker County Hospital on their inclusion in the list of the top 100 critical access hospitals. Mr. Davy spoke a bit about the work that went into obtaining the designation as well as obtaining a 5-star rating critical access rating including recognition as one of the top 20 critical access hospitals in the country.

CALL TO ORDER:

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

APPROVAL OF MINUTES: Upon a motion by Dr. Grandi and seconded by Mr. Hart, the Board unanimously approved the minutes of the meeting of the Board on December 12, 2019.

Ms. Florence noted that Dr. Hofmann's title would be updated and first initial will be added given that the Board has two Mr. Davis' on the Board.

**OREGON HEALTH
AUTHORITY UPDATE:**

Ms. Gomez reviewed the contents of her Oregon Health Authority Innovator Agent Update, a copy of which was provided to the Board in advance of the meeting. She noted that the Transformation Center is a fount of resources including expanded webinar offerings to allow for more accessibility for people in eastern Oregon.

She explained the Baby/Mom tobacco free initiative and advised brochures were available for any clinics with interest in referring members to the program.

She spoke about the upcoming OHA webinars regarding presentations for the quality metrics. She noted that the ECHO project, of which EOCCO is a member, offers Behavioral Health and Substance Use Disorder trainings.

Ms. Gomez advised that the Screenwise Program was looking for participants. If individuals wanted to refer participants to the program, she included the contact information in the report.

CEO APPOINTMENT

Mr. Richardson explained that, with Mr. Campbell's departure from GOBHI, Mr. Campbell resigned his position as the CEO of EOCCO. He explained the need to have continuity of representation with the OHA and, thus, nominated Mr. Jessup. The Board discussed Mr. Jessup's qualifications to serve in the role. Mr. Richardson noted that we can revisit the CEO discussion if that is of interest to the Board.

Mr. Siegner commented that he was happy with the handling of the transition with Mr. Campbell's departure and noted that GOBHI would like to reopen the discussion about an executive role within EOCCO once GOBHI selects a permanent CEO.

Mr. Smith asked for clarification regarding the President title. Mr. Richardson noted that he would use the CEO title if appointed by the Board to the position.

Upon a motion by Dr. Grandi and seconded by Mr. Mike Smith, the Board unanimously approved the appointment of Mr. Jessup as the EOCCO CEO.

LEGISLATIVE UPDATES: Mr. Francesconi briefly discussed the team of government affairs staff that has been working with the Oregon Legislature to help reduce some of the administrative burden created by the CCO 2.0 regulations.

He explained that the top priority of the team was to protect and promote the CCO model. He outlined the timeline of the legislative short session and noted that there were a large number of incumbent legislators not seeking re-election.

He summarized the broadly supported bill regarding coverage and funding for telemedicine in Medicaid. He explained that the bill is a directive to OHA to form regulations for telemedicine. Mr. Glenn Davis noted that he would like to be involved with trying to influence the rule-making around the telemedicine issue.

He moved on to the proposed bill regarding translation services and noted that this was not expected to pass. In the event of passage, the bill could have an impact on the number of available translators if additional mandatory certifications are put in place.

He explained two additional bills regarding member assignments and confidentiality and trade secret protection. He noted that these are of particular concern other CCO's.

Mr. Francesconi noted that there is work going on to adjust the legislation around the new RBC requirements. He noted that this was of concern to multiple CCOs whose CFOs were discussing the impacts of the new regulations on each organization.

Dr. Grandi asked if the reason for increasing the RBC requirements to commercial levels was due to CCO

failures from which consumers need to be protected. Mr. Francesconi clarified that this was not the case and explained that the FamilyCare failures were not the result of insufficient capital. The Board discussed the issue and the genesis of the new rules.

He also discussed the upcoming January 2021 session. He noted some concerns around the Big Tobacco legislation. He commented on some additional federal impacts regarding federal Medicaid funding.

Ms. Brenaman noted that more funding was needed for mental health services for children. Ms. Brenaman explained the importance of aligning medical and behavioral health services. Mr. Geller noted the threat of the MFAR is a major threat to the Oregon Medicaid program. He reiterated the need to focus resources on the coming challenges and meeting them head on.

Mr. Williams asked if behavioral health would be the focus of the 2021 session. Ms. Wheeler explained her involvement on the behavior health committees and explained the approaches that are being considered regarding the ballooning costs of the state hospital. Mr. Williams emphasized the importance of staying involved on this issue due to its importance to eastern Oregon.

FINANCIAL UPDATES:

Mr. Evans introduced Jake from RV Kuhns who is the investment advisor for EOCCO. Jake presented a high-level performance review of EOCCO's portfolio. He noted that 2018 was a great year from an investment standpoint and EOCCO realized the gains of its investment strategy update in 2018. He explained the restricted and standard pools and the diversification across these funds.

Jake presented the EOCCO's long term performance projections. He explained the three different options for the standard fund. He offered that the owners recommended staying the course of our current investment strategy.

Upon a motion by Mr. Geller and seconded by Mr. Zadeh, the Board unanimously approved (i) the maintenance of the current investment approach and,

(ii) to shift \$12 million of EOCCO's cash holdings to the investment fund.

Mr. Evans presented the EOCCO's balance sheet as of December 31, 2019. He noted that the 2018 transition of cash to investments has paid significant gains for EOCCO. He noted that the move of the \$12m will continue to give opportunities to realize gains going forward more so than simply holding the funds in cash.

He updated the Board on the status of the capital call and noted that EOCCO is currently above its capital commitment based on current earnings and accounting for the capital call amounts that were received at the end of 2019.

Mr. Evans noted that 2019 MLR was 91% which was consistent with the 2019 projections. The MLR was consistent with expectations given the rate hold in 2018 and rate decrease in 2019. He added that the investment income helped to offset some of the losses experienced in 2019.

He presented the 2020 forecast and explained the process of setting the forecast for the year. He explained that there will be a rate increase of approximately 7.4% and small increases in total membership. Additionally, he noted that EOCCO is projecting an MLR of 90%, 1% lower than 2019, which, if realized, would result in a profitable year. He also explained that the EOCCO has fared well with reinsurance. He summarized the state of the capital for EOCCO and indicated if EOCCO performs to expectations, there will be no need to make a capital call for 2020.

Upon a motion by Mr. Hart and seconded by Ms. Wheeler, the Board unanimously approved the 2020 EOCCO budget.

Mr. Burke advised the Board that there is a proposed public charge rule that you cannot have a charity care policy that requires participation in the charity care policy if you fail to apply for a program you would qualify for, such as Medicaid. He indicated that he was unsure how to forecast the potential risk of this rule passing at the federal level. Mr. Richardson said that

Mr. Francesconi's team would take the topic away for some additional research.

Ms. Brenaman noted the difficulties with finding interpreters who can speak to the Guatemalan dialects and serve these communities. The Board discussed the challenges given potential deportment threats that impact enrollment. Ms. Kilkenny noted that some of the work should be focused on the schools and explained her program has been seen significant gains from this approach. Mr. Richardson confirmed EOCCO would work on a plan and bring it back to the next meeting. Ms. Brenaman offered to assist as a community member in the development of a proposal.

SHARED SAVINGS MODEL UPDATE

Mr. Danburg-Wyld presented the historic claims trend and OHA rate landscape. He explained that the medical trend in 2019 increased to approximately 4%.

Mr. Danburg-Wyld described the shared savings model and the performance in each of the funds. He noted that the amounts were based on July 2019 data. Mr. Hart asked about the variance between the PCP and Behavioral Health. Mr. Danburg-Wyld explained that the Behavior Health category includes Behavioral Health, Substance Use Disorder and Non-Emergent Medical Transport which was why it was so much higher than the PCP category. He also explained that PCP medical home payments were not included in the PCP fund.

Mr. Danburg-Wyld explained that EOCCO received a net rate increase of approximately 7.4%. He noted that the 11.4% contained in his presentation was not reflective of what EOCCO actually will receive as it includes the withhold for the quality bonus measures. In the past, quality measure money was not included in the rates. In 2020, the quality bonus money will be included in the rate but withheld by OHA from the actual capitation payments.

He presented the projections and recommendations for the shared savings model for the 2020-2021 cycle. He clarified that the increase in the GOBHI rate was to account for the increased costs for Non-Emergent Medical Transport and ABA services which had

historically run at a significant deficit. The rate increase above that of the overall EOCCO rate increase was designed to counteract that historic trend.

Mr. Danburg-Wyld indicated that a 2.6% trend included in the forecast model. If the project claims trend holds, EOCCO will have a surplus in the medical fund for the shared savings model.

Upon a motion by Mr. Mike Smith and seconded by Dr. Carlson, the Board unanimously approved the 2020-2021 shared saving model.

Mr. Richardson advised that there is some money set aside that can be used to offset the current deficit in the shared savings model. Currently, if the model continues at its current trend, the providers would not see any payback of the withholds that have been taken over the year. If the additional funds are used to offset the deficit, providers would get about 2/3 of the withhold. Mr. Danburg-Wyld noted that the model runs through 3/31/20 so he will return with a recommendation on the use of funds in a future meeting.

Mr. Danburg-Wyld moved on to present the upcoming changes to the 2021/2022 model due to the CCO 2.0 requirements. He explained that there would need to some changes to account for new metrics. He commented that his team would bring modelling back to the Board at a future meeting for consideration. Mr. Jessup noted that some of the anticipated changes should be technical in nature to ensure that EOCCO receives full credit for all of the dollars going into the shared saving model.

Mr. Richardson reminded the Board of the 2019 approval of the YVFWC pilot. The model was a total cost of care model in which YVFWC was 100% financially liable for the care of members assigned to their clinics regardless of where the members obtained care. If there were savings under the pilot, YVFWC would receive 70% of the gains with a portion of the remaining 30% going to the hospitals in the target geography to equalize the model.

He noted that YVFWC made significant investments in its system that resulted in substantial improvement in the clinics' performance. It is currently performing better than EOCCO's general performance. YVFWC will present at a future meeting to discuss its investments and how they translated to cost savings.

Mr. Richardson explained that the program requires additional time to evaluate overall performance. He recommended that the pilot continue forward for another year. Ms. Kilkenny inquired about customer satisfaction as an evaluation measure. Mr. Richardson responded that some additional analysis needed to be done to assess the actual success of pilot.

Mr. Dwyer presented the trend analysis of the pilot which demonstrated a marked trend reversal for YVFWC members. Mr. Richardson noted that YVFWC had consistently met all of the metrics in historically. Mr. Siegner asked if the bulk of the savings was in Behavioral Health or in medical. Mr. Glenn Davis explained savings had been widespread and offered to present a deeper dive into all of the changes that contributed to the savings. Mr. Geller cautioned the Board be cautious as it assesses the models to ensure that it does not adversely impact the very small rural hospitals. He noted that in many rural communities, the frontier hospitals are critical to having any medical services in these small communities.

**COST & UTILIZATION
UPDATE:**

Mr. Dwyer presented his report on the EOCCO cost and utilization trends. He advised that his team is working on reporting to target the segment of high cost members that represent 10-20% of the overall spend. He noted that the information would be available to providers to help guide outreach attempts and case management to more effectively engagement with these members and contain costs through more proactive care and management.

Dr. Grandi asked if providers can contact EOCCO and request specific data on the provider's members to see if members were receiving the appropriate level of care. Mr. Richardson confirmed that providers may contact Mr. Dwyer with questions and

requests for data. Ms. Wheeler advised that GOBHI was working on some similar analytics and should collaborate on report development.

Mr. Dwyer advised that Moda had purchased some social determinants of health data. Ms. Wheeler advised that OHA had some additional data on social determinants of health and advised that the data could be used for additional analytics and testing.

Mr. Dwyer announced a new report that would be rolling out soon with medication utilization analytics. The goal of the report will be to be used to target outliers in the use of multiple medications and costs to identify members for outreach.

**ADMINISTRATIVE
SERVICE AGREEMENT
AMENDMENTS:**

Ms. Florence reminded the Board of need to update EOCCO's administrative service agreements to the CCO 2.0 contract requirements. Ms. Florence advised that all agreements had been provided to the specified subcontractors. Mr. Richardson advised that the administrative service agreements, upon updating, would be back to the Board for approval.

Ken asked regarding the history of the NEMT and LCAC/RCAC funding because this was not historically in the agreement.

Mr. Richardson explained that the administrative services agreements had not been updated since early in EOCCO's formation. To account for changes which had been made throughout the years, he advised the agreements has been made current. Mr. Hart inquired as to metrics in place to monitor the performance of the subcontractors written into the agreements. Mr. Richardson noted that the metrics are monitored by various groups.

Ms. Brenaman and Dr. Grandi emphasized the need to have the staff for the LCACS as failing to fund these services sufficiently would result in a lack of engagement within the communities.

Ms. Brenaman noted that the LCACs are engaged on the physical metrics but do not engage in the mental health metrics. Mr. Richardson noted that the focus

was out of necessity for medical but that this will change as we move forward.

Upon a motion by Mr. Hart and seconded by Dr. Grandi, the all members of the Board approved the following resolution apart from Dr. Carlson, who opposed.

RESOLVED, the Board approves the amended Administrative Service Agreements for the company's five subcontractors substantially in the form provided to the Board in advance of the meeting and authorizes management to complete negotiation of said contracts in the best interests of the Company.

QUALITY BONUS & PCPCH PROGRAM UPDATES

Dr. Hofmann summarized the quality bonus program update. In the report, he outlined the recommendations from the clinical advisory panel. He explained the formula for fund allocation for quality bonus payments and grant payments.

Dr. Hofmann reiterated the comment by Mr. Richardson that each quality metric is worth approximately \$1,000,000. He noted that for 2018, EOCCO met the vaccine metric for the first time. He thanked the team for the extensive efforts that went into meeting the metric.

Ms. Kilkenny noted that there may be public health partner assistance on the immunization metrics. Dr. Hofmann explained that the data indicated that 90% of vaccines were being provided in the PCP office which was surprising and needed additional analysis.

Dr. Grandi asked about the age cut off for HPV and meningitis vaccines. Ms. Prantl noted a discrepancy between the public health recommendations and the quality metrics and advised that she would be going to the OHA Metrics and Scoring Committee to make recommendations.

For performance PCPCH capitation payments, Dr. Hofmann explained that the clinics were tier based. The payments were similar across the board which was not reflective of the performance of the clinic in meeting the metrics or accounting for the risk population seen at the clinic.

**GRANT SUBCOMMITTEE
UPDATES**

Dr. Grandi asked for clarification on the “performance” versus “risk” categories. He provided an explanation of the different methodologies. He noted that this will be carefully monitored over the next three years to ensure the model performs as expected. Mr. Dwyer explained that there would be an offset 12-month period look back.

Upon a motion by Mr. Geller and seconded Ms. Wheeler, the Board unanimously approved attachment C at 75, 25 risk, 0 performance for the next year but that the providers be informed of the performance for the following year so they know that performance year for which they will be held accountable.

Dr. Hofmann presented the grant review process. He explained that individuals, unaffiliated with EOCCO, review the applications and a scoring metric is completed. The reviewers recommend either full funding, full funding with contingencies, partial payment with contingencies, and not recommended.

Dr. Hofmann advised the packet, provided to the Board in advance of the meeting, included all of the requests, inclusive of nine single and group LCAC requests. He noted that the approvals were focused on the LCAC identifying the needs to be addressed in each LCAC’s geography as opposed to being closely tied to only the quality metrics.

He drew attention to a request from the Oregon Bank that impacts food distribution centers in eight counties. Dr. Hofmann explained that the transformation funds were held until 2.0 requirements were released. He recommended the Board waive this hold for the Oregon Food Bank request due to the importance and impact of the program across eight counties.

Dr. Hofmann recommended the pain advisor grant be denied and paid separately from EOCCO funds and outside of the of the grant funds.

Upon a motion by Mr. Hart and seconded by Dr. Grandi, the Board unanimously approved the following resolutions:

RESOLVED, that the Board approves the exemption for early release of the transformation funds for the Oregon Food Bank request.

RESOLVED, FURTHER, that the Board approves the payment of the transformation grant for Pain Advisors from general EOCCO funds directly, separate from the transformation grant funds.

**EOCCO CLINICAL
UPDATE:**

Dr. Hofmann presented the harm reduction, needle exchange plan and how EOCCO can impact this area. Dr. Hofmann asked the Board if they would be interested in being involved with the needle exchange program. Mr. Tviet asked about the prevalence of the Hep C and HIV rates. Mr. Siegner advised that this should be very carefully reviewed before EOCCO take any stance on this issue or the program. Ms. Brenaman noted that this was already in place in Umatilla County and Pendleton. She voiced her support for investigating. Dr. Hofmann surmised that there was some interest in investigating further and will return to the Board with more details on the potential gains and risks of participation.

PUBLIC COMMENT:

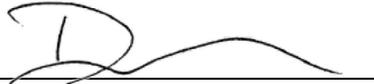
Mr. Richardson opened the meeting for public comment. Ms. Brenaman thanked the Board for having her and advised the RCAC elections are next month. She will work with the new chair to ensure a smooth transition. There being no additional public comment, Mr. Richardson moved onto informational reports and updates.

**INFORMATIONAL
REPORTS & UPDATES:**

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

ADJOURN:

There being no further business, the meeting was adjourned.


Assistant Secretary