

# FY 2015 Budget

The Impact of the Affordable Care  
Act and Health System  
Transformation

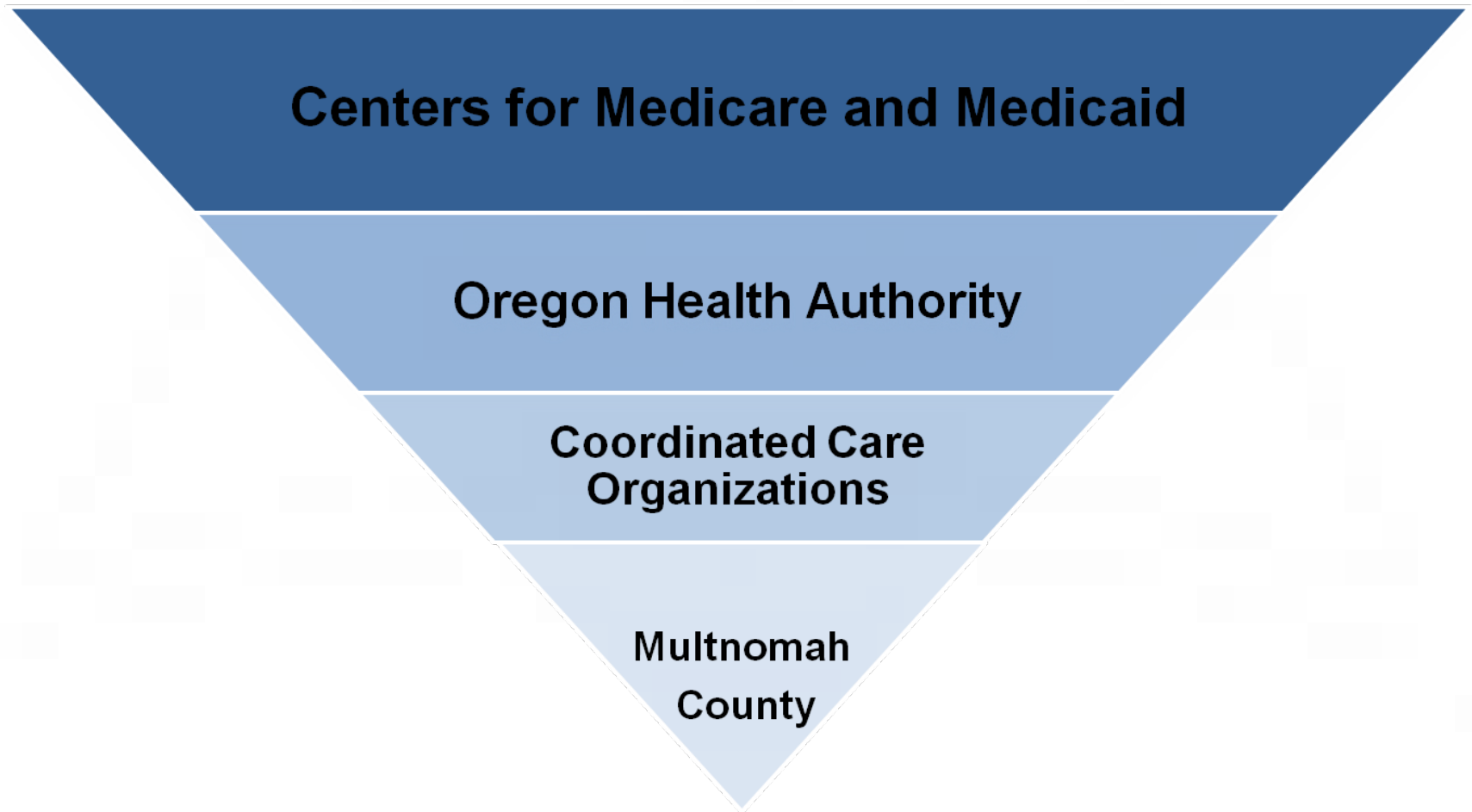
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## County-wide, coordinated approach

- County principles of equity, transparency, and collaboration underlie all health system transformation work.
- Regular meetings with department leaders and key divisions, including government relations and communications.
  - Speak with one voice.
  - Venue to share information and develop strategies.



## Medicaid Expansion

- Numbers enrolled across the state exceeded projections.
- Tri-County Area: Health Share of Oregon has over 54,000 new members and Family Care has approximately 40,000 (including some in Marion County).
- Over 40,000 Multnomah County residents newly enrolled in Medicaid as of mid-April.





# Medicaid Expansion

- Health Department processed over 12,000 applications as of end April.
  - Clinics enrolled 11,000 people.
  - Corrections Health helped enroll 1,900 people in jail.
- Department of Community Justice follows up with partners (jails, prison, Corrections Health) to ensure that clients enroll or finalize enrollment.
- Social Service and Mental Health and Addictions partners and providers help eligible clients enroll in the Oregon Health Plan.





# Medicaid Expansion – Demand and Access for Care

- Demand and access for care are community-wide issues
- Physical health care near capacity for Oregon Health Plan (OHP) in the metro area
- Dental health is currently managing demand; but demand is growing
- Multnomah Mental Health providing capacity payments to providers to recruit staff to serve new members



# Budget Impact

## Health Department

### Primary Care and Dental

- Revenue projections allow us to maintain current service level for primary care and dental.
- Increase in revenue from Medicaid expansion allows us to maintain current service level and keep up with cost increases. (~ \$6m)

### Corrections Health

- Commercial insurance coverage may provide some additional revenue but will require investment in systems to realize savings.
- Medicaid coverage for hospitalization for stays over 24 hours may decrease costs. (total impact ~ \$0.5 - \$1m)





## Budget Impact

### Multnomah Mental Health Medicaid Program

- Medicaid Increased Revenue (\$14.5m)
- Mental Health State Indigent Fund Decrease (\$10.5m)







# Budget Impact

## DCJ and DCHS Addictions Treatment

- Addictions funding changes coordinated with both DCHS and DCJ
- Supports a system change in the delivery of addictions treatment, making possible a more comprehensive continuum of care
- Medicaid expansion allows shifting of treatment funding from state and county funds to Medicaid
- New Medicaid population puts even more pressure on extremely limited residential treatment capacity



## On the Horizon – FY 2015

- Investments in Information Technology infrastructure, software, and integration tools will be required
- Analysis of the IT and business process requirements for integration of behavioral health and physical health will continue via School-Based Health Center grant
- Requesting FY 2015 carryover, \$400k



## On the Horizon – FY 2015

- Implement Alternative Payment Methodology for public health and primary care / dental
- Develop implementation plan -- Healthy Columbia Willamette
- Review system -- Multnomah Mental Health and Community Mental Health Program
- Mental Health Global Payment started January 2014; Phase II Alternative Payment Model begins in July 2014
- Develop clear approach to incentivize treatment of criminal risk factors – Department of Community Justice



# Risks

- Capacity
- Delay of Alternative Payment Methodology for primary care clinics by the state
- Coordinated Care Organizations not yet focusing on prevention
- Other funders reduce payments before Medicaid expansion impact fully known
- Technology improvements and upgrades required to keep primary care competitive and to manage mental health benefit are yet unknown



Questions?