
Health Care Transformation & Public Health Laboratories

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Oregon
Health
Authority

Thoughts

State & local PHDs
are at a critical
juncture

Changes aren't
superficial – whole
context is shifting

ACA has major impact
on local health depts;
PHLs are largely an
extension of local PH
services

Past reform efforts
focused on payment
system; ACA changes
the delivery system

Anxieties

When everyone has a private sector medical home, who will go to LHDs for care?

Will LHDs even provide direct care? Many have stopped already, or contract with community clinics

Will anyone still send samples to PHLs?

The sky is falling!
The sky is falling!





Oregon State PHL Experience

CCOs have taken over the Medicaid caseload; uninsured poor to follow (~600K people)

Each CCO has a provider panel, including labs

To bill for Medicaid clients, we must bill each CCO rather than state Medicaid; requires a contract with each CCO

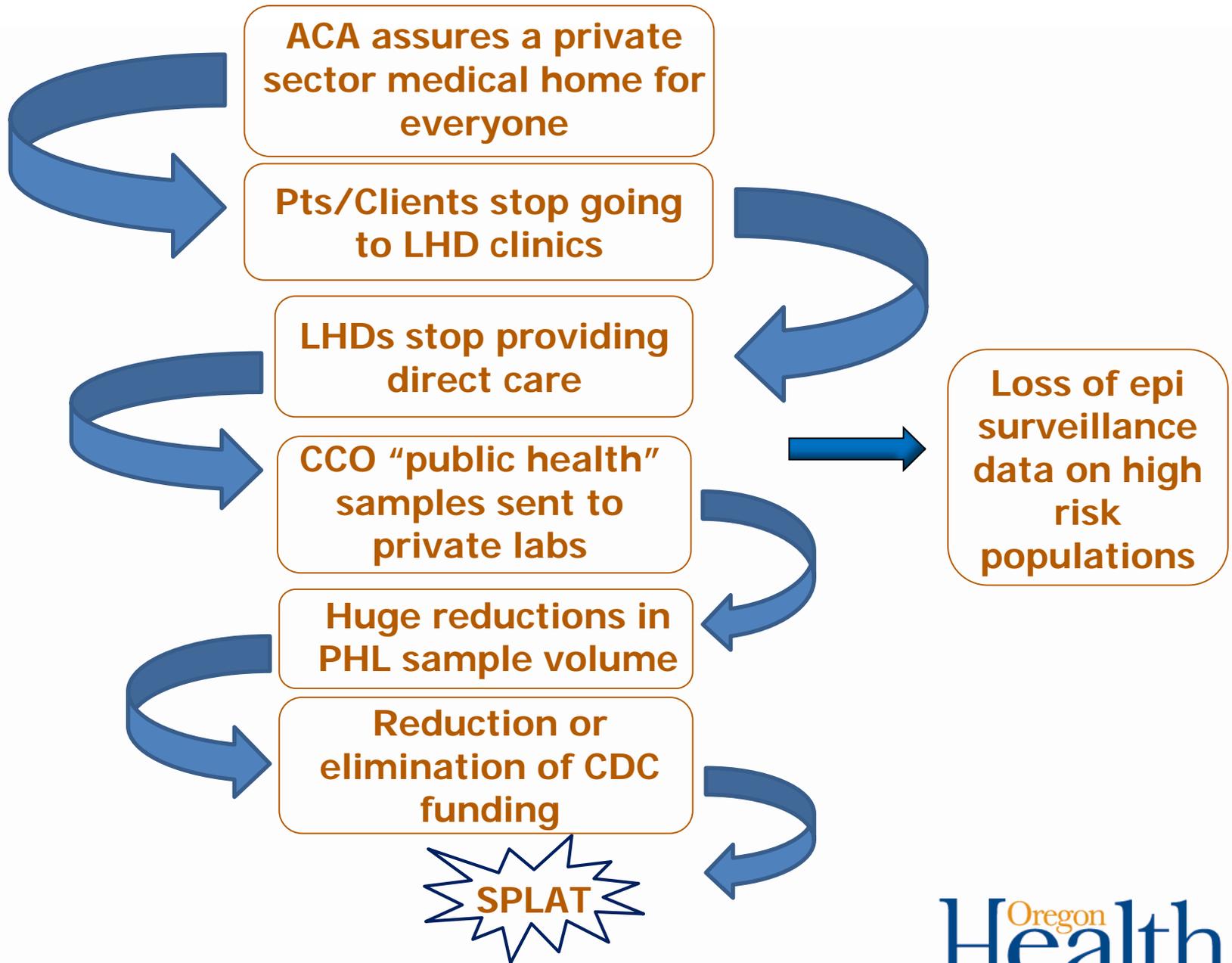
To CCOs we're just another lab; they will send their samples to whatever lab provides the best service at the lowest price

Private labs know this(!) and offer CCOs good pricing for bundled services

Private labs have couriers, EHR interfaces, electronic billing, & other services highly valued by CCOs

OSPHL must offer similar services or we will no longer receive samples from clients formerly seen for “public health” purposes in LHDs

But OSPHL will still be expected to offer population-based support for outbreak detection/investigation & specialized testing that cannot be billed to anyone





How the OSPHL is Responding

- Indexed our fees to state Medicaid schedule
- Contracting with a billing vendor; going totally electronic & billing all payers
- Creating bidirectional electronic interfaces with client EHRs
- Maintaining & improving our courier service
- More frequent & comprehensive client surveys
- Full time Client Services Coordinator

Risks & Opportunities

- Nothing less than reconceptualizing how our lab provides services & transforming ourselves to be more like private labs in some ways
- Opportunity to become more business-like & reduce our reliance on state & federal appropriations for core services
- If we don't succeed, our lab may no longer exist within a few years, or it may be much smaller and narrower

“More than at any other time in history, mankind faces a crossroads. One path leads to despair and utter hopelessness. The other, to total extinction. Let us pray that we have the wisdom to choose correctly”

Woody Allen