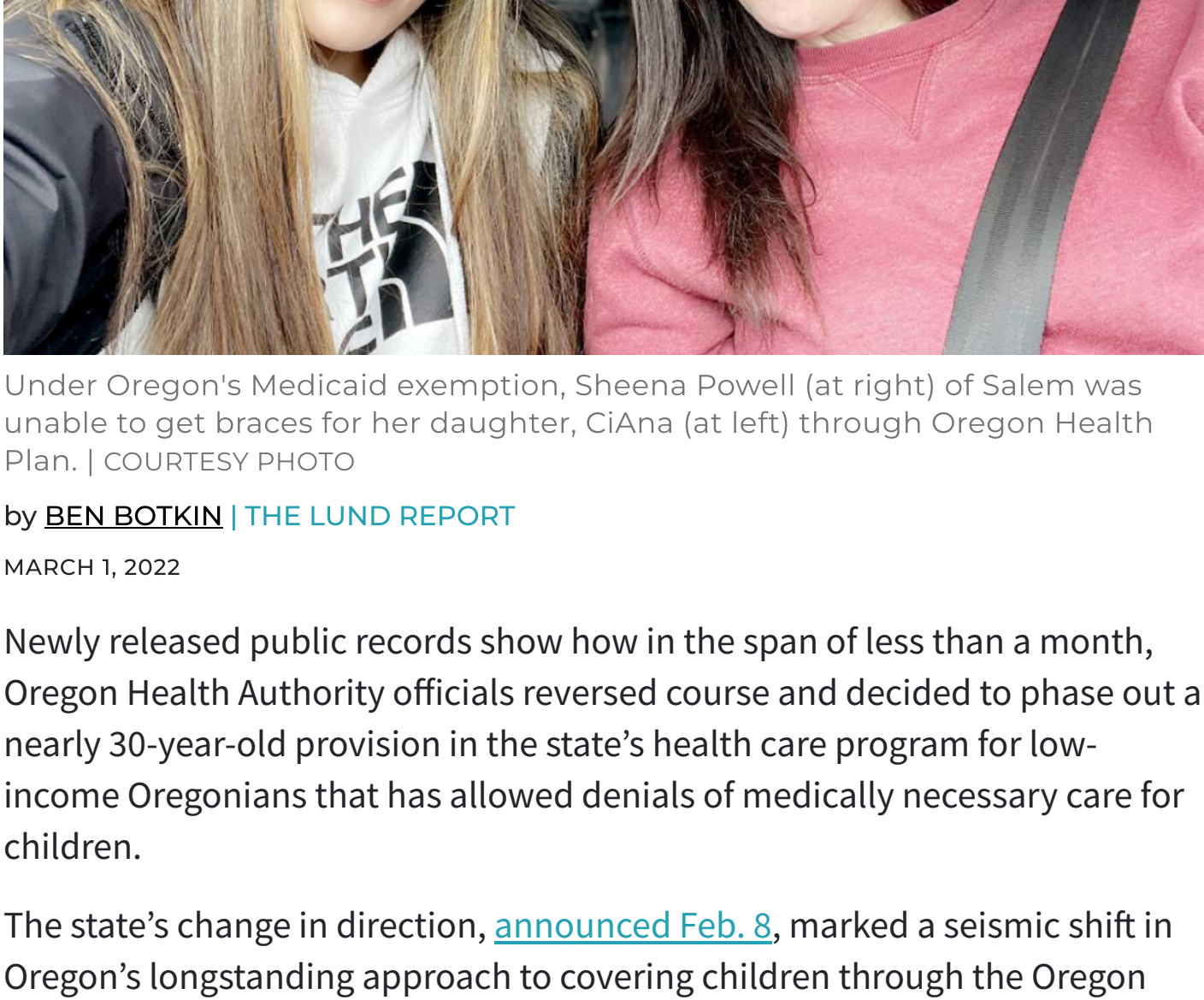


How Oregon’s Alone-In-The-Nation Approach To Children’s Health Care Unraveled In Weeks

Internal Oregon Health Authority emails show that officials debated Lund Report article to make a ‘strategic and political decision’ to reduce barriers for low-income children’s access to coverage.



Under Oregon’s Medicaid exemption, Sheena Powell (at right) of Salem was unable to get braces for her daughter, CiAna (at left) through Oregon Health Plan. | COURTESY PHOTO

by BEN BOTKIN | THE LUND REPORT

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Newly released public records show how in the span of less than a month, Oregon Health Authority officials reversed course and decided to phase out a nearly 30-year-old provision in the state’s health care program for low-income Oregonians that has allowed denials of medically necessary care for children.

The state’s change in direction, [announced Feb. 8](#), marked a seismic shift in Oregon’s longstanding approach to covering children through the Oregon Health Plan. Since 1993, Oregon has had a federal waiver that allows the state to deny medically necessary care to children if the provider’s requested treatment is not on the state’s so-called prioritized list of medical conditions and treatments.

But records show that even as state officials publicly defended Oregon’s alone-in-the-nation barriers to health care for low-income children, internally they’d started exploring a change. Pressure had built as advocates sent a slew of criticisms of the policy during an Oregon Health Authority public comment period, prompting questions from the media.

After [The Lund Report published an in-depth investigation of the state’s barriers on Jan. 13](#), top health authority officials huddled with staff from the office of Gov. Kate Brown 11 days later to discuss the agency’s point-by-point response to issues raised by the article.

After deciding in the meeting to change course, officials then wrestled with the tone and language of the announcement that would go out.

That Brown’s office was involved might not be surprising. The state’s alone-in-the-nation approach described in the article appeared at odds with Brown’s past focus on health care for children. In 2017 she was a vocal supporter of Cover All Kids, which paved the way for children to get health care regardless of immigration status.

History Lesson

Oregon is the only state with a waiver that allows it to restrict coverage of medically necessary care for low-income children based on the state’s prioritized list of what services should be covered and what shouldn’t. Oregon officials in the 1990s successfully pitched its rationing system to the federal Centers for Medicare & Medicaid Services, saying it would combat waste and allow the state to expand coverage to more people.

The state even won an exception to the requirements of the federal Early and Periodic Screening, Diagnosis and Treatment program, or EPSDT, affecting all Medicaid-eligible children under 21. Significantly, the law requires that all states provide any medically necessary health care for children, even if it’s for a service that adults on Medicaid would be ineligible to receive.

Advocates and others, however, have long voiced concerns that the system disenfranchises children who don’t get treatment for a range of conditions from developmental disabilities to hay fever.

Children with a slew of conditions were affected, including those with impulse disorders, epilepsy-related needs and orthodontic work for severe deformities.

Those concerns have fallen on deaf ears — even as, every five years, the state has asked federal Medicaid officials for approval to renew its system.

In its latest application process, that changed.

Advocates Mobilized To Block Renewal

On Dec. 7, Oregon publicly released its 246-page draft application for the state’s next five-year Medicaid plan.

The public comment period for the plan opened a new opportunity for Oregon advocates to weigh in about the waiver. Comments criticizing the Oregon approach to children’s care streamed in, including from a nationally prominent Medicaid think tank, the Center for Children and Families at Georgetown University.

Disability Rights Oregon spearheaded a Jan. 7 letter cosigned by more than 50 other groups.

Advocates weren’t the only ones to weigh in. Pediatricians at Oregon Health & Science University, in a Jan. 4 letter to the authority, said the state’s waiver “fundamentally discriminates against children.”

“Further, as children of color are disproportionately served by OHP, the ... (children’s health) waiver is a fundamentally racist policy,” said the letter, signed by Dr. Benjamin Hoffman of OHSU’s Doernbecher Children’s Hospital and Dr. Dana A. Braner, physician-in-chief of Doernbecher Children’s Hospital.

Oregon Health Authority Deliberates

By then, Oregon Health Authority officials had already started to take a close look at the issue.

On Jan. 5, Jeremy Vandehey, the health authority’s director of health policy and analytics, as well as Lori Coyner, the state’s former Medicaid director who still assists the agency, and Tina Edlund, a senior health care advisor in the governor’s office, received a memo from Megan Auclair, director of Oregon’s Medicaid waiver renewal project, saying Oregon must decide whether to keep or remove its restriction on children’s care coverage. It said Oregon “no longer needs the EPSDT waiver” but added the state may need to broaden its “definition of medical necessity” to align with federal law.

Also on Jan. 5, Philip Schmidt, a public information officer, sent Jeremy Vandehey, the health authority’s director of health policy and analytics, and other health authority officials talking points in preparation for an interview about the state’s rationing of kids’ care with The Lund Report that had been requested Dec. 21.

Schmidt advised the managers not to worry about getting their answers just right, saying “he’s gonna ask what he asks and you’ll have to respond in real time.” A “brief prep session” was scheduled.

The next day, Vandehey emailed Auclair: “We’re trying to discern whether there’s a path toward not having a full EPSDT waiver.”

Vandehey spoke with The Lund Report later on Jan. 6. He defended the Oregon program, saying the state had already launched technical fixes to address some of the concerns raised by critics, like reclassifying health conditions that were below the line and clarifying language in state contracts with coordinated care organizations that insure patients on the Oregon Health Plan. At the time, he didn’t suggest that the state might drop its waiver. However, he did say the state’s application would likely get questions from the feds, including its children’s health provision.

“I won’t be surprised if we get questions not just on this, but you know, on a variety of things about how we’re running the Oregon Health Plan,” Vandehey said then.

After the interview, Schmidt, the public information officer, shared with Vandehey emails obtained by The Lund Report that showed internal concerns about the state’s practice. In one email, a health authority analyst tells a representative of the Oregon Pediatric Society about a conversation she had with a federal CMS official about the waiver, and quoted the official as saying “I don’t know how Oregon got away with this for so long.”

Vandehey’s response was brief: “Let’s chat in the morning.”

Officials Scramble To Address Article

On Jan. 13, The Lund Report published an [in-depth examination of the issue](#).

The article revealed the internal documents showing internal doubts about the state’s longtime barriers to children’s care. It also shared the stories of two teenagers who battled Oregon’s system to get treatment for a variety of medical conditions, both unsuccessfully.

A meeting was promptly scheduled. Dr. Dana Hargunani, the authority’s chief medical officer, on Jan. 14 emailed other agency officials: “I know that there is now a larger group meeting re: EPSDT (at) the end of the month, in consideration of the Lund article.”

The meeting, set for Jan. 24, would have nearly a dozen state officials on the attendance list, records show. The list included Vandehey, Coyner, Edlund, and David Baden, the authority’s chief finance officer; Margie Stanton, director of the Health Systems Division; Stephanie Jarem, health policy director; Dana Hittle, interim Medicaid director, among others.

The list was “quite large,” wrote Auclair, adding that the group “really need(s) to drive to a strategic and political decision at this point.”

The Policy Turns

The emails released by the state under Oregon’s records law did not include details of what happened during the Jan. 24 meeting between Oregon Health Authority policy officials, leadership and staff from the Governor’s office. However, the plan was to have one OHA staffer run down each of the examples listed in the Lund article and provide the agency’s response.

The staffer “needed to be able to give a quick summary of the examples in the article but it shouldn’t be the entire meeting,” Vandehey wrote in a Jan. 20 email.

The meeting prep materials passed out in advance included a “staff analysis of issues identified in a January 13 Lund Report article.”

The five-page analysis assembled reference tables for each medical condition and access issue listed in the article. It argued some conditions would not be covered even without the waiver, but acknowledged shortcomings. For example, it said impulse disorders for children are not covered, and the state plans to review this year.

Elsewhere, the analysis said the state doesn’t cover “handicapping malocclusion” — a severe orthodontic condition that impacts tasks like eating or talking. It’s not cosmetic dentistry. The analysis called that an “oversight” by the state’s Health Evidence Review Commission. That commission determines what treatments and conditions qualify for coverage.

The state’s internal response to The Lund Report’s article also dismissed the criticism from OHSU pediatricians that the state’s additional restrictions on low-income children’s care discriminates against children of color.

“Based on the perspective expressed in the article, any OHA policy would be fundamentally racist because people of color and Tribal members are more represented in OHP membership than general population,” the staff response said.

Even so, the document also listed solutions, such as equity review through the Health Evidence Review Commission and agency-wide discussions on racism and equity.

The meeting also considered a one-page staff recommendation supported by a legal opinion from Manatt, Phelps & Phillips, an outside law firm based in Washington, D.C. It called for removing the EPSDT waiver and keeping the prioritized list in place. To accomplish this, the state would need to move more treatments above the line for coverage and allow individual review of medically necessary cases.

By the end of the meeting, the decision to change course had been made.

Officials Draft Statement

Within four days of the Jan. 24 meeting, officials went to work on a draft statement publicizing the news of the state’s new direction. Three days later, on Jan. 31, work continued as they labored over the tone and direction of the language. Vandehey, for example, said he’s “a bit worried” about saying the state won’t seek the waiver when that step still requires federal approval.

By Feb. 2, state officials assembled a “min comm” plan with talking points about the pending announcement. The detailed plan, set for the following week, includes a call to federal officials, contact with stakeholders and releases on state list-servs.

On Feb. 7, Vandehey placed a call to federal CMS officials about the state’s desired change, which still faces negotiations with the rest of Oregon’s proposed Medicaid plan. Federal officials seemed to welcome the idea.

“No change of direction,” Vandehey emailed. “They seemed ... pleased to hear it.”

The next day, the health authority called a handful of advocates directly about the news. Notifications went out to stakeholders and others who commented, leading to [another Lund Report article](#).

On Feb. 22, The health authority submitted its revised Oregon Health Plan application to the federal Centers for Medicare & Medicaid Services.

Perspectives Offered

Asked about the documents in a March 1 interview, Vandehey confirmed that the Jan. 24 meeting discussing The Lund Report article was where officials made the final decision.

But he said it was merely the culmination of how the agency’s thinking had changed over a period of months.

Notwithstanding the agency’s staff analysis dismissing or minimizing many of the concerns detailed in the article, Vandehey said the agency had spent months on addressing the criticisms, and was already leaning toward eliminating the waiver’s built-in barriers to children’s care.

“We were all inching in that direction and by the time we got to that Jan. 24 meeting, it was really a final checkpoint to say really, I think we’re all there,” Vandehey said.

Vandehey added: “I’m not trying to discount your story. I just think we were pretty much there anyway.”

For advocates and children, their story continues. One parent who helped mobilize comments about the state’s system is happy it’s going away.

“This is clearly a big win,” said Paul Terdal, a father who for a decade has fought to ensure the state program covers the needs of autistic children, in an interview. But he added, “We need to see how it is actually implemented.”

The state’s timeline for implementation is expected to take several months and include negotiations with CMS and operational changes such as changes to information technology programs and new rules and guidance.

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Submitted by Laura Grandin on Tue, 03/01/2022 - 15:54 [Permalink](#)

I've worked w two kids who had chronic foot pain, couldn't stand or walk too long, couldn't participate in any sport that involved running, could barely participate in their school's walkathons. Severe bunions and arch issues. OHP wouldn't help at all.

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