

## Memorandum

To: Oregon State Senators and Representatives

From: Oregon Health Authority  
Oregon Department of Consumer and Business Services

Date: February 1, 2022

Subject: Primary Care Spending Report to Be Published in Spring 2022

Senate Bill 231 (2015) and House Bill 4017 (2016) require the Oregon Health Authority (OHA) and the Department of Consumer and Business Services (DCBS) to report to the Legislative Assembly by February 1 of each year the percentage of medical spending allocated to primary care. This memorandum serves as the advance executive summary for the required report, which will be published this year in late spring 2022, reflecting 2020 data.

Primary care is the front line of Oregon's health care system. Since 2017, *Primary Care Spending in Oregon* has shown how much each prominent insurance carrier and coordinated care organization (CCO) spends on primary care, and how many of those payments are based on quality and value. Last year, OHA and DCBS made this reporting available through an interactive online [dashboard](#).

The report is important in light of spending requirements related to primary care and value-based payment (VBP) reporting. By 2023, health insurance carriers and CCOs are expected to allocate at least 12 percent of their health care expenditures to primary care. In 2020, no less than 20 percent of a CCO's overall spending must be in the form of a value-based payment (VBP) that falls within the Health Care Payment Learning and Action Network's pay-for-performance category (2C) or higher. When it is published in late spring 2022, *Primary Care Spending in Oregon* will show the types of non-claims VBP arrangements that CCOs use to pay for primary care.

CCOs, carriers and OHA are taking great care with the submission and handling of these important data. Starting this year, OHA's All Payer All Claims (APAC) vendor is validating, processing and storing the non-claims payment arrangement files in the same database as APAC data. Carriers and CCOs are also closely examining their data for accuracy, knowing it will be used in reporting. For example, after OHA published a new [dashboard](#) showing 2019 non-claims VBPs, some carriers asked to resubmit their non-claims data for 2020.

This careful scrutiny of the data coincides with a COVID-19 wave that continues to stretch resources thin across the health system, including the primary care sector. As a result, **OHA and DCBS will publish the full *Primary Care Spending in Oregon***

**report in late spring 2022.** This allows time for payers to submit late or corrected annual payment arrangement files to APAC's vendor by January 31, 2022. The new files will be available to OHA in late March, and OHA will publish *Primary Care Spending in Oregon* in late spring using both claims and non-claims data.

While this delay comes in the context of the COVID-19 pandemic, OHA and DCBS will also take steps to ensure that payers report this annual data promptly and correctly in future years:

- APAC will more frequently remind payers of their legal obligation to submit data and encourage them to allocate staff and resources accordingly.
- DCBS will work with prominent carriers to reinforce the importance of timely submission of accurate and complete data.
- OHA will communicate early and often with data submitters about the annual payment arrangement file, and will consider tightening data preparation requirements in the Oregon Administrative Rules governing the annual payment arrangement file.

Oregon law requires the percentage of medical spending allocated to primary care by the following health care payers to be reported:

- Prominent carriers, defined as health insurance carriers with annual health premium income of \$200 million or more. These carriers may offer commercial or Medicare Advantage plans, and represent a majority of the health insurance carriers in the state.
- Health insurance plans contracted by the Public Employees' Benefit Board (PEBB) and Oregon Educators Benefit Board (OEBB).
- Medicaid coordinated care organizations (CCOs).

Primary Care Spending Reports from prior years are available here:

<https://www.oregon.gov/oha/HPA/ANALYTICS/Pages/Primary-Care-Spending.aspx>

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