

**To:** Patrick Allen, OHA Director

**From:** Lori Coyner, Medicaid director

**Date:** May 29, 2020

**Subject:** Medicaid Financial Strategies Information Request - Summary of CCOs' Responses

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The Oregon Health Authority (OHA) is working closely with coordinated care organizations (CCOs) to react to the health emergency and economic crisis occurring in Oregon due to the COVID-19 pandemic. Public orders limiting non-urgent care and other physical distancing measures are limiting access to services. OHA requested information from CCOs to facilitate collaboration on provider payment and other financial strategies, particularly the financial needs of providers who have experienced a sharp decline in revenue (“affected providers”). Below are high-level themes summarized from CCOs’ responses to OHA’s Medicaid financial strategies information survey. That is followed by Table 1, which lists the CCOs’ specific responses to the final question of the survey. Full responses from the CCOs can be found at [Provider Financial Supports – CCO Strategies and Federal Funding Summaries](#).

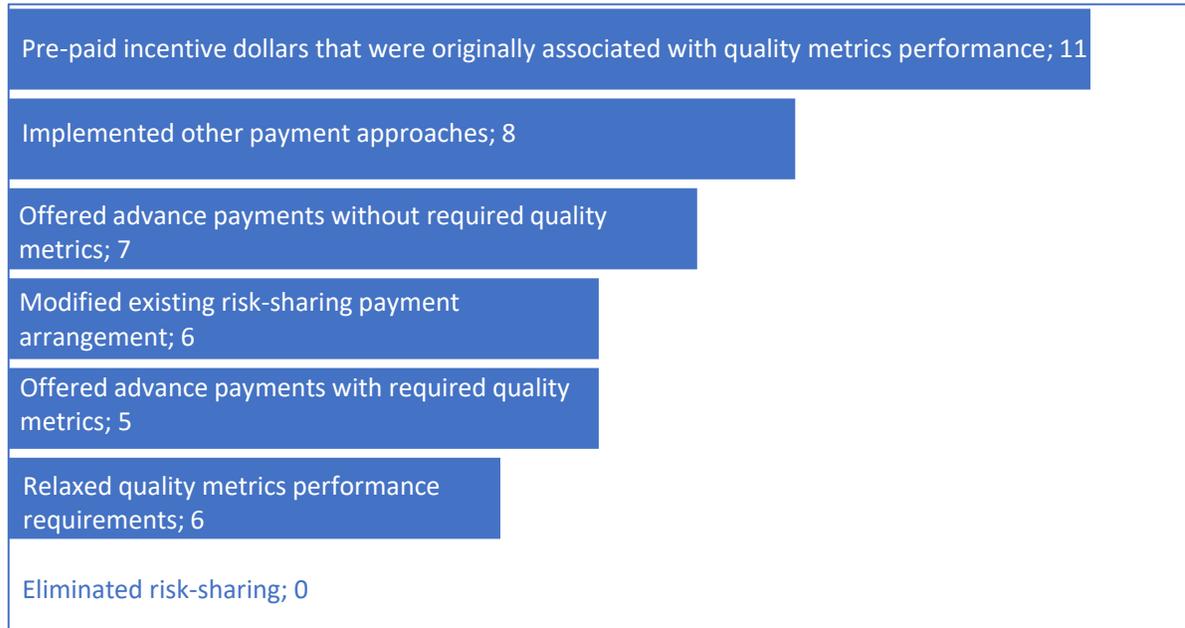
The majority of CCOs have communicated directly with their providers, via survey or other outreach mechanism, to best assess their needs. All CCOs reported paying the 2019 quality pool and withhold dollars to their networks. Many CCOs mentioned greater investments for non-medical providers such as community-based organizations or other health-related service spending. Most CCOs explicitly stated that they continue to analyze claims data to better understand which providers and provider types are likely experiencing significant revenue declines.

Not all CCOs told us about funding strategies targeted at specific providers. Of those that did, primary care and behavioral health were the most commonly targeted provider types (five CCOs), followed by social service providers (four CCOs), and hospitals, specialty care, and oral health (three CCOs). Highlights of funding strategies include:

- “Stability payments” to support vulnerable providers – primary care, behavioral health – that have experienced significant decreases in service utilization.
- Monthly pre-payment based on historical monthly spending among the largest fee-for-service (FFS) providers in several categories, subject to reconciliation.
- Plans to pay providers for FFS claims based on either their actual FFS monthly claims or 75 percent of their historic FFS claims, whichever is greater.
- Paying specialty care providers an average reimbursement over a one-year period.
- Development of a capitation or prepayment option for residential behavioral health providers and the multiple hospitals in the service area.

- Engaging FFS providers with opportunities to adopt more VBP arrangements, when appropriate.

### CCOs' Reported Payment Strategies to Affected Providers



The vast majority of CCOs stated that they will ideally align current approaches with the longer-term value-based payment (VBP) goals of [CCO 2.0](#), while also balancing provider needs at this critical time. Many are explicitly highlighting the benefits of VBPs to providers not yet on these payment platforms and have used this period to begin discussions regarding the benefits of VBPs. In addition, at least one CCO noted that some providers expressed general concerns about the viability and appropriateness of short-term VBP arrangements. CCOs that have lowered requirements – such as reporting on quality metrics – have done so only in direct response to the COVID-19 emergency and they intend to return to their original arrangements.

While there were some CCO-specific requests of OHA, many of them asked for additional information and determination on 2020 quality pool metrics and payment, and on the required reconciliation processes for pre-payments to affected providers. CCOs generally agree on several actions they recommend OHA take to address providers' payment and financial strategies. These include:

- Suspend the CCO withhold for the remainder of the 2020 quality pool.
- Make available transparent information about what each CCO plans to do or has done to support providers in their service area.

- Make available transparent information about what other financial supports (e.g., federal, state, etc.) providers have applied for or received.
- Encourage providers to work in good faith with CCOs to enter VBP arrangements.
- Review medical loss ratio (MLR) targets and rate of growth policies and consider flexibility.

In the survey responses, CCOs asked OHA to let them know as soon as possible about expected or projected changes in enrollment due to increased eligibility or due to COVID-19 more broadly. CCOs would prefer this information to be more detailed (e.g., by county or other geographical designation) and bi-directional (ramp up and ramp down expectations). In addition, CCOs would like to understand what OHA is forecasting or learning about the newly enrolled population including risk profiles, claims experience, utilization projections, social determinant of health (SDOH) needs, and MLR forecasts. Several CCOs indicated they are conducting their own forecasting and would be interested in partnering with OHA to share, validate, and discuss models.

CCOs analyzed the potential impacts of the expected increase in Medicaid enrollment and generally found the following:

- **Minimal provider impact** – Several CCOs said the vast majority of providers in their service area are already contracted with their plan. Initial indicators are that new members previously had coverage through the exchange or their former employer. However, a large shift of patients to Medicaid could become an issue in areas where higher proportions of providers don't currently accept Medicaid clients.
- **Sufficient system capacity** – Although membership is increasing, most CCOs said their current provider network is not strained. The system capacity is stable, as the ratio of patients to providers in the service area has not noticeably changed.
- **Minimal barriers to access** – No major barriers to accessing services were identified, except behavioral health and dental. Providers reliant on FFS have been negatively impacted by a drop in requested services, most notably in rural areas. This could lead to future access issues due to limited ability to expand their networks. There may be a need to support these providers by providing stability until volume increases again.
- **Focus on continuity of care** – Several CCOs have focused on continuity of care as individuals move from commercial payors to OHP. It's important to make sure, as much as possible, that new members can maintain existing provider relationships.
- **Leveraging telehealth** – Proactive exploration of telehealth as a means to handle a potential surge in enrollment has begun. CCOs are attentive to the need for educating and supporting members and providers to become more familiar with this option.
- **Concerns about larger reserve** – With increased enrollment, some concerns were expressed about meeting risk-based capital (RBC) requirements.
- **Customer service demand** – CCOs are experiencing increased demand for customer service support. A few CCOs indicated that the COVID emergency has resulted in greater

opportunity for cross training of staff to address customer service needs. This could be beneficial as member enrollment increases.

- **Use of modeling** – Several CCOs said they were modeling the impact of increases in enrollment. They are also making changes to their contracting model to address potential needs.
- **Future considerations** – CCOs expressed concerns about a lag before the health system feels the full impact of increased membership. Member engagement requirements may be challenging. Anticipated pent-up outpatient needs also may increase demand for services in the future, which may require expanded hours from providers.

As it relates to other lines of business, CCOs indicated that their non-CCO insurance products are generally small and therefore may not have substantial impact on their local providers. Some CCOs are still evaluating how to build on their current strategies in the commercial market. Several CCOs suggested OHA use existing task forces or work groups, in which both Medicaid and commercial plans participate, to socialize plans and future guidance as well as work with partners in the Department of Consumer and Business Services (DCBS).

Finally, CCOs suggested OHA, CCOs and commercial plans should work in partnership to ensure network stability and continuity of care for Oregonians.

**TABLE 1. CCO STRATEGIES FOR AFFECTED PROVIDERS**

The following table summarizes, by CCO, their strategy to support providers financially during this time.

CCO	Response
Advanced Health	<p>Advanced Health's strategy is to, wherever possible, maintain stable Medicaid funding to the provider network as a means to preserve the health care ecosystem in Coos and Curry counties. Because a large portion of our providers were already paid through capitation or percent of premium arrangements, those payments have remained stable. We are carefully monitoring claims and payment volumes for fee-for-service expenses and providers for any changes that may require an additional response. Advanced Health is also working to support providers in transitioning to telehealth services wherever possible to maintain access to services for our members.</p> <p>The early 2019 Quality Pool funds are being paid out quickly to providers. The suspension of the 2020 Quality Withhold will allow us to make prospective payments to providers. This early infusion of quality funds to the provider network especially supports primary care and specialty care</p>

CCO	Response
	<p>providers who have been most impacted by the cancellation of elective and preventive services in Oregon.</p>
AllCare	<p>AllCare Health’s focus during this crisis continues being the members we serve here in Southern Oregon. To help communicate any access to care changes and provide information about COVID-19 treatment, AllCare has compiled a list of answers to our member’s frequently asked questions (located here: <a href="https://www.allcarehealth.com/information-for-our-members-about-covid-19">https://www.allcarehealth.com/information-for-our-members-about-covid-19</a>). In addition, AllCare has worked with our regions whole provider network to ensure members continue to have access to needed medical and social support services during the crisis and beyond. AllCare has identified and developed adjustments as needed and continues working directly with our contracted providers throughout AllCare’s entire service area to ensure that members have access today and in the future. For those providers that are contracted for capitation payment, AllCare has continued to pay their capitation at the full amount. For those primary care that are not currently capitated we have offered to move them to a capitation arrangement. AllCare has worked with our provider offices to expand telehealth options to ensure that members have the ability to utilize their services during COVID-19. Going forward, AllCare will be working directly with our providers to continue making targeted investments to ensure our locally-based network of providers can handle the on-going challenges created by COVID-19. We continue to communicate with all provider groups via our website, provider portal, provider relations staff, IPA staff, email newsletters, and mail communications. If providers have questions please contact our Provider Services staff at 541.471.4106 or email us at <a href="mailto:Andrea.Franchi@allcarehealth.com">Andrea.Franchi@allcarehealth.com</a>.</p> <p>AllCare has also helped maintain and expand access to social services supports that help all Southern Oregonians during this time of crisis. AllCare has developed a COVID-19 Resiliency fund which is dedicated to funding programs and services that related to the SDoH-E and non-medical care (such as increasing access to food, housing, etc.). AllCare has well-established relationships with many community partners and social services and have continued our dialogue and work with partners during the COVID-19 pandemic. If you would like more information about accessing the fund, please contact Carrie Prechtel at 541.471.4106 or email her at <a href="mailto:Carrie.Prechtel@allcarehealth.com">Carrie.Prechtel@allcarehealth.com</a>. To see the programs that AllCare is currently funding with the COVID-19 Resiliency fund please visit</p>

CCO	Response
	<p><a href="https://www.allcarehealth.com/about-us/covid-19-community-involvement">https://www.allcarehealth.com/about-us/covid-19-community-involvement</a>.</p>
<p>Cascade Health Alliance</p>	<p>We continue to work with our providers in a collaborative way to find effective solutions to ensure they are financially solvent during this crisis while also considering access to care for our members. While this is an unprecedented event, our collective efforts around an interim solution is important to us with our providers that provide access to our members. We continue to explore and enhance network adequacy by accommodating and enhancing telehealth solutions, while being mindful of the digital health equity impact to some of our members in the rural area with limited broadband access and smart phone capabilities.</p>
<p>Columbia Pacific</p>	<p>Columbia Pacific CCO values its deep partnerships with its members, provider network and the community at large. We are committed to finding innovative solutions that support the overall community response to COVID-19. In our rural communities we all know and work together. We have built stable and deep relationships with our network providers for physical, behavioral and oral health, with our NEMT broker, with our community social safety net organizations, and with the agencies and public safety entities that, together, wrap services around those who need them to improve the health of our members and communities.</p> <p>Our efforts include providing financial support (stability payments, early release of quality funds), working to reduce administrative burdens for providers participating in our APMs and COVID-19 financial support efforts, continuing to provide ongoing technical assistance (especially around billing/coding, supporting providers transition to offering telehealth), and supporting provider engagement with high risk members—especially around member health and access to services tied to Social Determinants of Health, such as housing and food security. We’re committed to continuing to support and facilitate connections with community-based organization that serve our members.</p>
<p>Eastern Oregon</p>	<p>EOCCO’s efforts can be categorized into four main workstreams; advocacy on behalf of the provider community, direct provider financial support, promoting and maintaining member access to providers and easing administrative burden for providers. Following are examples of the many efforts that have been put in place to support our provider community;</p>

**Advocacy on behalf of the Provider Community:** EOCCO advocated on behalf of our providers to resume elective procedures in partnership with OHA and the Governor's office. At the federal level EOCCO advocated on behalf of its five contracted health district hospitals to qualify for Paycheck Protection Program (PPP) funding through the CARES act.

**Direct Provider Financial Support:** EOCCO has distributed \$4.5 Million in 2019 quality funds to key sectors within the delivery system (Hospitals, PCPs, Dental and Behavioral Health). In May, EOCCO will be distributing \$2 Million in 2020 quality withhold funds to primary care practices. Funds are intended to provide direct financial support. EOCCO has established an emergency fund intended to support providers in our service area that require additional financial support if they are in serious financial jeopardy. The intent of this fund is to ensure continued access and provider capacity. EOCCO is offering primary care practices that have not yet moved to capitation, the option to take capitation for primary care services so that they can receive a sustainable Medicaid revenue stream regardless of volumes. This is in addition to the monthly PCPCH payments EOCCO already provides State certified primary care practices for each EOCCO member attributed to the practice. EOCCO is currently exploring capitation models for hospitals and residential behavioral health programs on an interim or permanent basis to provide a sustainable Medicaid revenue stream regardless of volumes.

**Proactive outreach to high-risk members:** EOCCO's Care Management team reached out to high-risk members to ensure they have the support and care that they need, and is connecting members to providers for follow-up services, as needed. Behavioral health intensive care coordinators are also actively reaching out to the most vulnerable populations with Serious and Persistent Mental Illness. CCO staff are presenting COVID-19 benefits and resources to all 12 Local Community Advisory Councils.

**Easing Provider Administrative Burden:** Provider administrative burdens have been eased by extending approved date ranges on prior authorizations, temporarily offering provisional credentialing and waiving verification of certain elements and extending claim submission and utilization management deadlines

EOCCO will continue to outreach to our provider community to understand the impacts that providers may be facing and to participate in efforts to

CCO	Response
	<p>support access and quality care for members. Questions about these strategies can be directed to <a href="mailto:eoccometrics@modahealth.com">eoccometrics@modahealth.com</a></p>
<p>Health Share of Oregon</p>	<p>Health Share has taken a number of steps to ease the financial burden on Affected Providers which include:</p> <ul style="list-style-type: none"> <li>• Providing early release and distribution of the 2019 quality dollars. A majority of these funds are already contractually assigned and expected; getting them out early will help our provider networks with cash flow.</li> <li>• Utilizing a portion of the 2020 quality dollars to assist the most at risk providers. We are currently conducting an analysis of the tri-county area provider networks to identify those who are the most at risk and don't have other streams of funding coming in or accessible.</li> <li>• Providing payments to some at risk FFS providers who serve OHP members, and NEMT providers, based on historical claims information. In addition to providing direct payments of dollars, we are working with providers to ensure they know how to access funding and benefits they are eligible for through the different stimulus packages.</li> </ul>
<p>Intercommunity Health Network</p>	<p>IHN supports its Provider network during the Executive Order period through increased Professional rates, expanding service options for our Capitated partners, distributing Community Benefit funds for members to our CBOs, and providing financial backing to our critical Hospital network. IHN is always open to developing Value Based payment options quickly with our Providers that need rapid financial support. Our mission is to first support our Community, and IHN counts on its Provider Network to do just that. During this difficult period know that our Providers can count on IHN as well to support them.</p>
<p>Jackson Care Connect</p>	<p>Jackson Care Connect is 100% focused on the Jackson County community. We've built and are working to maintain the largest provider network available—so our members can access the care they need, and our providers have confidence that they are part of a strong, supported regional health network. We have ensured sustained access to critical services for our members and families throughout this pandemic. Due to our relationship with CareOregon, we are able to leverage additional resources in times of crisis like this to rally to support critical providers financially, continue to offer leading edge technical assistance, and be there to answer the phone anytime they need</p>

CCO	Response
	<p>us. Importantly, we are offering stability payments to vulnerable providers to help ensure they can continue to serve our members now and in the future.</p> <p>We are proud to work alongside our provider partners to serve members, whether that’s through supporting them in rolling out new patient-focused programs such as telehealth, facilitating outreach to support the health of our high-risk members, continuing to offer non-emergent medical transportation for critical services, or supporting members who do not have access to housing during this crisis. Our support spans across our broad network of clinical providers and social service partners. We’re here to bridge the gap between provider and patient, helping keep Jackson County strong, healthy and resilient.</p>
Pacific Source	<p>Thank you for everything you are doing to support our members and communities during this pandemic. We have implemented the following strategies to support providers:</p> <ul style="list-style-type: none"> <li>• Eased operational burdens on providers</li> <li>• Distributed early payments under 2019 risk arrangements</li> <li>• Distributed 2019 quality incentive “early release” funds made available by the OHA</li> <li>• Suspended 2020 withholds in value-based payment arrangements during the crisis</li> <li>• Developed provider stability payment plans</li> <li>• Offered cash advances to providers</li> <li>• Made funds available through the Community Health Excellence grant program for providers to apply for support</li> </ul> <p>We encourage any provider with questions about this information to reach out to us at <a href="mailto:ProviderRelief@pacificsource.com">ProviderRelief@pacificsource.com</a>.</p>
Trillium Community Health Plan	<p>Funding during the crisis will be available to providers who are currently in need of COVID-related assistance. At this time, Trillium is taking provider requests for COVID-related assistance through our public comments contact: <a href="mailto:PublicComments@TrilliumCHP.com">PublicComments@TrilliumCHP.com</a>. Each request will be expedited for approval through our management team, and final approval will be made by the Trillium Board.</p> <p>In addition to compensation models to help providers, Trillium is engaged in several activities, including providing in-kind PPE donations, investing in SDoH and temporary housing to help our safety net providers meet the needs for our members. A few examples of our recent COVID-19 related</p>

CCO	Response
	<p>investments: Trillium has provided an OBGYN office with 105 blood pressure cuffs so pregnant moms can check blood pressure at home and not have to go into the office. Trillium through Centene COVID-19 Community Relief Fund, donated \$45,000 to Food for Lane County and Project Blessing in Reedsport and \$17,500 to residential providers and community partners that provide assistance to individuals experiencing houselessness. Trillium also donated another \$1,200 to Carry It Forward for tents, supplies and assistance and \$5,000 each to three organizations that prevent domestic violence. Trillium has also set up a program to assist providers with grant writing and small business loan applications and provided PPE to multiple provider offices and hospitals. Through a partnership with Quest Laboratories, Trillium will facilitate the distribution of 25,000 COVID-19 tests to FQHCs and other providers each week.</p>
Umpqua Health Alliance	<p>Umpqua Health Alliance has been actively expanding sustained payments with accelerated/advance payment options to the provider network at large. These payments are designed to help physicians and their practices remain financially viable during the COVID-19 public health emergency. Umpqua Health Alliance is reaching out directly to the provider networks and offering virtual town-hall meetings to describe the options that have been developed. The contracted practices must review and agree to the contract amendments to receive accelerated/advance payments. Umpqua Health Alliance is working to ensure stability throughout the crisis.</p>

CCO	Response
Yamhill Community Care	<p>YCCO is expediting and processing immediate one-time payments to key system providers, utilizing the early release of quality incentive metrics funds received. Those providers include but are not limited to primary care providers, specialty care providers seeing the largest revenue drops, behavioral health and crisis service providers, and dental health providers. YCCO has also implemented a new community benefit program to provide member transportation to essential needs such as grocery stores, unemployment offices, and food pantries, and are utilizing Non-Emergent Transportation providers who have experienced significant decreases in revenues. If a YCCO system provider has not already been contacted or received funding from YCCO, and requires assistance, then those providers are welcome to reach out to YCCO staff to discuss those needs. YCCO will be using a “no wrong door” approach to fielding such input and requests, but YCCO will be leveraging our emergency COVID Response Board Sub-Committee as part of the processes for any distributions.</p> <p>YCCO is also expediting the development and roll out of capitation agreements to willing providers. Those providers currently providing services to members that are interested in such arrangements can reach out to YCCO to further discuss such options, if discussions have not already begun. YCCO staff are also open and willing to receive specific payment model proposals from providers as well, especially if they already align with the CCO 2.0 contract requirements and YCCO values.</p>