

To: Patrick Allen, OHA Director
From: Lori Coyner, Medicaid Director
Date: April 28, 2020
Subject: Quality Pool Early Release of Funds – Summary of CCOs' Spending Plans

On March 31, 2020 the Oregon Health Authority (OHA) released to the CCOs early payments of the Quality Incentive Program (“quality pool”) 2019 payments. These payments represent 60 percent of the total quality pool 2019 payments with the remaining to be paid out to CCOs at the end of June 2020. This document summarizes information submitted by the CCOs on April 10, 2020 regarding their overall strategy of how they will use the funds. OHA is working with CCOs to release additional information on specific allocation of resources to providers and hospitals.

In response to the COVID-19 emergency, the OHA evaluated existing sources of funding that could be released quickly to support the needs across Oregon to prepare for the surge in patients needing care, maintain capacity, and ensure access to care across the delivery system. Areas of need include, but are not limited to, hospital access (urban and rural), operation of residential facilities, expanded telehealth services, and laboratory and diagnostic testing, as well as support for local public health agencies, primary care providers, behavioral health providers, oral health providers, transportation services and social service agencies.

OHA took swift action to infuse existing Medicaid money in the system through the Coordinated Care Organization (CCO) Quality Incentive Program to support these areas of need. The early payments from OHA to the CCOs constitute 60% of each CCO’s allowable 2019 quality pool funds. The remaining 40% of the 2019 quality pool funds will be paid out in June 2020 based on the regular 2019 calculation, less the quality pool funds already received in March. For most CCOs, the quality pool incentive payments are paid out to providers based on quality performance and alternate payment strategies that are part of contractual arrangements. CCOs were encouraged by OHA to find ways to reach their entire delivery system including physical, behavioral and oral health, hospitals and community benefit organizations with the money that was not already tied to existing contracts.

OHA’s response to leverage Medicaid funding is part of a larger effort to stabilize the finances of Oregon’s health care system. OHA is working with Governor’s Office, DCBS and federal partners to understand what can be done to stabilize commercial and Medicare funding streams for the health care system.

Summary of CCOs' Reported Data

CCO	Funds released	Overall Strategy and Percentage of funds going to which types of providers	Funds the CCO is not distributing
Advanced Health	\$2,467,110	Plans to distribute to physical health (83% to primary care), oral health (7%), and others including specialty, hospital, behavioral health and clinics.	\$49,342. CCO retains this for the MCO tax portion
AllCare	\$5,130,021	<p>Paying primary care (50%), pediatric, specialty care (30%), oral health (4%), and behavioral health providers (13%). Ensuring providers can remain open.</p> <p>AllCare paid the funds in accordance with its current 2019 Quality Bonus Pool program. As a result there were remaining funds that would normally be retained by AllCare, however, due to the COVID-19 pandemic AllCare is setting these funds aside for future funding programs during this crisis time. AllCare is currently developing a program for its specialty providers as well as the gym programs to help sustain these providers and partners during the crisis. It is anticipated these programs will be fully developed by the end of April. AllCare continues to evaluate provider needs in the region and will respond accordingly.</p>	\$1,485,660. CCO retains \$502,742 for admin expenses, \$102,600 for MCO tax, and \$880,318 for future funding projects
Cascade Health Alliance	\$2,158,805	Paying contracted providers: primary care (50%), behavioral health (5%), and specialty (10%). Remaining 35% to community-based needs due to COVID-19 with a focus on housing, food, delivery of medications, and increased outreach to high risk members.	\$0
Columbia Pacific	\$3,359,730	<p>66% paid out through primary care alternative payment models, 23% paid out through quality pool performance checks, 3% retained for future investment to dental providers, and 8% retained for internal administrative expenses.</p> <p>Paying primary care (79%), behavioral health (5%) and oral health (16%). The specific allocation of funds to providers is based on performance metrics, which will not be available until 4/17/2020.</p>	\$67,194 for MCO tax
Eastern Oregon	\$6,271,365	A portion of funds (\$1.7m) will be temporarily held should a provider experience serious financial jeopardy. The remaining 72% of the funds will be distributed to primary care providers (56%), dental (8%), and behavioral health (8%).	\$125,427 for MCO tax

CCO	Funds released	Overall Strategy and Percentage of funds going to which types of providers	Funds the CCO is not distributing
Health Share	\$35,210,323	Funding will be distributed quickly to delivery systems and then to providers to support pre-existing and immediate COVID-related needs. 77% to primary care, 12% to behavioral, and 12% to oral health. Note: figures rounded	\$0
Intercommunity Health Network	\$6,545,549	CCO allocates 80% to providers, 10% to Transformation activities, 8% to admin, and 2% for MCO tax. The <u>distributed</u> funds will go to primary care (73%), dental (8%), and behavioral (3%) providers.	\$523,644. CCO retains 8% for administrative functions to support improvement of metric performance.
Jackson County	\$3,308,094	67% paid out through primary care alternative payment models, 25% paid out through quality pool performance checks, and 8% retained for internal administrative expenses. Paying primary care (70%), behavioral health (5%) and oral health (25%). The specific allocation of funds to providers is based on performance metrics, which will not be available until 4/17/2020.	\$66,162 for MCO tax
Pacific Source - Central Oregon	\$5,938,535	Pacific Source will distribute 60% of funds and the Central Oregon Health Council (COHC) will distribute 40%. Pacific Source will fund at-risk providers early to make cash available to providers. Pacific Source will fund primary care (91%) and dental (9%). COHC will distribute 40% of funds to hospital (33%), public health (25%), primary care (19%), mental health (13%), and dental (10%).	\$118,771 for the MCO tax
Pacific Source - Columbia Gorge	\$1,349,245	Pacific Source Gorge will distribute 50% of funds and the Columbia Gorge Health Council (CHGC) will distribute 50%. Pacific Source will fund at-risk providers early to make cash available to providers. Pacific Source will also fund primary care (88%) and dental (12%). CGHC will distribute 50% of the funds to primary care (76%), dental (14%), public health (7%), and mental health (3%).	\$26,985 for the MCO tax
Primary Health	\$1,091,029	Primary Health elects to release all funds received to providers. Because Primary Health is no longer managing OHP members, funds distributed are outside any contractual withholds. Primary care providers will receive 95%, behavioral health 3%, and other providers 2%	\$0
Trillium Community Health Plan	\$10,732,163	Trillium will distribute funds to primary care (80%), dental (2%), as well as behavioral and specialty providers based on existing methodology.	1,424,158. MCO tax portion and Trillium admin

CCO	Funds released	Overall Strategy and Percentage of funds going to which types of providers	Funds the CCO is not distributing
Umpqua Health Alliance	\$3,006,890	Umpqua will distribute all funds to its broader network including primary care (67%), dental (13%), specialty (4%), and others (16%). Additionally, Umpqua is releasing 90% of its 2019 risk withhold to the network.	\$60,138 for MCO tax
Willamette Valley Community Health	\$10,573,756	After retaining \$13,815 for expenses related to Quality Incentive program and another \$367,213 for a prior distribution correction, WVHC will distribute \$9,981,253 to providers including funds reserved for future payouts for the dental sealant measure. Recipients will include primary care (86%), dental (4%), behavioral (7%), and other (3%).	\$1,171,807. \$211,475 is reserved for the provider tax liability. \$367,213 is retained for a correction of an overpayment to providers in prior year. \$13,815 is retained to pay for direct expenses related to the quality incentive program, and \$579,304 is retained for the dental sealant measure that has not yet been met by any DCO. These funds are reserved to be paid to the DCO's upon final reconciliation
Yamhill Community Care	\$2,886,386	YCCO will distribute 100% of the 2019 early release funds to providers and community partners who support YCCO members. YCCO will distribute 88% of funding based upon historical methods, performance and commitments to providers, to include 68% to primary care providers, 14% to behavioral health and crisis service providers, and 5% to dental providers. The remaining 12% shall be distributed in full to providers and community partners in need of financial support due to COVID-19 impacts.	\$0

Appendix – Fund Allocation

Plan Name	Early Release payment (60% of the 2019 Quality Pool*)	Quality Pool portion	MCO Tax portion
Advanced Health	2,467,110	2,417,768	49,342
AllCare Health Plan	5,130,021	5,027,420	102,600
Cascade Health Alliance	2,158,805	2,115,629	43,176
Columbia Pacific	3,359,730	3,292,536	67,195
Eastern Oregon	6,271,365	6,145,938	125,427
Health Share of Oregon	35,210,323	34,506,116	704,206
Intercommunity Health Network	6,545,549	6,414,638	130,911
Jackson Care Connect	3,308,094	3,241,932	66,162
PacificSource – Central Oregon	5,938,535	5,819,764	118,771
PacificSource – Columbia Gorge	1,349,245	1,322,260	26,985
Primary Health of Josephine County	1,091,029	1,069,208	21,821
Trillium Community Health Plan	10,732,163	10,517,520	214,643
Umpqua Health Alliance	3,006,890	2,946,752	60,138
Willamette Valley Community Health	10,573,756	10,362,281	211,475
Yamhill Community Care	2,886,386	2,828,658	57,728
Grand Total	100,029,001	98,028,421	2,000,580