Supporting Health for All through Reinvestment (SHARE) Initiative: Frequently Asked Questions

This document addresses frequently asked questions (FAQs) about the CCO SHARE Initiative requirements.

This FAQ will be updated as additional questions are addressed. Additional questions can be emailed to SHARE.Initiative@dhsoha.state.or.us.

General Questions

1. **Like SHARE, health-related services (HRS) can also be used to fund services that address social determinants of health and equity (SDOH-E). How are HRS dollars different from SHARE dollars?**

   HRS gives CCOs a specific funding mechanism within their global budgets that they can voluntarily use to address SDOH-E, including the health-related social needs of their members. SHARE requires a portion of CCOs' profits be reinvested in their communities and improve member and community health by requiring reinvestments go toward upstream factors that impact health (for example, housing, food, and transportation). That is, while CCOs ***may*** use dollars from their global budgets to fund HRS, CCOs ***must*** spend some of their net income or reserves on SHARE Initiatives.

   While SHARE Initiative dollars may fund many of the same types of SDOH-E activities and initiatives as HRS, SHARE Initiative spending ***does not*** qualify as HRS for the purposes of reporting or capitation rate setting, and HRS expenditures may not be counted as part of the CCO's SHARE designation.

2. **How do you expect CCOs will decide on the appropriate amount of their SHARE designation in 2021?**

   For 2021, OHA is observing this statutory requirement in absence of an explicit formulary requirement. It is up to each CCO to determine the percentage of its profits to dedicate to its SHARE Initiative expenditures. OHA anticipates pursuing a minimum SHARE Initiative designation formula effective in 2022, similar to the initial draft regulations circulated in Rules Advisory Committee in 2019. The rule-writing process will likely take place in the latter half of 2021, meaning the designation formula would go into effect for 2022.

SDOH-E Domains

3. **There is some difference in perception of the domain areas. For example, there is disagreement within my organization as to whether "unhoused emergency services" fits under "economic stability" or "neighborhood and built environment."**

   All of the domains have connections and overlap. OHA will not scrutinize how the SHARE spending is categorized in any given domain. It is critical, however, that the CCO can justify its spending meets one of the required domains.

4. **What exactly is meant by the "neighborhood and built environment" domain?**

   The built environment includes spaces and places created or modified by people. It includes buildings, venues for physical activity and the transportation system.

   The built environment can either encourage or serve as a barrier to a healthy lifestyle. For example, neighborhoods perceived as unsafe provide a barrier to physical activity, which may result in a higher likelihood of residents being overweight. On the other hand, higher neighborhood walkability encourages physical activity and can help prevent residents from becoming overweight.

The built environment affects:

- Active transportation, physical activity levels and recreation
- Accessibility of resources
- Affordable housing
- Access to food/healthy diet
- Water and air quality
- Noise
- Traffic safety and pedestrian/bicyclist safety
- Exposure to environmental hazards

Compliance

5. What would happen if the CCO decided not to spend SHARE Initiative dollars for 2021?

The authority for the SHARE Initiative is in statute. Per ORS 414.572(1)(b)(C), CCOs must expend a portion of their annual net income or reserves that exceed statutory financial requirements on services designed to address health disparities and social determinants of health. CCOs that do not spend SHARE Initiative dollars in 2021 could be found to be in breach of the 2021 CCO Contract and subject to Sanctions per Exhibit B, Part 8, Section 3 of the Contract. Sanctions may can include Corrective Action Plans and/or financial penalties.

6. Does the SHARE Spending plan need to be approved before CCOs can pay out the funds?

Yes, OHA will notify each CCO about the approval status of its plan within 30 days of receipt of the Spending plan. CCOs can submit their proposed Spending Plans at any time from 6/30/2021 through 9/30/2021. In the event a CCO's plan cannot be approved as submitted, OHA will work with the CCO to resolve the identified deficiencies as quickly as possible.

Financial Reporting

7. Is a CCO exempt from designating dollars toward the SHARE Initiative if it does not have a positive net income for the previous year? Further, what would the CCO's SHARE requirement be if there's a negative net income but their reserves exceed 200% of Risk Based Capital (RBC)?

The financial requirements for SHARE Initiative spending include an RBC ratio of no less than 200%. As noted in the Report L6.7, CCOs that do not exceed financial requirements as specified in OAR 410-141-5195 *et seq*. for CY 2020 are presumed exempt from having a SHARE Initiative spending requirement. In addition, CCOs whose net income is negative for a year but whose reserves are significantly higher than 200% RBC are not automatically exempt from SHARE initiative.

8. Will SHARE spending count toward the CCO's Medical Loss Ratio (MLR)?

A CCO's SHARE Initiative spending will be excluded from its MLR.

9. Will CCOs eventually be required to determine their SHARE Initiative designation based on an explicit minimum requirement?

OHA anticipates pursuing a minimum SHARE Initiative designation formula effective in 2022, similar to the initial draft regulations circulated in Rules Advisory Committee in 2019. The rule-writing process will likely take place in the latter half of 2021, meaning the designation formula would go into effect for 2022.

10. Is it true that, if a CCO did not exceed minimum financial reserve requirements in 2020, the CCO would only be required to submit the first financial report due April 30 in 2021, but would not be obligated to submit a SHARE Initiative Spending Plan (due September 30, 2021)?

Correct; CCOs that do not exceed financial requirements as specified in OAR 410-141-5195 et seq. for CY 2020 are presumed exempt from SHARE Initiative spending. In this instance, only Report L6.7 would be submitted by April 30, 2021, and no Spending Plan would be due September 30, 2021.

11. How does the pre-SHARE RBC and post-SHARE RBC ratio work in the Report L and National Association of Insurance Commissioners (NAIC) filings, respectively?

The figure reported in the Report L.6.7 is the CCO's RBC prior to the SHARE Initiative. That figure is an interim calculation that is not filed with the NAIC. The NAIC filing will reflect the CCO's financial position after reflecting the SHARE designation determined by the CCO.