

Oregon Depends on Medical Homes

A recognized Patient Centered Primary Care Home (PCPCH) incorporates evidence-based strategies for delivering better care and saving money via avoided ED and urgent care visits, and reduced avoidable hospitalizations

The CCO Transformation “grew up” alongside the PCPCH program; together they reinforce each other.

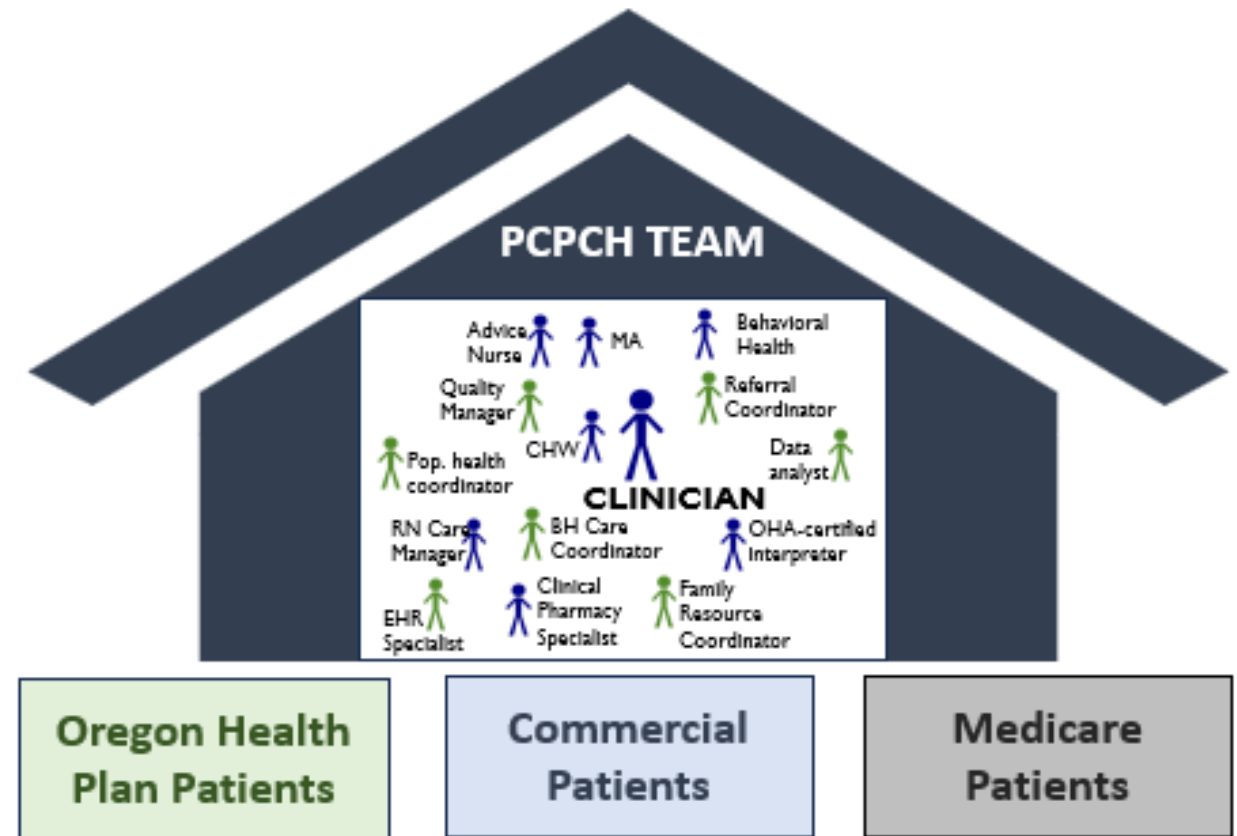
➔ **Both programs use primary care quality measures to demonstrate results**

Multi-payer alignment projects in Oregon didn’t lead to permanent shifts among commercial payers.

Current State:

- We have built considerable capacity to deliver advanced primary care.
- We have ALSO burdened primary care with multiple overlapping requirements and a lack of alignment
- Until now, OHP contract structures helped offset that burden.

Recent changes to CCO contracts have threatened the foundation of this system.

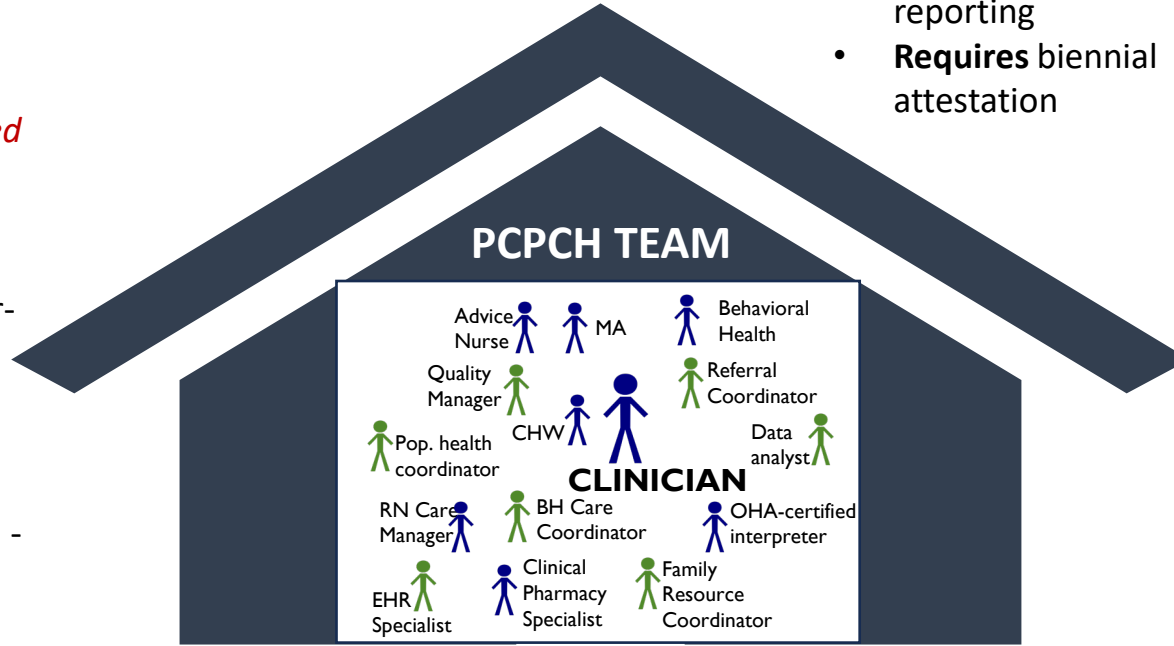


The Foundation is Eroding

CCOs:

- **Must** perform on 12+ measures, *mostly tied to primary care quality performance** (more proposed for 2027)
- Assign most patients to a PCPCH
- **Must** offer a per-member per-month (PMPM) payment to PCPCH clinics
- **Must** meet a % threshold for contracts in Value Based Payment (VBP) arrangements - *waived for 2026*

**QIP dollars cut in 2026; further cuts planned in 2027 and 2028*



PCPCH Model

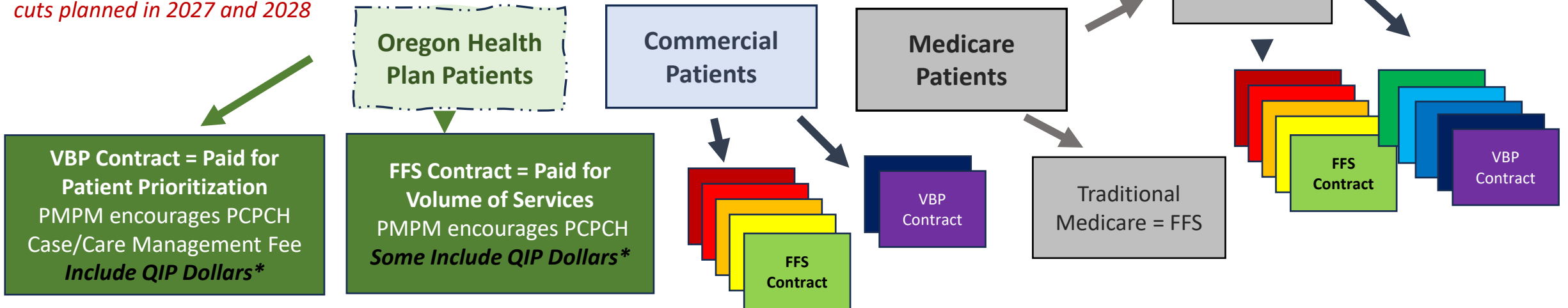
- **Requires** extensive unreimbursed workflows and supports
- **Requires** extensive quality reporting
- **Requires** biennial attestation

Commercial Carriers:

- **May** offer VBP (per compact) often at the system level where payment does not reach the PCP
- **May** offer incentives for quality performance
- **Rarely** financially support the PCPCH model

Medicare:

- Traditional is FFS, and **may** offer non-claims incentives
- Medicare Advantage could be FFS or VBP, and **may** offer incentives



VBP Contract = Paid for Patient Prioritization
PMPM encourages PCPCH Case/Care Management Fee
Include QIP Dollars*

FFS Contract = Paid for Volume of Services
PMPM encourages PCPCH
Some Include QIP Dollars*

FFS Contract

VBP Contract

Traditional Medicare = FFS

FFS Contract

VBP Contract

The Foundation is Eroding: Notes

- Some measures are multi-part and require very complex data collection and reporting.
- Not all measures currently in use have a strong evidence base.
- Required “upstream health outcome metrics” could be defined differently in primary care settings; they could be measures already in play (such as vaccines).
- The payer blocks are very simplified; most clinics have a payer mix that is different than this.
- Green PCPCH team figures represent team members whose services are not reimbursable in a typical fee-for-service contract, but essential for the achievement of quality benchmarks and/or to maximize access to comprehensive care, and to manage administration of these contracts.
- Note that clinics have quality reporting requirements in MANY contracts; typical number of quality measures in Oregon is over 60.
- CCOs offer a mix of claims and non-claims payments, sometimes called “infrastructure”, “care management” or other PMPM payments that vary widely among payers. Most primary care clinics receive funds in Q3 each year as a “bonus” for prior calendar year performance; the combination of all these non-claims payments are typically used to pay for the additional team members and work required for participation in these contracts and in the PCPCH program.
- Note that commercial carriers have been less likely to offer contracts with non-claims payments. CCOs were required starting in 2024 to have 70% of their contracts be in the form of a “value-based contract”. That requirement was waived in 2026.
- We are aware that at least five CCOs ended their VBP programs and offered their networks FFS contracts for 2026.
- The primary care access shortage affects all patient populations; clinics may have to shift their payer mix to make up for lost non-claims revenue.
- Without meaningful incentive dollars to offset the cost of reporting and attestation, clinics may opt out of the PCPCH program.
- Without PCPCH clinical teams doing this work, CCOs cannot hit their performance targets.