

# Memorandum

**To:** Coordinated care organizations and DRG hospitals

**From:** Nathan Roberts, Hospital and Professional Services Policy manager  
Dave Inbody, CCO Operations director

**Date:** June 11, 2025

**Subject:** Oregon DRG rate methodology and non-par rules

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To reimburse non-participating providers for DRG inpatient hospital services, coordinated care organizations must use the outlier methodology required in Oregon Administrative Rule 410-120-1295(3)(b). The outlier methodology is the Medicare outlier methodology not Medicaid as outlined in 410-125-0141(7) for the applicable year.

## Why is this happening?

Oregon Health Authority is providing clarity around the specific outlier methodology required in Oregon Administrative Rule [410-120-1295](#).

## What should you do?

CCO's review your reimbursement policies and procedures for non-participating providers. Ensure you are using the applicable year Medicare outlier methodology.

## Questions?

If you have any questions, please contact Angel Wynia at [angel.wynia@oha.oregon.gov](mailto:angel.wynia@oha.oregon.gov) .

Thank you for your continued support of the Oregon Health Plan and the services you provide to our members.