



BEHAVIORAL HEALTH PRIMARILY MEDICAID DIRECTED PAYMENT GUIDANCE

The Centers for Medicare and Medicaid Services Medicaid managed care regulations at 42 C.F.R. § [438.6\(c\)](#) govern how states may direct plan expenditures in connection with implementing delivery system and provider payment initiatives under Medicaid managed care contracts. The Oregon Health Authority (OHA) implemented multiple directed payment (DP) programs in 2023 in the coordinated care organization (CCO) contracts that further the goals and priorities of the Agency.

The DPs covered in this guidance document apply to the 2025 [Medicaid](#), [Non-Medicaid](#), and [OHP Bridge-Basic Health Program](#) Contracts. This document provides guidance on policy, operational, and rate-setting considerations.

In the 2025 Medicaid Contract, which is the primary CCO contract, these payments are referred to as “Qualified Directed Payments (QDPs) within CCO Payment Rates” and covered in Exh. C, Sec. 1, Para. d, Sub.Para. (2). The DP requirements in the Medicaid Contract are incorporated by reference in both of the other contracts in Exh. C, Sec. 1, Para. d, Sub.Para. (1), Sub-Sub.Para. (a-f).

Capitalized terms not defined in this document have the meanings assigned to them in the CCO contracts. Unless the term “Member” is further qualified, such as by reference to a specific CCO contract, it means an individual enrolled with a CCO under any of its three contracts.

For 2023 and 2024, OHA required tiered payment increases for contracted Behavioral Health (BH) Providers, with a higher amount for those who primarily served individuals enrolled in the Oregon Health Plan (OHP). The CCO contracts use the terms “Primarily Medicaid” and “Primarily Non-Medicaid” to make this distinction. “Primarily Medicaid” is defined as the Provider having at least fifty percent (50%) of its total patient service BH revenue derived from providing services to OHP Members¹ in the prior Contract Year. “Primarily Non-Medicaid” is defined as the Provider having less than fifty percent (50%) of its total patient service BH revenue derived from providing services to OHP Members in the prior Contract Year.

¹ “OHP Members” are Members who are covered under any of the three CCO contracts for their OHP behavioral health benefits as well as Members whose behavioral health benefits are paid by OHA’s fee-for-service program.

For 2025, this DP is revised to require that the minimum reimbursement for contracted Primarily Medicaid BH Providers is **the greater of:**

- At least 110% of the State Plan aka Oregon Health Plan (OHP) BH fee-for-service (FFS) [fee schedule](#) rate (effective January 1, 2025); or
- The CCO's contracted rate for 2024 plus a reasonable inflation factor.

Unlike for 2023 and 2024, for 2025 there is no directed payment increase for contracted Primarily Non-Medicaid BH Providers.

The DP is limited to covered BH services in the Assertive Community Treatment and Supported Employment (ACT/SE) services, Mental Health (MH) Non-Inpatient, and Substance Use Disorder (SUD) Categories of Service (COS).² Refer to Appendix A for a crosswalk of Oregon Health Grouper (OHG) financial criteria to these COS.

WHAT SHOULD YOU DO?

Providers:

1. Each contracted BH Provider should gather financial information to demonstrate their distribution of BH revenue for patient services attributable to OHP Members and to patients covered by other payers against their total BH revenue for services provided in 2024. If the Provider believes they qualify as a Primarily Medicaid Provider, then they should use this financial information to complete the BH Provider attestation. The BH Provider attestation template is available on the CCO Contract Forms [webpage](#).

The Provider must submit the completed attestation to each CCO with which they contract, along with any supporting documentation as may be required by each CCO. The completed attestation is the official confirmation that each CCO is required to have in their records under their OHA contracts.

CCOs:

1. Each CCO must work with its BH Participating Providers to establish that the individual Providers qualify for the DP. Upon acceptance of the completed BH Provider attestation (and any required supporting documentation) that supports qualification as a Primarily Medicaid Provider, each CCO must pay the applicable DP rate for 2025 dates of service³ as follows:

² The service names used in this paragraph are those used for the Categories of Services in Appendix A. The service names used in the CCO Contracts are slightly different.

³ Since the DP rate applies only to contracted BH Providers, the effective date for the DP rate cannot be earlier than the effective date of the Provider's contract, regardless of when the CCO receives the Provider's 2025 attestation (and documentation).

- Effective January 1, 2025, if the 2025 attestation (and documentation) was received prior to that date (if early submission is allowed by the CCO) or on any date through March 31, 2025.
 - Effective on the 1st day of a subsequent calendar quarter if the 2025 attestation (and documentation) was received on any date in that quarter. For example, if the Provider's submission is received on August 1, 2025, then the DP rate is retroactive to July 1, 2025, as the 1st day of the July-September calendar quarter.
2. CCOs are expected to pay Primarily Medicaid BH Providers *newly contracted* for 2025 at least 110% of the OHP BH FFS fee schedule rate (effective January 1, 2025).
 3. By March 31, 2025, each CCO must provide OHA with a written attestation of compliance with all 2025 DP requirements, including BH Primarily Medicaid. OHA will post the attestation template on the CCO Contract Forms [webpage](#) by December 31, 2024.
 4. CCOs may, but are not required to, continue to pay existing Primarily Medicaid BH Providers at their 2024 rates for dates of service through January 30, 2025, while they are processing Providers' 2025 attestations (and documentation) and updating their systems. However, CCOs must make these Providers whole **promptly** after this date. This means retroactively adjusting Providers' payments to the appropriate 2025 rate, whether that's a payment increase or recouping any Overpayment(s). Total payments to qualified BH Providers for dates of service in 2025 must ultimately comply with the payment levels described in the CCO contracts.
 5. CCOs that utilize Alternative Payment Methodologies (APMs) may continue to use such arrangements but must demonstrate and document that the APM incorporates the DP increase.

APPENDIX A — CATEGORY OF SERVICE (COS) CROSSWALK

OHG DESCRIPTION	CLAIM TYPE	COS			
			PRIMARYLY MEDICAID	COD	CLS
PROF-MH-ABA-SERVICES	Professional	ABA			X
PROF-MH-ACT	Professional	ACT/SE	X		X
PROF-MH-SUPPORT-EMPLOYMENT	Professional	ACT/SE	X		X
OP-MH-OTHER	Outpatient	MH Services Non-Inpatient	X	X	X
PROF-MH-ALT-TO-IP	Professional	MH Services Non-Inpatient	X	X	X
PROF-MH-ASSESSMENT-EVALUAT	Professional	MH Services Non-Inpatient	X	X	X
PROF-MH-CASE-MANAGEMENT	Professional	MH Services Non-Inpatient	X	X	X
PROF-MH-CASE-MGT	Professional	MH Services Non-Inpatient	X	X	X
PROF-MH-CONSULTATION	Professional	MH Services Non-Inpatient	X	X	X
PROF-MH-CRISIS-SERVICES	Professional	MH Services Non-Inpatient	X	X	X
PROF-MH-EVAL-MGMT-PCP	Professional	MH Services Non-Inpatient	X	X	X
PROF-MH-INTERP-SERVICES	Professional	MH Services Non-Inpatient	X	X	
PROF-MH-MED-MGT	Professional	MH Services Non-Inpatient	X	X	X
PROF-MH-MST	Professional	MH Services Non-Inpatient	X	X	X
PROF-MH-OP-THERAPY	Professional	MH Services Non-Inpatient	X	X	X
PROF-MH-PDTS	Professional	MH Services Non-Inpatient	X	X	X
PROF-MH-PHYS-OP	Professional	MH Services Non-Inpatient	X	X	X
PROF-MH-PRTS-CHILD	Professional	MH Services Non-Inpatient	X		
PROF-MH-RESPIRE	Professional	MH Services Non-Inpatient	X	X	
PROF-MH-SKILLS-TRAINING	Professional	MH Services Non-Inpatient	X	X	X
PROF-MH-SUBACUTE	Professional	MH Services Non-Inpatient	X		
PROF-MH-SUD-UNBUCKETED	Professional	MH Services Non-Inpatient	X	X	X
PROF-MH-SUPPORT-DAY	Professional	MH Services Non-Inpatient	X	X	X

OHG DESCRIPTION	CLAIM TYPE	COS			
			PRIMARILY MEDICAID	COD	CLS
PROF-MH-THERAPY	Professional	MH Services Non-Inpatient	X	X	X
PROF-MH-THERAPY-INPATIENT	Professional	MH Services Non-Inpatient	X	X	
PROF-MH-UNBUCKETED	Professional	MH Services Non-Inpatient	X	X	X
PROF-PHYS-OTHER-E-M-MH	Professional	MH Services Non-Inpatient	X	X	X
PROF-PHYS-PRIMCARE-E-M-MH	Professional	MH Services Non-Inpatient	X	X	X
PROF-PHYS-SOMATIC-MH	Professional	MH Services Non-Inpatient	X	X	X
OP-CD-A	Outpatient	SUD	X	X	X
OP-CD-B	Outpatient	SUD	X	X	X
PROF-MH-WRAPAROUND-SERVICE	Professional	MH Children's Wraparound			X
PROF-CD-ASSESS-SCREENING	Professional	SUD	X	X	X
PROF-CD-METHADONE-AMH	Professional	SUD	X	X	X
PROF-CD-METHADONE-TREAT	Professional	SUD	X	X	X
PROF-COMMUNITY-DETOX	Professional	SUD	X	X	X
PROF-SBIRT-A	Professional	SUD	X	X	X
PROF-SBIRT-B	Professional	SUD	X	X	X
PROF-SUD-UNBUCKETED	Professional	SUD	X	X	X
PROF-CD-RES-ADULT	Professional	SUD Residential		X	X
PROF-CD-RES-CHILD	Professional	SUD Residential		X	X
THW PROCEDURE CODES (NEW THW OHG UNDER DEVELOPMENT)					X