



OFFICE OF THE DIRECTOR

Kate Brown, Governor

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July 27, 2018

The Honorable Governor Kate Brown
254 State Capitol
Salem, OR 97301

RE: Oregon Health Authority Monthly Update on Ongoing and Emerging Issues

Dear Governor Brown:

This letter is the Oregon Health Authority's (OHA's) July 27th monthly issue update. We have several new issues to communicate this month as well as an update on a previously documented issue.

OHA's Issue Resolution Leadership Team and the Issue Resolution Project Team have been meeting jointly to provide leadership oversight and to ensure progress continues to be made in resolving identified issues. We are also continuing ongoing research and analysis into previously documented issues and documenting new issues. As noted in our previous updates, we have been constructing an Issues Log to track the documented issues and maintain an established process and status for each issue. The Issues Log is attached and will be a portion of our monthly updates going forward. The Issues Log will be accompanied by a cover memo providing details related to new issues or material updates to existing issues.

Previously Documented Issue

Common Credentialing Program Implementation

Concerns related to the implementation of the Common Credentialing program were initially communicated on December 1, 2017. Due to changes in priority, decreased stakeholder support and managing fiscal responsibility it has been decided that the program will be suspended. Therefore, the issue has been removed from the Issues Log. Communication regarding the suspension decision was released to stakeholders on July 25th.

Newly Documented Issues

The following is a summary of three newly documented issues since our last update. These new issues have been documented in our attached Issues Log. Issues 004-18 and 006-18 require additional research and, as such, we expect our understanding of cause, scope and impact to evolve.

Issue Number 004-18: Medicaid Compliance – Language Access (Interpretation and Translation)

Status: Not yet resolved

Estimated Impact: Impact to underrepresented minority groups

Summary: Currently, the Oregon Health Plan paper application is available in only six languages; English, Spanish, Russian, Vietnamese, Simplified Chinese and Somali. The ONE System is available in only English and Spanish. Requests for interpretation and translation in other languages have been delayed due to lack of published process, uncertainty regarding program funding responsibilities and a lack of qualified vendors to provide interpretation and translation services.

Update Governor Kate Brown

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Update: A collaboration team is being built which includes state Publications, the Office of Equity and Inclusion (OHA), Office of Equity and Multicultural Services (DHS) and the DHS Community Partner Outreach Program to establish process, locate resources and define funding obligations.

Issue Number 005-18: Disproportionate Share Hospitals (DSH) Audit Reporting

Status: Not yet resolved

Estimated Impact: \$18 Million deferral – resolved and logistics of suspending the deferment are underway.

Summary: OHA submits the DSH independent certified audit for state plan rates to CMS with an annual deadline of December 31st. The certified audit for state plan rate year 2014, due December 31, 2017, missed the deadline. CMS issued an \$18 million deferral notice related to the delinquency. The late submission was due to several factors including delayed data collection from the Oregon State Hospital (paper process) and data collection from Oregon Health Sciences University (OHSU).

Update: The requirements of the deferment letter have been satisfied and OHA is working with CMS to release the funds. An automated solution is being established to prevent future recurrence of this issue.

Issue Number 006-18: Behavioral Health Services Contracts Issues with Medicaid Impacts

Status: Not yet resolved

Estimated Impact: Not yet known; additional research is required

Summary: OHA has many contracts for Behavioral Health Services including contracts for direct services as well as with counties in Oregon. A portion of these contracts (45) lack contractual language specifying billing instructions for Part B Medicaid versus Part A and C non-Medicaid. Therefore, there is a risk to general fund as well as Medicaid overpayments. Upon Department of Justice (DOJ) review, the contracts fall short of legal sufficiency.

Update: New language has been developed for Medicaid Part B to be added into the contracts through amendments. This new content is currently being vetted through DOJ. The risk to general funds as well as Medicaid overpayments is being quantified by deliverable in each contract.

Please don't hesitate to contact me with any questions you may have.

Sincerely,



Patrick M. Allen
Director

EC: Fariborz Pakseresht, Director, DHS

ENC: Issues Log and Status Report

ISSUES LOG AND STATUS REPORT

Friday, July 20, 2018

Log Owner: Issues Resolution Leadership Team

Resolution Process Lifecycle



1. Issue Identified	2. Initial Issue Meeting	3. Research Underway	4. Issue Substantiated	5. Resolution Plan Established	6. Issue Resolved
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Issues and Status

NUMBER	ISSUE	IMPACT	STATUS
001-17	CAWEM Clients Enrolled in CCOs	\$25.7 Million	Issue Resolved
002-17	Dual Eligible Population	\$41.48 Million	Resolution Plan Established
003-17	Payments to Institutions for Mental Disease (IMDs)	\$9.7 Million	Resolution Plan Established
004-17	Payments for Certain Procedures Related to Termination of Pregnancy	\$2.0 Million	Resolution Plan Established
005-17	Bariatric Surgery Payments	\$1.5 Million	Resolution Plan Established
006-17	Nursing Facility Coinsurance and Post-Acute Care Claims (DHS/APD)	\$16.4 Million	Issue Resolved
007-17	Overwritten Eligibility Records	1200 Individuals/\$46,000	Resolution Plan Established
008-17	Pharmacy Other Coverage Codes (payer of last resort)	\$1.2 Million (Est.)	Resolution Plan Established
009-17	Retroactive Terminations	\$17.3 Million (Est.)	Resolution Plan Established
010-17	Prescription Drug Rebate Credits	\$22.3 Million (Est.)	Resolution Plan Established
011-17	Posting of Cash Payments – Cash Medical	\$20 Million (Est. opportunity)	Resolution Plan Established
012-17	Fee-for-Service Payments while Enrolled in CCOs	TBD	Issue Substantiated
013-17	Post-Delivery Coverage for CAWEM Plus Clients	TBD	Issue Substantiated
014-17	Capitation Payments for Deceased and Incarcerated Clients	TBD	Issue Substantiated
015-17	Long-Term Residential Services Eligibility	TBD	Issue Substantiated
016-17	Case Mismatch Across Systems	TBD	Issue Substantiated
017-17	Services Provided to Tribal Members at Non-Tribal Facilities	TBD	Issue Substantiated
018-17	Enhanced Federal Funding for Preventive Services	Enhanced funding opportunity	Issue Substantiated
019-17	Tribal Targeted Case Management Services	TBD	Issue Substantiated
020-17	Prior Period Adjustments for Public and Private Providers	TBD	Issue Substantiated
021-17	Alignment of Federal Financial Reports – Budget Neutrality	TBD	Issue Substantiated
022-17	Non-Covered Services in Rates for Certain Certified Community BH Clinics	TBD	Issue Substantiated
023-17	Eligibility Coding for Rate Development	TBD	Issue Substantiated
001-18	Mental Health Residential Transition	Est. \$3.7 Million	Resolution Plan Established
002-18	Adult Residential Treatment Programs	Est. \$900K	Resolution Plan Established
003-18	Retroactive Medicare Eligibility	TBD	Issue Substantiated
004-18	Medicaid Compliance – Language and Translation	TBD	Issue Substantiated
005-18	Disproportionate Share Hospitals (DSH) Audit Reporting	\$18 Million (Deferral)	Resolution Plan Established
006-18	Contract Issues and Impact on Medicaid	TBD	Issue Substantiated