



## PERMANENT ADMINISTRATIVE ORDER

### DMAP 52-2019

CHAPTER 410  
OREGON HEALTH AUTHORITY  
HEALTH SYSTEMS DIVISION: MEDICAL ASSISTANCE PROGRAMS

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FILING CAPTION: Adding Language to Include DRG Hospitals in the QDP Programs

EFFECTIVE DATE: 01/01/2020

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CONTACT: Brean Arnold                      500 Summer St. NE  
503-569-0328                                  Salem, OR 97301  
brean.n.arnold@dhsosha.state.or.us

Filed By:  
Brean Arnold  
Rules Coordinator

AMEND: 410-125-0230

RULE TITLE: Qualified Directed Payments

NOTICE FILED DATE: 10/24/2019

RULE SUMMARY: The Division needs to amend Hospital rules effective January 1, 2020 to include the DRG hospitals in the Qualified Directed Payment (QDP) program. The hospitals must meet the criteria established by the Authority for the DRG Hospital Quality and Access Pool program in accordance with applicable federal requirements.

RULE TEXT:

Qualified Directed Payments (QDP) are payments made by the Oregon Health Authority (Authority) to Coordinated Care Organizations (CCOs) from three Quality and Access pools for distinct provider classes: one for Rural Type A and Type B hospitals; one for Public Academic Health Centers; and one for DRG hospitals. Each provider class is defined in §438.6(c) Preprint forms approved by the U.S. Department of Health and Human Services Centers for Medicare and Medicaid Services. QDPs are tied to inpatient and outpatient encounters by Medicaid and Children's Health Insurance Program members enrolled in a Coordinated Care Organization.

(1) Type A and Type B hospitals:

- (a) The Authority shall make a qualified directed payment only if the Type A or Type B hospital meets criteria established by the Authority for the Type A or Type B hospital Quality and Access program in accordance with applicable federal requirements, which may be updated from time to time.
- (b) The Authority shall make a qualified directed payment for each inpatient and outpatient encounter; one encounter per member, per day, per facility;
- (c) QDP amounts shall be at two separate rates; one for inpatient encounters and one for outpatient encounters;
- (d) Payment rates shall be set by the Authority and may be adjusted based on actual utilization and available Quality and Access funds;
- (e) The Authority shall create a monthly report to assist CCOs in distributing funds to the appropriate hospital. The report shall be distributed to each CCO and each Type A and Type B hospital;
- (f) Within five business days after receipt of the monthly report, the CCO shall submit an electronic payment to an account established by the hospital for the amount indicated on the report;

- (g) Adjustments shall be processed weekly through the Medicaid payment system and included in the monthly report.
- (2) Public Academic Health Centers:
- (a) The Authority shall make a qualified directed payment only if the public academic medical center meets criteria established by the Authority for the Public Academic Medical Center Quality and Access program in accordance with applicable federal requirements, which may be updated from time to time.
- (b) The Authority shall make a qualified directed payment for each inpatient and outpatient encounter; one encounter per member, per day, per facility;
- (c) QDP amounts shall be at two separate rates; one for inpatient encounters and one for outpatient encounters;
- (d) Payment rates shall be set by the Authority and may be adjusted based on actual utilization and available Quality and Access Funds;
- (e) The Authority shall combine the weekly encounters into a monthly report to assist CCOs in distributing the funds to the appropriate hospital. The report shall be distributed to each CCO and each public academic health center;
- (f) Within five business days after receipt of the monthly report, the CCO shall submit an electronic payment to an account established by each public health center for the amount indicated on the report;
- (g) Adjustments shall be processed weekly through the Medicaid payment system and included in the monthly report.
- (3) DRG Hospitals:
- (a) The Authority shall make a qualified directed payment only if the DRG Hospital meets criteria established by the Authority for the DRG Hospital Quality and Access Pool program in accordance with applicable federal requirements, which may be updated from time to time.
- (b) The Authority shall make a qualified directed payment for each inpatient and outpatient encounter; one encounter per member, per day, per facility;
- (c) QDP amounts shall be at two separate rates; one for inpatient encounters and one for outpatient encounters;
- (d) Payment rates shall be set by the Authority and may be adjusted based on actual utilization and available Quality and Access Funds;
- (e) The Authority shall create a monthly report to assist CCOs in distributing funds to the appropriate hospital. The report shall be distributed to each CCO and each DRG hospital;
- (f) Within five business days after receipt of the monthly report, the CCO shall submit an electronic payment to an account established by the hospital for the amount indicated on the report;
- (g) Adjustments shall be processed weekly through the Medicaid payment system and included in the monthly report.
- (4) If an error is identified in the monthly report, the CCO shall make the payment based on the original amount provided in the report. The Authority shall identify separately the correction in the following month's report and adjust the total payment amount to account for the error.

STATUTORY/OTHER AUTHORITY: ORS 413.042

STATUTES/OTHER IMPLEMENTED: 2017 HB 2391