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December 5th, 2025

# **2026 Behavioral Health Directed Payments Webinar**

***Welcome to the Presentation!***

# Agenda

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- CY2026 CCO Capitation Rates & BH Trends
  - Federal Landscape
- CY2026 CCO BH Directed Payments
  - Narrowing the Primarily Medicaid to Team-based Care
  - Frequently Asked Questions
- Culturally and Linguistic Specific (CLS)
- Integrated Co-occurring Disorder Treatment Program (ICOD)
- Reporting, Attestations & Guidance
- Q&A with OHA and CCO BH Representatives



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*A shift towards a more flexible reimbursement model to support local decision-making, enable CCOs to manage resources more effectively across their provider networks and support rising behavioral health utilization, while maintaining a focus on promoting health equity and ensuring services are available for our most vulnerable and high needs individuals.*



# **CY2026 CCO Capitation Rates & BH Trends**

# Oregon Medicaid Capitation Rates Over The Years

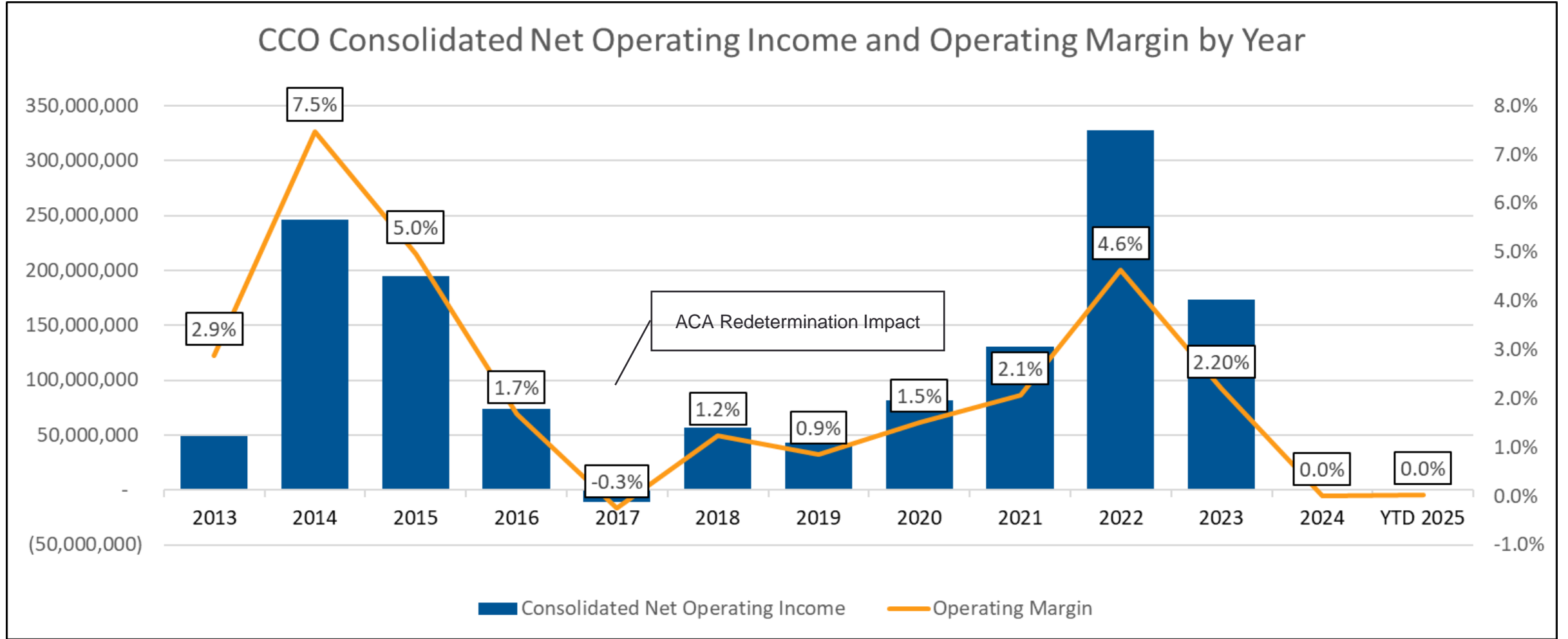
Annualized growth rate has been consistent at a statewide level, with the exception of 2018 and 2026



- The year over year rate increases for Oregon Medicaid's capitation rates has stayed consistent around the 3.4% budget target. 2018's YoY rate increase was due to the ACA redetermination; some other years were impacted by Legislatively-funded benefit improvements. 2026's projected rate increase of 10.6% is well beyond historical levels.
- Chart is in total funds; however, state fund increases targeted 3.4% in most years resulting in slightly different total fund impacts.

# CCO Program Financial Performance

After ACA/PHE redetermination efforts, CCOs have seen dips in profits across the program. In 2024/2025, reduced membership was also accompanied by a surge in utilization in behavioral health.



<https://www.oregon.gov/oha/FOD/Documents/Q4%202024%20Public%20Brief.pdf>

# CCO Concerns and Escalating Cost Pressure

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## CCO Feedback during 2026 CCO Rate Negotiations:

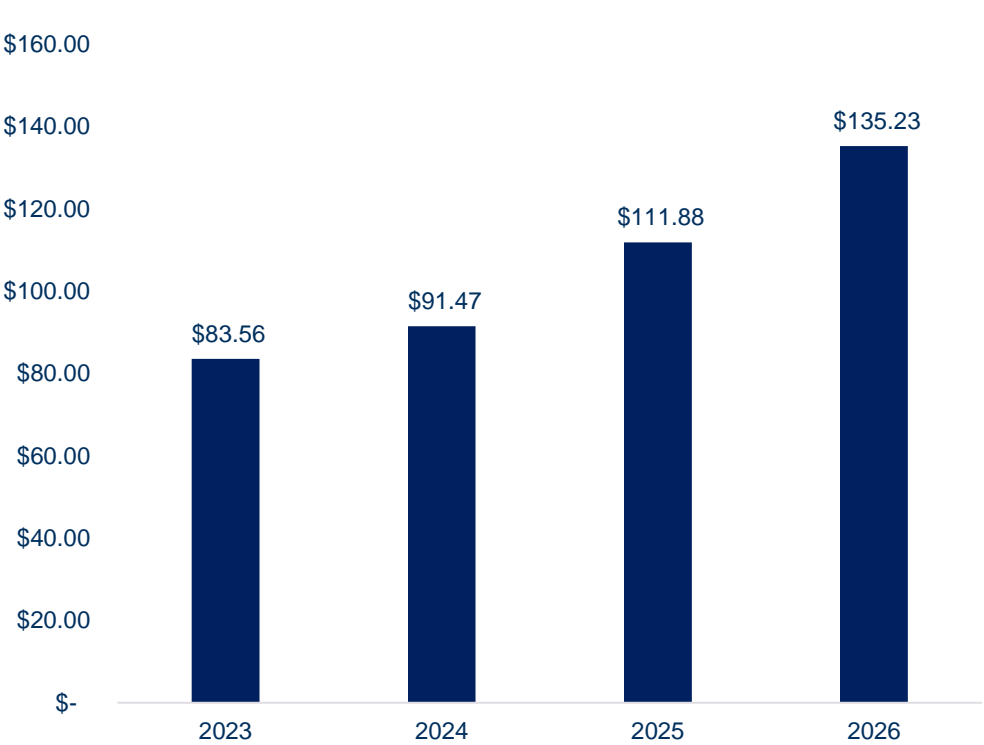
- **Escalating Cost Pressures:** Cost growth is accelerating; particularly in behavioral health for 2024 and expanding to both behavioral and physical health in 2025. OHA requested Q2 2025 data from CCOs to validate their concerns and observed the persisting high trends.
- **Urgency for Collaboration:** CCOs requested further partnership with OHA to ensure program sustainability and expressed concern over the short statutory timeline for responding to rate changes and exploring policy changes.
- **Reduced Risk Tolerance:** Declining reserves and capital in 2024 and 2025 have lowered CCOs' appetite for absorbing financial risk.
- **Immediate Cost-Cutting Measures:** Due to 2025 financial pressures, CCOs were already implementing cost-cutting measures.

*OHA worked with CCOs over the summer to evaluate opportunities to reduce risk and cost pressure from OHA requirements, including narrowing the BH directed payment eligibility*

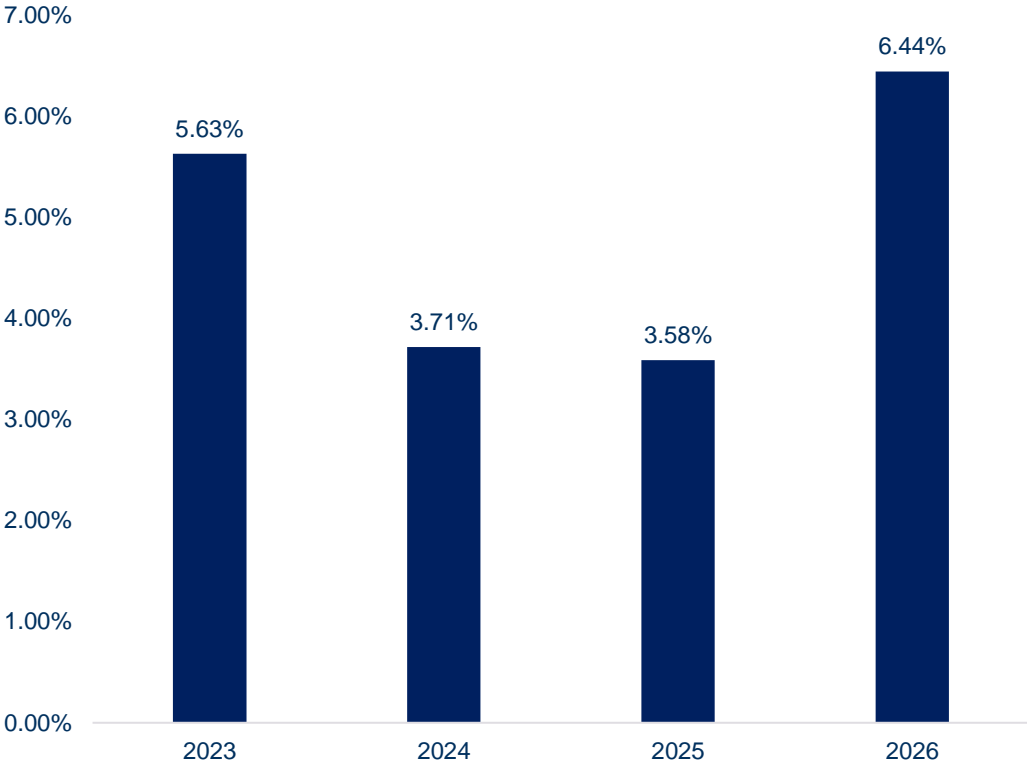
# BH Component of CCO Rates & Trends

On average, 21% increase to BH component of CCO rates for CY26 compared to CY25.

Statewide BH Rate



Statewide BH Trend



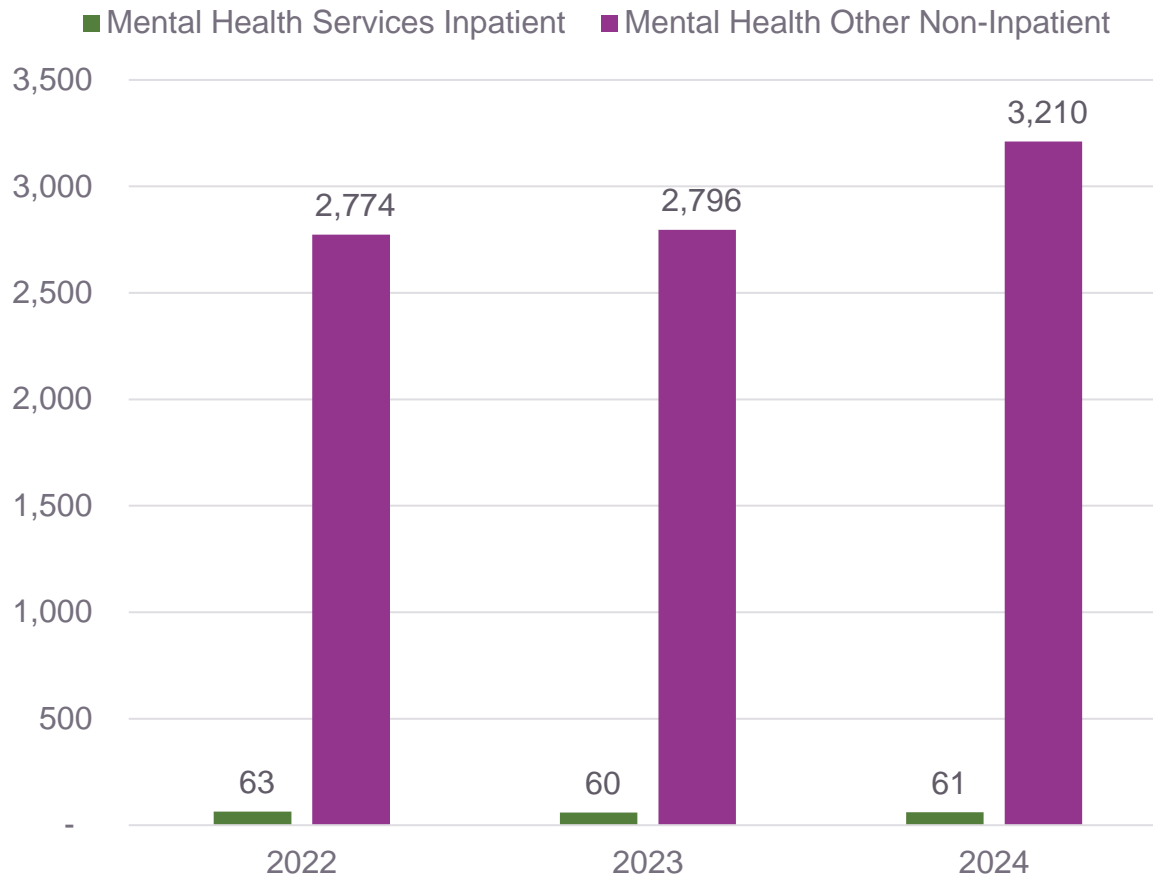
**Note:**  
PMPMs normalized to CY26 Caseload Forecast Mix.



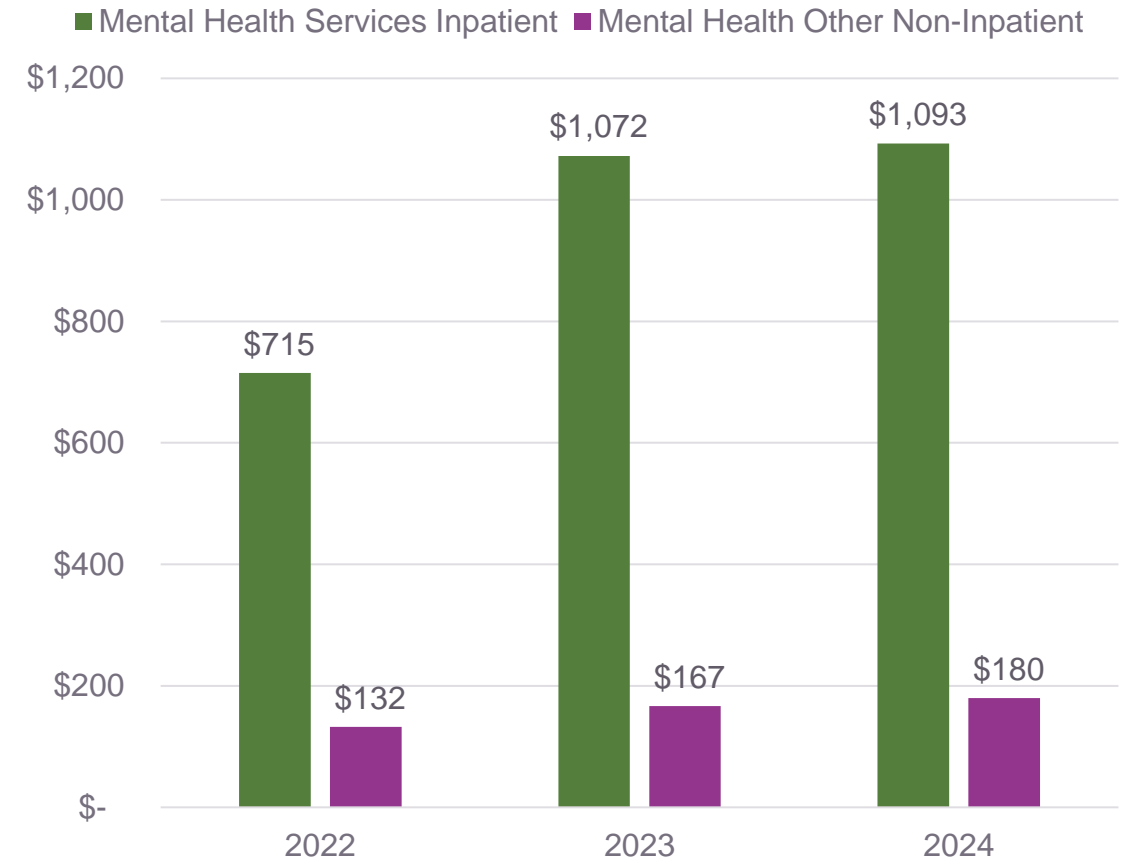
# Behavioral Health Utilization and Unit Cost

*BH growth was significant with implementation of the directed payment in 2023, and utilization growth occurred in 2024 at a high rate*

Statewide Base Data BH Utilization Per 1000



Statewide Base Data BH Unit Cost



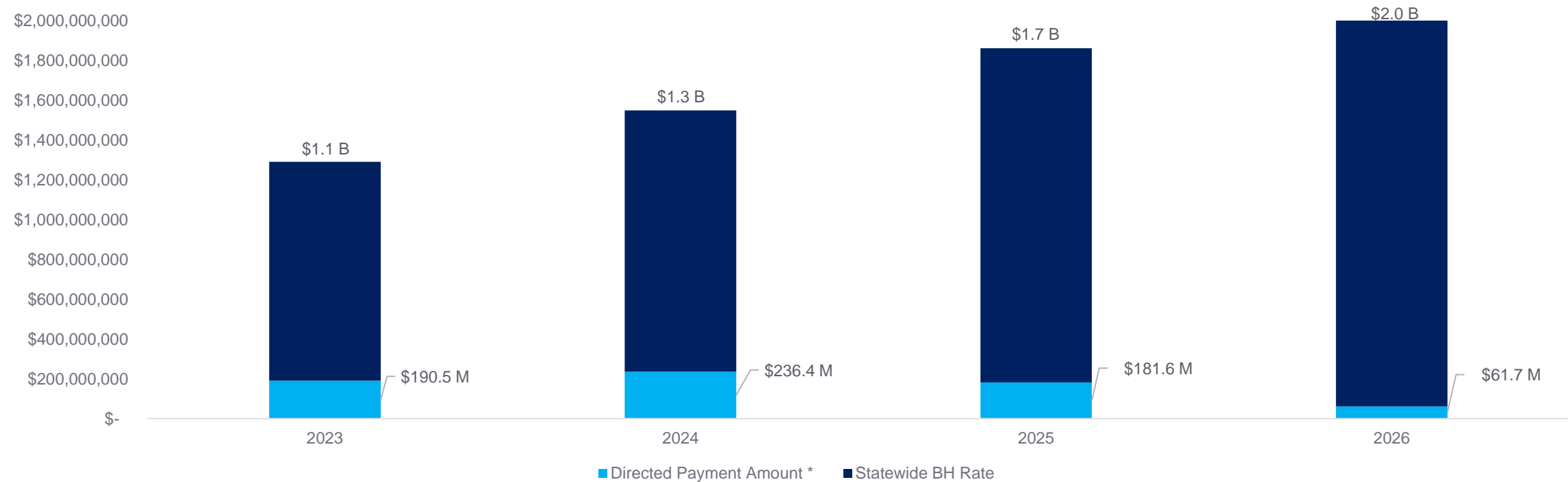
# Federal Landscape – Medicaid Directed Payments

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- Under the 2025 budget reconciliation law (HR1), CMS is tightening oversight of directed payments, prompting states to adapt:
  - **Stricter CMS review:** More documentation required and stricter reviews
  - **Approval delays:** Longer timelines across states, including Oregon
  - **Shift in strategy:** CMS has encouraged states to use other levers and give more flexibility to managed care to negotiate provider rates
  - **New federal caps:** Some SDPs now limited to 100% of Medicare

All states, including Oregon, have experienced delays in directed payment pre-print/application approvals from CMS.

# Directed Payment Changes vs. BH Rate Increases



**Note:**

\* 2023 and 2024 DP amounts represent reported financials as collected in the 2023 and 2024 Q4 Exhibit L, Report L6.91.  
2025 and 2026 DP amounts are impact estimates.



# 2026 CCO BH Directed Payments

# Narrowing BH Directed Payments in 2026

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- OHA is narrowing the eligibility criteria for Behavioral Health (BH) directed payments beginning in 2026. These changes are intended to give CCOs greater flexibility when it comes to the following:
  - Managing the BH benefit in ways that are responsive to local needs, provider capacity, and system priorities.
  - Ensuring access to team-based care for the most vulnerable and high-risk individuals.
  - Structuring provider contracts to support innovative care delivery and regional differences.
  - Meeting accelerated BH demand, with needs that vary across communities and specific services.

Even as the structure of these payments evolves, the total CY26 CCO BH rate component ensures CCOs have the financial support to meet their members needs for most critical BH services.

# History of Primarily Medicaid Directed Payment

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## Supporting Reimbursement Increases Across the CCO Network (2023–2025)

- Launched in 2023 to strengthen provider reimbursement in the CCO network
- Intended to reinforce and formalize higher payment levels in CCO network along with Open Card (many CCOs were paying above Open Card rates)
- Open Card rates were retroactively increased by an average of 30% in July 2022
- **Tiered Payment Model (2023–2024):**
  - 30% increase for providers with  $\geq 50\%$  BH revenue from OHP (Primarily Medicaid)
  - 15% increase for providers with  $< 50\%$  BH revenue from OHP
- **Tiered Payment Model 2025 Update:** Continued differential for “Primarily Medicaid” providers on at a minimum payment that was greater of:
  - 110% of OHP BH fee schedule, or
  - 2024 contracted rate + inflation factor

# What's Changing – 2025 versus 2026

2025	2026
<b>Primarily Medicaid:</b> OHA required CCOs to pay at least 110% of the OHP open card reimbursement rate to most BH providers serving OHP members if their service revenue from Medicaid was over 50% the previous year.	<b>Team-based Care:</b> Beginning in 2026, the eligibility for the 110% minimum will be focused on providers offering team-based care in the CCO network and meeting the over 50% Medicaid service revenue threshold the previous year.
<b>CLSS/ICOD:</b> There were not reimbursement changes; however, Culturally and Linguistically Specific (CLS) and Integrated Co-occurring Disorder (ICOD) SDPs will now operate as minimum fee schedule tied to State Plan-Approved Rates, inclusive of increases tied to applicable modifiers. This removes two separate applications to CMS, and it will be tied with the CCO contract review and approval (same as ABA).	

What's changing is how directed payment protections are structured and who qualifies for the rate minimum requirement if providers are contracting with a CCO

# Eligibility for Team-Based Care BH Providers

For 2026, to qualify as a Team-Based High Acuity Medicaid Provider, a CCO network Medicaid BH provider must meet one of the following:

CMHP	Non-CMHP
<p>Be a Community Mental Health Program offering one or more of the following:</p> <ul style="list-style-type: none"><li>• Assertive Community Treatment,</li><li>• Early Assessment and Support Alliance, or</li><li>• Intensive In-Home Behavioral Health Treatment</li></ul>	<p>Be a Team-based Care BH provider that meets all the following:</p> <ol style="list-style-type: none"><li>1. Hold a Current Certificate of Approval from OHA</li><li>2. Derive at least 50% of annual BH revenue from services to OHP members (previous year)</li><li>3. Provide integrated, team-based care that includes the following, as clinically indicated:<ul style="list-style-type: none"><li>▪ Psychiatric Services and/or Addiction Medicine Services (on-staff or contracted)</li><li>▪ Peer-Delivered Services (CRM, PWS, PSS) (on-staff or contracted)</li><li>▪ Case Management Services</li><li>▪ Individual, Group, and Family Therapy – community based as needed</li></ul></li></ol>



# Frequently Asked Questions

Question	Response
What happens in 2026 if I was paid over 110% of Open Card in 2025 and am considered a team-based care provider in 2026?	OHA has requested a minimum fee schedule for BH providers that qualify as team-based care in 2026 in an application to CMS. If you are above the minimum, it is not required a CCO continue to pay at that rate in 2026.
What if I provide some of the team-based care criteria for a non-CMHP, but not all?	To qualify for the minimum reimbursement protection of 110% in 2026, a BH provider must meet all the criteria. Providers are encouraged to contact their CCO regarding reimbursement rates and contracting.
Can I contract for psychiatric services versus having them on staff?	Contracted services must demonstrate timely access to all services based on clinical indication. Team-based providers must work off the same service plan and clinical record.
The CCO that covers my clients will not network with me, what should I do?	OHA contracts with the coordinated care organizations (CCOs) to deliver Medicaid services to Oregon Health Plan members in their local areas. <a href="#">OAR 410-141-3510</a> and <a href="#">OAR 410-141-3515</a> describe the responsibilities of the CCOs to develop and maintain a network of providers. CCOs are wholly responsible for their network and participation in their network is at the CCOs discretion. OHA provides oversight of the CCOs through regular reporting, training and technical assistance and auditing.

# Frequently Asked Questions

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Question	Response
What if I am in the process of getting my Certificate of Approval (COA)?	You are not eligible until you have received your COA. Once you have a COA and you meet all the rest of the criteria, you can submit your provider attestation and be eligible for the 110% minimum reimbursement back dated to the start of the quarter you submit the completed attestation.
Is there a specific staff to member ratio needed to meet the team-based care definition?	Team-based care providers must demonstrate timely access to all services based on clinical indication and work off the same service plan and clinical record. CCOs will be responsible for monitoring this standard.
Our organization primarily serves young children, who rarely require psychiatric services. Is it possible to request an exception?	While we recognize that service needs can vary across populations, it was not feasible to develop criteria that account for every unique circumstance. Your CCO is still responsible for ensuring that appropriate services are available to meet the needs of the population you serve and encourage you to engage with your CCO in contract negotiations.



# **Culturally and Linguistic Specific (CLS) Directed Payments**

# Overview - CLS Directed Payments

*OAR 309-065-0000*

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- **What is it?** Culturally and Linguistic Specific (CLS) directed payments are enhanced payments for CCO and fee-for-service (FFS) services to behavioral health providers who qualify as CLS.
- **Why is it important?** Recognizes and supports services that are specifically designed for distinct minoritized cultural communities.
- **What are the goals?** The primary goal is to advance health equity by improving access, quality of care, and health outcomes for OHP members. Aims to grow and diversify the workforce by investing in providers who offer these specialized services.

# Two CLS Pathways

## *Culturally Responsive vs Specific*

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- **Culturally Responsive Services** are inclusive of all folks and they intend to have the provider address the unique characteristics of the client and attend to all their socio-political identities.
- **Culturally Specific Services** are foundationally designed for a distinct community by providers who are from or immersed in that community.

# CLS Services Impact Over Three Years

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- **2023:** Program successfully implemented, establishing the enhanced payment framework for outpatient behavioral health providers.
- **2024:** Focused on provider growth, outreach, and providing technical assistance to solidify the attestation and billing processes.
- **2025:** Program expanded to include Traditional Health Workers (THWs) and residential SUD services, broadening its reach.
- **Future Impact:** Continued growth in the number of certified CLS providers, leading to increased access and improved equity for OHP members.

# CLS Service BH Application

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- **Review Criteria:** Providers must review the official criteria in OAR 309-065-0000 to 309-065-0050 to ensure they meet the specific standards for CLS providers.
- **Submit Application:** Complete the [application](#) process.
- **Coordinate & Bill:** Once OHA-approved, coordinate with CCOs. Bill eligible services using the appropriate CLS modifiers to receive the enhanced payment.

# CLS Services Data Snapshot

Category	Round 1	Round 2	Round 3	Total
<b>Applications</b>	124	179	123	426
<b>Approvals</b>	58	147	61	266
Rural Providers	12.07%	9.5%	34.3%	16.5%
CLS Individual Providers	25.86%	49.7%	37.7%	43.6%
CLS Organization	31.03%	19%	8.2%	19.2%
CLS Program	15.52%	9.5%	6.6%	10.2%
Individual Bilingual Providers	25.86%	21.12%	37.7%	25.9%
Sign Language Providers	1.7%	0.68%	0%	0.75%
Residential SUD	0%	0%	1.6%	0.38%

Disclaimers: This is up to date as of 12/2/2025. Round 2 was our longest running iteration so far and round 3 is currently underway. All the percentages are of the approved providers.





# **Integrate Co-Occurring Disorders Treatment Program (ICOD) Directed Payments**

# Co-occurring Disorder Program Update

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- **Integrated Model of Care:** The Integrated Co-occurring Disorders Treatment Program (ICOD) supports providers delivering coordinated treatment for individuals with both mental health and substance use disorders.
- **Building Clinical Excellence:** OHA is conducting a core competencies study to inform future training and strengthen clinical standards.
- **Data-Driven Improvement:** A new data collection methodology is in development to analyze encounter trends, diagnostic combinations, and treatment retention.
- **Collaborative Evaluation:** OHA is partnering with providers to assess implementation progress and identify opportunities for growth.
- **Statewide Participation:** Over 50 organizations across 60+ locations are engaged, including 4 residential programs. Ongoing learning curve around claims submission and gaps in service accessibility for residential levels of care.

# How To Apply To Be An ICOD Provider

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Visit our webpage at [www.oregon.gov/icd](http://www.oregon.gov/icd).

- The application portal is on the right sidebar of main page.
- The application consists of a short online form and a practitioner roster.



# Attestations, Guidance & Reporting


# CCO & Provider Attestations

## CCO Attestations

CCOs submit their attestation of compliance

Finance and Operations Division

Office of Actuarial and Financial Analytics



Attestation for Qualified Directed Payments - QDPs within CCO Payment Rates

☐ Initial Attestation

☐ Updated Attestation

Contract Year: 2025

Coordinated Care Organization (CCO):

Medicaid Contract Number (6 digits only):

The CCO named above is required to submit this Attestation relating to its compliance with the Qualified Directed Payments - QDPs within CCO Payment Rates requirements under the three CCO Contracts it has entered into with the Oregon Health Authority (OHA): the Medicaid Contract, the Non-Medicaid Contract, and the OHP Bridge-Basic Health Program Contract (collectively, the "CCO Contracts").

## Provider Attestations

CCOs may require providers to submit an attestation for team-based care.

COMPLETE THE FOLLOWING FORM, PRINT, SIGN, SCAN AND PROVIDE TO YOUR COORDINATED CARE ORGANIZATION

Provider Medicaid-Focused Attestation Form

Please fill out the following form and submit to your CCO(s) as justification for a Team Based Care increase as specified in the Behavioral Health Directed Payments program for 2026.

GENERAL INFORMATION AND CERTIFICATION

I. General Information

A. Provider Name

B. Address

C. Prepared by

D. Phone Number

E. E-Mail Address

II. Certification: to be signed by an official of the Provider

		Notes
Does your organization meet the requirements for team based care as defined by OHA?	Select	<input type="text"/>
Does your organization provide Culturally and Linguistically Specific Services (CLSS) and have you applied to OHA? (include the application date and/or approval date in the notes field)	Select	<input type="text"/>
Does your organization provide Co-Occurring Disorder Services by dually credentialed clinicians (COD) and have you applied to OHA? (include the application date and/or approval date in the notes field)	Select	<input type="text"/>
Did your organization provide an Income Statement or Scratch-sheet detail showing Revenue by type that aligns with the schedule on the Attestation?	Select	<input type="text"/>

Similar to prior years, CCOs will be required to backdate rates to the beginning of the calendar quarter in which a complete attestation is submitted and approved by the CCO.

# BH Directed Payment Guidance Documents

OHA will post three BH Directed Payment Guidance documents to the OHA website this month.

Guidance documents provide more details on which services and providers qualify.



# CCO Reporting

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CCOs will continue to attest to compliance to the new requirements and report provider and expense information in the normal deliverables:

- **Delivery System Network (DSN) reporting:**
  - Continue reporting provider eligibility status
- **Exhibit L Financial Reporting:**
  - Report BH spending in both quarterly and annual submissions. The annual reporting will be leveraged for future capitation rate development



# **Q&A with OHA and CCO Representatives**



# CCO Behavioral Health Reps

CCO	Name	Email
Advanced Health	Kera Hood	<a href="mailto:Kera.Hood@AdvancedHealth.com">Kera.Hood@AdvancedHealth.com</a>
AllCare	Erin Porter	<a href="mailto:Erin.Porter@AllCareHealth.com">Erin.Porter@AllCareHealth.com</a>
Cascade Health Alliance	Dawna Oksen	<a href="mailto:DawnaO@CascadeComp.com">DawnaO@CascadeComp.com</a>
CareOregon (Columbia Pacific CCO and Jackson Care Connect)	Liz Wintczak	<a href="mailto:WintczakL@CareOregon.org">WintczakL@CareOregon.org</a>
Eastern Oregon CCO	Ann Ford	<a href="mailto:AFord@gobhi.org">AFord@gobhi.org</a>
Health Share of Oregon	Jeremy Koehler	<a href="mailto:KoehlerJ@HealthShareOregon.org">KoehlerJ@HealthShareOregon.org</a>
InterCommunity Health Network	Justin Thomas	<a href="mailto:JuThomas@SamHealth.org">JuThomas@SamHealth.org</a>
PacificSource	Dannielle Brown	<a href="mailto:Dannielle.Brown@PacificSource.com">Dannielle.Brown@PacificSource.com</a>
PacificSource	Sara Ohrtman	<a href="mailto:Sara.Ohrtman@PacificSource.com">Sara.Ohrtman@PacificSource.com</a>

# CCO Behavioral Health Reps

CCO	Name	Email
Trillium	Courtney Esparza	<a href="mailto:Courtney.Esparza@TrilliumCHP.com">Courtney.Esparza@TrilliumCHP.com</a>
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Trillium	Brandie Thielman	<a href="mailto:Brandie.L.Thielman@TrilliumCHP.com">Brandie.L.Thielman@TrilliumCHP.com</a>
Umpqua Health Alliance	Nancy Rickenbach	<a href="mailto:NRickenbach@UmpquaHealth.com">NRickenbach@UmpquaHealth.com</a>
Yamhill CCO	Jeanne McCarty	<a href="mailto:JMcCarty@YamhillCCO.org">JMcCarty@YamhillCCO.org</a>
Yamhill CCO	Larry Soderberg	<a href="mailto:LSoderberg@YamhillCCO.org">LSoderberg@YamhillCCO.org</a>
Yamhill CCO	Kevin Ferrua	<a href="mailto:KFerrua@YamhillCCO.org">KFerrua@YamhillCCO.org</a>

# Questions?



Please raise your hand or chat your question

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