



Division of Medical Assistance Programs

Information Memorandum Transmittal

Jon Pelkey, Manager
DMAP Quality Improvement and Medical Section

Number: DMAP-IM-12-021

Authorized Signature

Issue Date: 03/02/2012

Topic: Medical Benefits

Subject: MCO and provider announcement: Updated data for Senate Bill 101 implementation

Applies to:

- All DHS employees
- Area Agencies on Aging
- Children, Adults and Families
- County DD Program Managers
- County Mental Health Directors
- Seniors and People with Disabilities
- Other (please specify): DHS and OHA staff and others identified on the SPD, CAF, AMH and DMAP transmittal lists

Message:

DMAP will post the following announcement and distribute it via eSubscribe to [MCO Announcements](#) and [OHP Provider Announcements](#) subscribers.

It provides OHP fully capitated health plans and Oregon Diagnosis-Related Grouper (DRG) hospitals updated hospital admissions data to help them implement reimbursement changes mandated by Senate Bill 101.

If you have any questions about this information, contact:

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**Oregon Health Plan
Electronic Memorandum**

Date: March 1, 2012
To: FCHPs and DRG hospitals
From: Jon Pelkey, DMAP Quality Improvement and Medical Section
Re: Updated data to determine non-participating DRG hospital reimbursement now available

In November, we shared 2011 Hospital Reimbursement Adjustment survey data as a tool to help OHP fully capitated health plans (FCHPs) determine the appropriate reimbursement for non-participating DRG hospitals under Senate Bill 101. However, the bill requires FCHPs to utilize admissions data instead of expenditure data to determine the appropriate reimbursement. Therefore, we have updated the chart below to reflect admissions for State Fiscal Year (SFY) 2011 (July 1, 2010, to June 30, 2011).

- When you see the “greater than” (>) symbol, this means the hospital provides 10% or more of the FCHP's admissions and outpatient services (pay 64% of Medicare rates).
- Blank fields mean the hospital provides less than 10% of the FCHP's admissions and outpatient services (pay 66% of Medicare rates).
- When you see an “X,” this means the November 2011 chart showed a “greater than” symbol based on the Hospital Reimbursement Adjustment data. Based on SFY 2011 admissions data, we now know that these fields should have remained blank (pay 66% of Medicare rates).

We regret any confusion this may have caused. Please use this updated information to determine non-participating DRG hospital reimbursements.

> = Pay 64% of Medicare rates

Blank or X = Pay 66% of Medicare rates

Hospital	CareOregon, Inc.	Cascade Comprehensive Care	DCIPA, LLC	DOCS	FamilyCare, Inc.	IHN	Kaiser Permanente	LIPA	Marion/Polk Community Health	MRIPA	ODS Community Health	OHMS	Pacific Source	Providence	Tuality Health Alliance
Adventist Medical					>										
Bay Area Hospital				>											
Good Samaritan						>									
Kaiser Sunnyside							>								
Legacy Emanuel	>				>									X	
Legacy Good Samaritan															
Legacy Meridian Park															
Legacy Mount Hood					>										

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McKenzie-Willamette								v							
Mercy Medical			v												
OHSU	>		X	X	v	X	>		X		X		X		X
Providence Medford										v	v				
Providence Milwaukie															
Providence Portland	X				X									v	
Providence St. Vincent							X							v	
Providence Willamette Falls															
Rogue Valley Medical										v	v	X			
Sacred Heart at Riverbend			X	X				v							
Sacred Heart - University District								v							
Salem Hospital							v		v						
Samaritan Albany						>									
Sky Lakes		>													
St. Charles													>		
Three Rivers										v		>			
Tuality Healthcare															>
Willamette Valley Medical									v						

Why is this happening?

Senate Bill 101, passed by the 2011 Legislative Assembly, asks hospitals and fully capitated health plans to work in good faith toward new contracts effective on or after September 1, 2011. The bill encourages plans and hospitals to contract by amending the reimbursement rates plans pay to non-contracting hospitals, with the exception of Type A and B hospitals.

Thank you for your support

Thank you for your continued support of the Oregon Health Plan and your patience in this time of reduced resources and constant change. If you have any questions about SB 101 implementation, contact Jon Pelkey at (503) 947-2315.