Managed Care in Oregon

This profile reflects state managed care program information as of August 2014, and only includes information on active federal operating authorities, and as such, the program start date may not reflect the earliest date that a program enrolled beneficiaries and provided services. Some states report populations and services available to program participants under the federal authority (e.g. Section 1115 waiver), so these features cannot be easily distinguished for each program.

Overview of Current Managed Care Programs

In July 2011, nearly all Medicaid beneficiaries were enrolled in fully-capitated managed care plans. In 1994, Oregon phased out the **Physician Care Organization** program (a limited benefit prepaid plan model) in the favor of the full-risk, capitation-based **Oregon Health Plan**, which initially offered all Medicaid-covered medical care to low-income adults and children and later expanded to include aged, blind, disabled, and foster care children populations. The demonstration program featured a unique prioritized list of acute, primary and specialist health services, which ranked condition and treatment pairs by priority, from the most to least important, representing the clinical- and cost-effectiveness of the services. Based on state funds available, the Oregon State Legislature determines the number of services on the list in numerical order to cover (subject to Federal approval).

As of 2011, Medicaid (known as **Oregon Health Program (OHP) Plus**), mandatorily enrolled most benefit groups, except childless adults, into fully-capitated MCOs, or offered primary care case managers in some counties where managed care was not available. The program covered acute, primary and specialty care; dental and behavioral health services were covered through separate prepaid health plans, many of which are operated by counties. Under this system, beneficiaries requiring physical, behavioral, dental, and transportation services could receive them from as many as four separate entities. Oregon also operates a small **Program for the All-Inclusive Care for the Elderly (PACE)** program, which provides all Medicaid and Medicare services to individuals age 55 and over who meet a nursing home level of care.

Over the years, the state has modified its approach to managed care. Major changes to OHP included (1) adding a premium assistance program in 2002 to purchase private health insurance either through employer sponsored insurance or through the individual market; (2) expanding coverage to low-income children, parents, and childless adults in 2009; and (3) modifying dental, vision, hospital, and other benefits in 2011 and 2012.

In 2012, Oregon launched a new managed care model that is replacing existing OHP contractors with risk-bearing, locally-governed provider networks called **Coordinated Care Organizations (CCOs)**. These entities will provide all Medicaid enrollees with physical health services, as well as behavioral health and dental care which were formerly carved out of the OHP benefit package. The CCOs are paid a single global Medicaid budget that grows at a fixed rate, while allowing for some flexibility in the services that a plan provides. The CCOs will be held accountable for performance based metrics and quality standards that align with industry standards, new systems of governance, and payment incentives that reward improved health outcomes.

Participating Plans, Plan Selection, and Rate Setting

Prior to 2012, a mix of 15 for-profit and nonprofit, national and local plans provided services as part of the Oregon Health Plan, and some plans operated both physical and mental health plans. The state set rates based on an actuarial process that adjusted payments for risk factors associated with eligibility categories and age. Beginning in August 2012, the MCOs were replaced by 15 CCOs comprised of physical health and mental health providers; dental care providers will be added in future years. Most counties in Oregon have a single CCO, but as many as four CCOs operate in urban areas. Some CCOs are collaborations between existing MCOs and mental health organizations, but other models can be used as long as the entity can assume financial risk and meet the established criteria on coordination of care, governance, and other requirements. CCO global budgets are set using a negotiated process based on actuarially-certified lowest estimated costs.

Quality and Performance Incentives

Oregon required OHP-participating plans to develop quality improvement programs and report to the state HEDIS, CAHPS, and additional performance measures. The state did not specify performance targets or incentives but instead reserved the right to impose sanctions for inadequate performance. Like OHP, the state will measure quality in the CCOs using HEDIS-like and CAHPS measures, as well as additional access improvement measures based on administrative and survey data. The state also will use a learning collaborative model to review performance and develop recommendations for quality improvement, and “innovators” from each CCO will be required to participate. CCOs that do not meet quality standards may be required to pursue specified improvement efforts. In 2013, the state planned to

withhold 1% of CCO payments, contingent on submitting timely and accurate encounter data, and to develop quality and access metrics that in the future will be eligible for payments from a quality incentive pool.[1]

[1] Kaiser Commission on Medicaid and the Uninsured, Results from a 50-State Medicaid Budget Survey for State Fiscal Years 2012 and 2013, October 2012. Appendix A-9: Managed Care Quality Initiatives and Contract Changes, FY 2012 and FY 2013, and Appendix B: Oregon Case Study. Also see Oregon Health Authority, Quality Pool Brief, March 2013, at http://www.oregon.gov/oha/CCOData/Quality%20Pool%20Methodology.pdf

Table: Managed Care Program Features, as of August 2014

Program Name	Oregon Health Plan Plus				Non-Emergency Transportation	Program for the All-Inclusive Care for the Elderly (PACE)
Program Type	CCO	MH/SUD PIHP	PCCM	Dental PAHP	FFS Transportation Brokers	PACE
Program Start Date	February 1994				September 1994	2003
Statutory Authorities	1115(a)				1915(b)	PACE
Geographic Reach of Program	Statewide				Statewide	Single region
Populations Enrolled *(Exceptions may apply for certain individuals in each group)*						
Aged	X	X	X	X	X	X
Disabled Children & Adults	X	X	X	X	X	X (age 55+)
Children	X	X	X	X	X	
Low-Income Adults	X	X	X	X	X	
Medicare-Medicaid Eligibles ("duals")	X	X	X	X	X	X (age 55+)
Foster Care Children		X	X			
American Indians/ Alaska Natives		X	X			
Mandatory or Voluntary enrollment?	Mandatory	Varies	Voluntary	Mandatory	Mandatory	Voluntary
Medicaid Services Covered in Capitation *(Specialized services other than those listed may be covered. Services not marked with an X are excluded or "carved out" from the benefit package.)*						
Inpatient hospital	X					
Primary Care and Outpatient Services	X		X			X
Pharmacy	X					X
Institutional LTC						X
Personal care/HCBS	X					X
Inpatient Behavioral Health Services	X	X				X
Outpatient Behavioral Health Services	X	X				X

Dental	Limited Services			X		X
Transportation					X	X
Participating Plans or Organizations	*See notes for plans or organizations participating in each program					
Uses HEDIS Measures or Similar	X	X		X		NA
Uses CAHPS Measures or Similar	X		X		X	
State requires MCOs to submit HEDIS or CAHPS data to NCQA		NA	NA	NA	NA	NA
State Requires MCO Accreditation		NA	NA	NA	NA	NA
External Quality Review Organization	Accumentra					
State Publicly Releases Quality Reports	Yes					

Sources: Centers for Medicare and Medicaid Services (CMS), National Summary of State Medicaid Managed Care Programs as of July 1, 2011.

Kaiser Commission on Medicaid and the Uninsured. Profile of Medicaid Managed Care Programs in 2010. September 2011.

National Committee on Quality Assurance. NCQA Medicaid Managed Care Toolkit 2012 Health Plan Accreditation Standards. State Use of Accreditation as of February 2012.

Notes: Managed Care Organization (MCO); Prepaid Inpatient Health Plans (PIHP); Prepaid Ambulatory Health Plan (PAHP); Mental Health/Substance Use Disorder (MH/SUD); Healthcare Effectiveness Data and Information Set (HEDIS); Consumer Assessment of Healthcare Providers and Systems (CAHPS).

Primary Care and Outpatient Services include physician services, hospice, laboratory, imaging, FQHC, and other specialty services delivered in outpatient offices and clinics.

Institutional Long Term Care (LTC) includes Skilled Nursing Facilities (SNF) and/or Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IDD).

External Quality Review Organization activities are only required for MCOs, PIHPs, PAHPs, and other applicable entities with comprehensive risk contracts.

* Participating plans and organizations are as follows:

- Oregon Health Plan Plus – MCO: CareOregon; Cascade Comprehensive Care; Doctors of the Oregon Coast South; Douglas County IPA; FamilyCare Health Plans; Inter Community Health Network; Kaiser Permanente; Lane Care MHO; Lane Individual Practice Association; Marion Polk Community Health Plan; Mid Rogue Indenependent Physciain Association; ODS Community Health, Inc.; Oregon Health Mangement Services; Pacific Source Community Solutions; Providence Health Assurance; Tuality Health Alliance; Verity HMO.
- Oregon Health Plan Plus – MCO: CareOregon; Cascade Comprehensive Care; Doctors of the Oregon Coast South; Douglas County IPA; FamilyCare Health Plans; Inter Community Health Network; Kaiser Permanente; Lane Care MHO; Lane Individual Practice Association; Marion Polk Community Health Plan; Mid Rogue Indenependent Physciain Association; ODS Community Health, Inc.; Oregon Health Mangement Services; Pacific Source Community Solutions; Providence Health Assurance; Tuality Health Alliance; Verity HMO.
- Oregon Health Plan Plus – MH/SUD PIHP: Accountable Behavioral Health; Clackamas County Mental Healthl FamilyCare; Greater Oregon Behavioral Health, Inc.; Mid Valley Behavioral Care Network; PacificSource Community Solutions; Jefferson Behavioral Health; Washington County Health.
- Oregon Health Plan Plus – PCCM: Oregon Health Plan Plus – participating primary care providers.
- Oregon Health Plan Plus – Dental PAHP: Access Dental Plan; Advantage Dental Services; Capitol Dental Care, Inc.; Family Dental Care; Managed Dental Care of Oregon; MultiCare Dental; ODS Community Health (Dental); Willamette Dental.

- Non-Emergency Transportation: NA.
- Program for the All-Inclusive Care for the Elderly (PACE): Providence Elder Place.