



**Oregon  
Health  
Plan  
Medicaid  
Demonstration  
Project**



**Quarterly Report  
July — September 2005**



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17. MHO 3<sup>rd</sup> Quarter Utilization Report\*
18. MHO Enrollment Reports for July, August and September 2005\*

**\*OMHAS Managed Care Reports are included in the attachments at the end of the Quarterly Report, and not in the OMHAS section of the Quarterly Report.**

# Third quarter highlights:

- ◆ OMAP has submitted 3 additional SPAs this quarter regarding:
  - Low-income subsidy under MMA;
  - More liberal treatment of transfer of resources (annuities);
  - Exclusion of drugs under the MMA for fully dual-eligible clients.
- ◆ Oregon Health Plan Benefit RN Hotline averaged 1,377 calls per month.
- ◆ Result data for OMAP's Early Childhood Cavities Prevention and Tobacco Cessation projects showed increases in the following areas:
  - Dentist's assessment of childhood cavities and advice to parents on how to prevent tooth decay
  - Percentage of pregnant women who went to the dentist and received oral health advice
  - Percentage of smokers assisted with opportunities to quit
- ◆ OMPRO's EQR contract with OMAP ended in August 2005. OMAP is now developing the RFP for next year's EQR contract.
- ◆ Disenrollment reports for 1<sup>st</sup> Quarter 2005 are now available for the Fully Capitated Health Plans, Dental Care Organizations and the Chemical Dependency Organization.
- ◆ The Health Services Commission (HSC) adopted the Health Outcome Subcommittee's recommendations on interim modifications to the Prioritized List, which included new ICD-9 codes. These changes and the new Prioritized List of Health Services will be effective January 1, 2006.
- ◆ The HSC heard an alternative proposal from Dr. Rick Wopat for determining the Prioritized List of Health Services. As a result, the Prioritization Principles Workgroup formed to determine if prioritizing preventive and chronic disease management services highest on the List would better serve the OHP population.
- ◆ Office of Mental Health and Addiction Services (OMHAS) completed the first cycle of the Evidence-Based Practices (EBP) System Improvement Project.

This project aims at giving mental health and addiction treatment services providers the tools to implement EBP in their own programs.

- ◆ OMHAS took the next steps toward implementing the Children's System Change Initiative (CSCI) in managed care. This included submitting new CSCI administrative rules, amending the MHO Agreement to include CSCI contract parameters, recommending new CSCI-related codes for the Prioritized List of Health Services, and working with various managed care workgroups to clarify how to best implement CSCI.
- ◆ Family Health Insurance Assistance Program (FHIAP) focused on marketing efforts, specifically about openings in the group market. Total enrollment this quarter was 14,894.
- ◆ OMAP MCO enrollment averaged 75% during the quarter. Average MHO enrollment during this reporting period was 88%.
- ◆ PricewaterhouseCoopers LLP (PwC) began developing the adjustment factors for the January 2006 OHP capitation rates. Managed care organizations received their specific rate sheets for review, covering the period beginning October 1, 2005 and ending December 31, 2005.
- ◆ The Client Advisory Services Unit (CASU) received 12,167 calls this quarter. This is a 2% decrease from the previous quarter.
- ◆ OMAP communications focused on MMA implementation for dual-eligible OHP clients, and HIPAA compliance efforts.
- ◆ OMAP continues outreach activities with presentations throughout the state.
- ◆ Systems and Encounter Data staff focused on meeting the December 31, 2005 HIPAA compliance deadline. Almost 97% of primary paying providers using the 837P transaction for payment are compliant.

# Administrative Operations

## OMAP Program and Policy Activities

- ◆ Continued discussions and monitoring of previously submitted State Plan Amendments (SPA) regarding:
  - Alternate payment methodology for frontier remote Rural Health Clinics related to higher obstetric care costs threatening access;
  - Inpatient and outpatient proportionate share revisions.
- ◆ Submitted 3 additional SPAs this quarter regarding:
  - Low-income subsidy under MMA;
  - More liberal treatment of transfer of resources (annuities);
  - Exclusion of drugs under the MMA for fully dual eligibles.
- ◆ Staff in the process of finalizing the negotiations for OMAP's final brokerage operation that will encompass Lane County. The expansion of three brokerages will include those counties not currently in the brokerage system. The target date for complete brokerage coverage is December 31, 2006.
- ◆ Staff continued to consult with the federally recognized Oregon Tribes on program/benefit changes. OMAP participates quarterly in meetings with the Tribes in addition to other meetings as necessary.
- ◆ Staff continued working with the Office of Family Health's newly formed Oral Health Program on defining roles and responsibilities and identifying those areas where both agencies (Medicaid/SCHIP and Public Health) share common responsibilities.
- ◆ Staff continued collaboration with durable medical equipment industry representatives to streamline OMAP's centralized prior authorization process and identify cost reduction options.
- ◆ Staff coordinated and collaborated with the Health Services Commission (HSC) and Health Resource Commission regarding the Prioritized List of Health Services and evidence-based findings on pharmaceuticals.



- ◆ Staff continued to provide research and policy options to Oregon's leadership in response to the financial challenges facing the OHP.
- ◆ Staff continued involvement with the MMIS replacement project, HIPAA code sets and MMA coordination.
- ◆ Staff continued collaboration with other DHS programs and other community partners in the following areas:
  - Childhood immunizations
  - Maternity case management
  - School-based health services
  - Pharmaceutical services
  - Breast and cervical cancer Medicaid coverage for uninsured women
  - Tribal issues
  - FQHCs and RHCs
  - Durable medical equipment
  - Lead poisoning prevention
  - Oral health services
  - Oregon Association of Hospitals and Health Systems
  - Diversity and health disparities issues
  - Piloting 340B federally discounted prescription purchase strategies with eligible covered entities
  - Strengthening program integrity and evaluation efforts
  - Integrating National Provider Identification (NPI) requirements into program policy, provider enrollment, and operations

### **Benefit RN Hotline**

The OHP Benefit RN Hotline averaged 1,377 calls per month during the third quarter of 2005. Greater than 98% of the calls continued to be from practitioners, with greater than 91% of the calls related to Line Placement and Payment for Services.

## **Medical Director's Office**

The Medical Director's Office (MDO) provides medical and clinical consultative services for the Oregon Health Plan (OHP) internal staff, state agencies and external associations and organizations. The MDO also coordinates the monthly meeting of the managed care plan medical directors. Areas of focus for the third quarter of 2005 include:

- **Evidence in Benefit and Coverage Decisions for Technology.** A general discussion on a multi-state collaborative effort by states to select and develop evidence based policy for implementation of new technology.
- **Methamphetamine Issues.** Since 1992, Oregon has had the nation's highest treatment admission rate of meth users per capita. Suggested treatment solutions were discussed and included:
  - Design treatment to support recovery;
  - Include longer-term treatment options;
  - Conduct memory testing in early treatment;
  - Provide shorter, more frequent sessions in early treatment;
  - Include low stimulus environment, visual learning, concrete concepts, encouragement and support, and access to physical health and basic needs;
  - Assess mental health needs and treat as needed; emphasize daily structure and transition to recovery support services.
- **Performance Improvement Projects Milestone Highlights.** Result data for OMAP's Early Childhood Cavities Prevention and Tobacco Cessation projects showed increases in the following areas:
  - Dentist's assessment of childhood cavities and advice to parents on how to prevent tooth decay
  - Percentage of pregnant women who went to the dentist and received oral health advice
  - Percentage of smokers assisted with opportunities to quit
- Review of the following EQRO reports (*see "Quality Improvement – External Quality Review" section for more information*):
  - **MCO Chronic Disease Management.** Chronic disease was defined by a diagnosis of asthma or diabetes. Study findings supported self-management with 70% receiving disease management education, 69% identifying a self-

management goal, 37% receiving asthma trigger education, 16% using an asthma action plan, and 17% using a peak flow meter. Of the 50% of adult enrollees who smoked, 73% were advised to quit and 36% were offered nicotine replacement therapy or cessation education.

- Health Risk Health Status Survey.** An analysis to assess the health risks and health status of OHP adult enrollees (ages 19-64), with a focus on chronic diseases and the identification of opportunities for improvement in patient awareness and knowledge. Information for the survey was derived from the Centers for Disease Control and Prevention’s Behavioral Risk Factor Surveillance System survey fielded in August 2004.

## **OMAP-OHP Hearings**

| <b>OHP Hearings Statistics<br/>July – September 2005</b> |                     |                        |
|--|---------------------|------------------------|
|  | <b>Managed Care</b> | <b>Fee-for-Service</b> |
| Requests Received  | 102                 | 82                     |
| Hearings Held  | 32                  | 14                     |
| Hearings Pending   | 69                  | 38                     |
| Claimant Withdrew  | 22                  | 21                     |
| Plan/Agency Withdrew                                     | 12                  | 36                     |
| No Show  | 3                   | 2                      |
| Decision Affirmed  | 32                  | 10                     |
| Decision Reversed  | 0                   | 0                      |
| Dismissed (Timeliness)                                   | 0                   | 6                      |
| Not Hearable Issue                                       | 14                  | 17                     |
| Below the Line   | 26                  | 8                      |

# Quality Improvement, Evaluation and Monitoring

## Managed Care Review

### Annual Quality Improvement Reviews

Evaluations of the Managed Care Organizations (MCOs) are being completed sequentially for the annual reviews.

### External Quality Reviews

In August, OMPRO submitted Final Reports for the 2003-05 contract period (Attachments 1-7). OMAP is developing a new RFP with a target award date of January 31, 2006.

For 2006, OMAP will work on another EQR-based performance improvement project, in addition to the mandatory area EQR RFP, and following CMS Region X meetings. There will also be the EQR-based survey work previously conducted, and a revised Quality Improvement Strategy.

- **Task 1:** Rapid Cycle Improvement Process is complete.
  - **Comparative Assessment #1: ED Utilization.** Completed March 18, 2005 (Attachment 1).
  - **Comparative Assessment #2: Access to Care.** Completed March 18, 2005 (Attachment 2).
  - **Comparative Assessment #3: Diabetes.** Completed May 23, 2005 (Attachment 3).
  - **Comparative Assessments #4 & #5: Cardiovascular Care and Asthma Care.** Completed June 28, 2005 (Attachments 4-5).
- **Task 2:** An assessment of the state's QI program and the activities of the Managed Care Organizations (MCOs).
  - OMPRO submitted an evaluation of MCO quality improvement activities July 27, 2005 (Attachment 6).
  - OMPRO also submitted an evaluation of MCO chronic disease management August 19, 2005 (Attachment 7).

- **Task 3: Surveys.**
  - **CAHPS Surveys:** Completed May-June 2004.
  - **Oregon Physician Workforce Survey:** Completed March 7, 2005.
  - **Health Risk Health Status (HRHS) Survey:** OMPRO submitted this report August 12, 2005 (Attachment 8). The findings will help guide future quality improvement efforts at Medicaid managed care health plans.

## **Quality and Performance Improvement Workgroup**

The Quality and Performance Improvement (QPI) Workgroup met two months this quarter. Each meeting included 35-40 participants from OHP managed care health and dental plans (quality improvement coordinators, and medical & dental directors), DHS staff, and partners who serve as resources and experts on given quality improvement and chronic disease topics. Please see QPI minutes (Attachments 9-10) for specific details of each meeting this quarter.

- July's meeting included presentations and discussions about: Using Healthy People 2010 as a guide and framework for the Quality and Performance Improvement focus; the EQRO Study Results: Evaluation of Management of Chronic Diseases (chart review) and implications for OHP plans; the use of the state's Chronic Diseases Data Clearinghouse; implementation of the OHP asthma/second hand smoke flyers and use of the Asthma Resource Bank; and the benefits of FCHPs hiring a mental health nurse liaison (Attachment 9).
- No meeting was scheduled in August.
- September topics included: External Quality Review (EQR) overview, vision and process; January 2006 contract changes; Annual Quality Improvement Review Process, expectations, agreements, and actionable and constructive outcomes; CMS site visit, feedback and learning; Legislative Update and impacts on OHP clients; and Medicaid Dental Access Conference information (Attachment 10).

## **Disenrollment, Ever Enrolled and Complaint Reports**

A series of charts showing managed care disenrollments for FCHPs, DCOs and the CDO are included with this report. Due to the large number of retro disenrollments, these reports will now coincide with the same quarter as the complaint reports. These attachments cover data from 1<sup>st</sup> Quarter 2005 (Attachments 11 through 13).

A table of OHP clients enrolled in OHP for 3<sup>rd</sup> Quarter 2005 is also included (see page 21). Due to retroactive eligibility changes, the numbers should be considered preliminary.

OMAP's Managed Care Plans Complaints and Grievances Report (Attachment 14) contains data from the 1<sup>st</sup> Quarter 2005. Managed care plans are allowed 60 days from the end of the quarter to submit their information; therefore, this chart will always show information from the previous quarter.

## Medicaid Audit

During this quarter, the Medicaid Audit Function moved to the Department's new Office of Payment Accuracy and Recovery. This new office, consisting of approximately 180 employees, brings a dedicated focus on ensuring program integrity in all DHS programs.

Audit staff completed drafting their strategic plan for the 2005-07 biennium. Major initiatives include increased attention to preventive measures, greater outreach with provider associations, and more oversight of managed care.

The Department recently contracted with Health Watch Technologies (HWT) to assist with Medicaid Audit recovery efforts. HWT will use advanced data analytics to identify billing errors and initiate recoveries, where appropriate.

## Health Services Commission

The **Health Services Commission** (HSC) held two meetings during the quarter. Based on Health Outcome Subcommittee recommendations, the HSC finalized the interim modifications scheduled to take effect on October 1, 2005. Included in the interim modifications were changes to reflect new ICD-9-CM codes. As CMS approval was not received in time to institute these new technical changes or the new Prioritized List of Health Services on October 1, both will take effect on January 1, 2006 for the 2005-07 biennium.

At the July 7, 2005 meeting, Dr. Rick Wopat, one of the original members of the HSC, presented a proposal that he believes would lead to greater level of health for the State's citizens and could result in less cost-shift for providers. He believes

that the resources currently being used to provide OHP Standard benefits could be better served by offering a benefit package that would be available to a larger segment of the State's low-income population.

- Dr. Wopat suggested that the HSC consider moving preventive care and chronic disease management services to the top of the Prioritized List of Health Services.
- Assuming the necessary legislation and Medicaid waiver amendments are put in place, the legislature could then draw a second funding line on the List to determine the OHP Standard benefit package.

The HSC understands the concerns with the declining enrollment in OHP Standard, and acknowledges that they can only focus on their role in prioritizing health services. To that end, they created a new task force, the Prioritization Principles workgroup, to examine whether a change in the way health services are currently prioritized is warranted (see below).

The **Health Outcomes Subcommittee** held two meetings during the quarter. They developed recommendations on the placement of new ICD-9-CM codes that take effect on October 1, 2005. The Commission also adopted a Subcommittee recommendation to remove the code for non-prenatal genetic testing. The Subcommittee then began a review to look at the evidence on the effectiveness of the various genetic tests available. A provider request to expand coverage for ENT services resulted in a minor change in the guideline for sinus surgery for nasal polyposis.

The **Subcommittee on Mental Health Care and Chemical Dependency** (MHCD) held one meeting during the quarter. They heard updates on the progress of a workgroup looking at ways to improve diagnostic coding to capture treatment for early childhood mental health disorders. Once the workgroup finalizes a set of recommendations, the Subcommittee will consider potential changes to the Prioritized List to help implement these new diagnostic coding methods. The Subcommittee also received an update on the Commission's work involving a potential re-prioritization of the list and how they would be involved. It was also noted that official notification on the implementation of ICD-10-CM may be coming soon, and they were reminded that the Subcommittee would perform a pilot project on the re-mapping of MHCD services on the Prioritized List.

The **Prioritization Principles Workgroup** held two meetings during the quarter. This new workgroup is comprised of five HSC members and five non-HSC

members. The group discussed Dr. Wopat's concept of prioritizing preventive care and chronic disease management first (see above) and how this fit within the principles that the Oregon Health Plan was built upon. The workgroup recommended that the Commission re-examine the Prioritized List to see if priorities that emphasize prevention and chronic disease management would result in a greater benefit to the OHP population, given the allocations currently allotted by the legislature.

## Office of Mental Health and Addiction Services (OMHAS)

### Policy and Planning Decisions

- **Evidence Based Practices (EBP).** OMHAS completed the first cycle of its System Improvement Project (SIP).
  - The SIP aimed to give mental health and addiction treatment services providers organizational tools and methods useful for adopting and maintaining EBP. Lessons learned in this first cycle will help to improve and refine technical assistance provided by OMHAS in subsequent SIP efforts.
  - The analysis of the second major EBP survey of the service delivery system was encouraging in its measurement of the levels of EBP use statewide. The survey also identified areas, such as quality assurance and measurability, where OMHAS and its partners may need to focus more effort.
- **Cultural Competency Review.** Based on recommendations from the Children's System Change Initiative (CSCI) stakeholders, OMHAS took steps to complete an assessment of the Oregon Mental Health System for cultural competency.
  - OMHAS contracted with consultant Hank Balderama, whose assessment included analyzing census statistics and service data, reviewing MHO staff qualifications and conducting interviews with key stakeholders identified by OMHAS.
  - On November 7, 2005, Mr. Balderama will meet with OMHAS administration to recommend specific objectives for OMHAS and discuss next steps.



- **Children’s System Advisory Committee (CSAC).** Family members continue to have a significant presence. Their personal stories have significant impact on discussions about the various aspects of the system change. Local and regional advisory committees are forming statewide to address similar issues and provide feedback about and oversight for the children’s system change.
- **Oregon State Hospital (OSH) Master Plan Update.** The budget for the 2005-2007 biennium includes \$350,000 in funding for the OSH Master Plan Phase II, to be completed February of 2006. On August 25, 2005, the state assigned the contract to KMD architectural firm, who completed Phase I of the Master Plan.
- **Children’s System Change Initiative.** Oregon Administrative Rules 309-032-1245, 309-032-1255, 309-032-1260, 309-032-1270, 309-032-1275, 309-032-1280, 309-032-1290, 309-032-1295 and 309-032-1300 for the Children’s System Change Initiative became effective July 1, 2005. These administrative rules set the standards for Children’s Intensive Community-Based Treatment and Support Services.
- **Real Choice System Change Grants.** 2001 grant initiatives are being completed and evaluated. 2004 grant initiatives are progressing.
  - In 2003-05, 2001 Real Choice housing funds assisted over 500 individuals to obtain or retain integrated housing and provide staff support to Dammasch reinvestment, housing planning and homeless services.
  - The 2004 Real Choice System Change Grant, Integrating Long Term Supports with Affordable Housing, will provide service-financing reforms to streamline the provision of supports to people with psychiatric disabilities living in the community. The grant will also produce a resource manual for mental health providers and consumers that identifies long-term supports and strategies to enable consumers to live as independently as possible. Stakeholders for this grant project have met twice during this report period, and an analysis of existing supports and practices is currently underway.

## **Benefit Package**

- **MHO Agreement.** This was extended by amendment through December 31, 2005, to change the MHO Contract year from the current cycle, October through September, to the new cycle, January through December.

- The Amendment also included CSCI contract parameters and related rate adjustments for this contract period.
  - A new MHO Agreement and associated rates will take effect on January 1, 2006.
- **Children’s System Change Initiative (CSCI).** OMHAS finalized MHO contract amendments and rates for October 1, 2005, in order to start implementing the CSCI as an opportunity to move Psychiatric Residential and Psychiatric Day Treatment Services into managed care. Contractual agreements have been revised to include the level of need determination process, care coordination and other community-based services.
- **CSCI MHO Coordinators Meeting** continues to meet monthly to discuss implementation of the Initiative at the plan level and to work in collaboration with OMHAS and other agencies. Most recent areas of discussion:
    - ♦ MHO policies and procedures for assessment and referrals
    - ♦ Child Welfare partnerships
    - ♦ Appeals process
    - ♦ Fee for service children vs. managed care enrollees
    - ♦ Respite and shelter care
  - **MHO Rates/Finance Workgroup.** Contractors are working with OMHAS to develop data-driven criteria for program changes. The group agreed to have an MHO Representative participate on OMAP’s Actuarial Request for Proposal review committee. Discussions included:
    - ♦ Plan-specific, risk-adjusted rates related to the CSCI
    - ♦ Methodology for assigning Psychiatric Residential Treatment Service utilization to MHO service areas
    - ♦ Care Coordination pricing model
  - **MHO Contract and Rules Workgroup.** Discussions included:
    - ♦ In their CSCI Policy and Procedure (P&P) submissions, each Plan must state whom the P&P directly affects by specifying the MHO service areas the policy and/or procedure applies to.

- ◆ Clarification of Advance Directives for written patient information as they pertain to Member rights, implementation of those rights, limitations due to conscience, and appropriate timelines for delivery of information.

The workgroup worked with OMHAS to evaluate proposed MHO contract language and rules for the CSCI to ensure that the CSCI requirements were clear and ready to implement. The workgroup noted Treatment Foster Care and membership rules regarding the CSCI Advisory Committee as two areas to consider for further review.

- **MHO Code Workgroup.** The MHO Code Workgroup continues to work on review of codes to best report services provided under the CSCI.
  - ◆ The workgroup now awaits news regarding Health Services Commission timelines for the submission of Code recommendations.
  - ◆ The workgroup is also considering additional mental health encounter codes outside of the CSCI for reporting purposes for the 2006 contract cycle.

## Quality Improvement, Evaluation and Monitoring

- **The Quality Improvement and Evaluation Unit** continues to work with Oregon Medical Professional Review Organization (OMPRO) to finalize MHO reviews. In response to the OMPRO review, plans are submitting work plans, as well as Policies and Procedures in some cases. OMHAS has reviewed the Policies and Procedures for contractual compliance.
- **Intensive Community-Based Treatment and Support Services.** OMHAS staff are currently reviewing applications from programs that want to certify as Intensive Community-Based Treatment and Support Services (ICTS) providers. Children who meet level of need determination criteria for intensive treatment services will be referred to ICTS providers for care coordination, facilitation of child and family team meetings and service coordination planning.

## Training and Activities

- **OMHAS Cultural Competency Plan.** At the direction of the OMHAS management team, the OMHAS Cultural Competency Work Group (OCCWG)

was created and has been meeting monthly to develop recommendations for the OMHAS Cultural Competency Plan (OCCP).

- OMHAS is developing the OCCP in response to the DHS Standards and Guidelines for Cultural Competency and Gender Specific Services, which were approved by the DHS Cabinet in September 2003.
- The purpose of the OCCP is to establish cultural competence standards, values, and policy requirements for OMHAS, as well as all organizations and agencies that receive grant funds from or that are under contract with OMHAS. This includes county social services organizations and their vendors or contractors, managed care organizations and their provider networks, and community-based organizations.
- **State Incentive Grant (Starting Early Starting Smart) Regional Training, Fall 2005.** The Advisory Board for the State Incentive Enhancement for Early Childhood Prevention recommended that training be offered to early childhood providers throughout the state. This fall, 143 early childhood providers attended four regional trainings on Systems Development in La Grande, Klamath Falls, Hillsboro, and Cottage Grove. The day-long trainings focused on identification of potential partners, and strategies for collaboration.
- **Child and Adolescent Service Intensity Instrument (CASII) Training.** OMHAS sponsored a training provided by the American Academy of Child & Adolescent Psychiatry on September 14, 2005. The training was reserved for participants who would directly administer the CASII.
- **Behavioral Health Response Training.** OMHAS offered this regional training series to address the service needs of adults, children and adolescents and traditional first responders in the mid-to-long-range aftermath of large-scale emergency events. The last training session was held on June 16, 2005. As a result of the training series, between August 2004 and June 2005:
  - 232 persons were trained on Immediate Phase Behavioral Health Response;
  - 161 persons were trained on Recovery Phase Behavioral Health Response.
- **Quality Improvement and Certification Unit.** Since July 1, 2005, OMHAS provided the following Investigator/Examiner trainings:
  - August 8: ½ day training in Roseburg, 15 attendees
  - September 12-13: 2 day training, 20 attendees

- **CSCI Training for Family Involvement.** One of the goals of the Children's System Change Initiative (CSCI) was to have significant family involvement.
  - During the past year (2004-05), OMHAS contracted with the statewide family organization, Oregon Family Support Network (OFSN) to develop a curriculum (*Partnership in Policymaking*) to educate family members and professionals on working together to influence and create children's mental health policy at the state, regional and local levels.
  - OMHAS extended the contract with OFSN for the 2005-06 year to develop a train-the-trainer model. Once family members are trained in the Policymaking curriculum, they can train other family members across the state. Evidence of significant improved family involvement is apparent at various committee and advisory meetings around the state.

## **Attachments**

- Greater Oregon Behavioral Health, Inc., EQR Report - July 29, 2005
- Washington County Health and Human Services, EQR Report – September 30, 2005
- MHO 3<sup>rd</sup> Quarter Utilization Report
- MHO Enrollment reports for July, August, and September 2005

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# Family Health Insurance Assistance Program

## Administrative Operations/Policy Issues

- Staff implemented new administrative rules effective July 7, 2005. The modified rules streamline the application process.

## Marketing

- As part of FHIAP's efforts to focus on openings in the group market:
  - FHIAP completed an updated Employer Guide.
  - The Governor's Web site ran an article explaining FHIAP.
  - FHIAP continues to submit news items about openings to various business-chamber newsletters and health-related publications.
- FHIAP had booths at various conferences, including the annual Employer Council Conference. FHIAP materials were included in packets at other gatherings, including the Latino Conference and the Oregon Restaurant Association annual conference.
- In 11 workdays, marketing staff offered 55 classes at 39 locations throughout Oregon, and trained nearly 1,000 community partners, producers, employers, carrier representatives and legislators on FHIAP.
  - These efforts immediately resulted in an increase in agent referral and application requests from community partners who received the training.
  - Short stories on FHIAP appeared in more than a half dozen newspapers promoting the training and two newspapers sent reporters to cover the training.
- Marketing staff trained 33 newly licensed health insurance producers in Salem, Medford and Pendleton about state programs that help Oregonians obtain health insurance, including FHIAP.
- Phone call volume averaged approximately 2,550 calls per week during this quarter.

## FHIAP Enrollment

|                              |              |
|------------------------------|--------------|
| New Group enrollments        | 551          |
| New Individual enrollments   | 2,698        |
| <b>Total new enrollments</b> | <b>3,249</b> |

|  |        |
|--|--------|
| Total enrollment on September 30, 2005                   | 13,669 |
| Disenrollment due to non-payment of premium              | 575    |
| Total number of people ever enrolled during this quarter | 14,894 |

## OHP Eligibles and Enrollment

Enrollees are indicated as percent of total eligibles. Some eligibles cannot be enrolled in managed care. Enrolled include FCHP and PCM.

| <b>OHP Eligibles and Managed Care Enrollment<br/>July – September 2005</b> |                       |                       |                       |
|--|-----------------------|-----------------------|-----------------------|
| <b>Month</b>   | <b>OHP Eligibles*</b> | <b>MCO Enrollment</b> | <b>MHO Enrollment</b> |
| July   | 380,002               | 285,454               | 335,663               |
| August   | 380,676               | 286,868               | 332,727               |
| September  | 380,958               | 288,369               | 333,802               |
| <b>Qtr Average</b>   | <b>380,545</b>        | <b>286,897 (75%)</b>  | <b>334,064 (88%)</b>  |

\*Total OHP Eligibles include: TANF, GA, PLM-Adults, PLM-Children, Families, Adults & Couples, OAA, ABAD, FC and SAC.

## MHO Enrollment

See Attachment 17, *MHO 3<sup>rd</sup> Quarter Utilization Report*, for complete information on MHO eligibles and enrollment.

## Ever-enrolled Report

The following table shows, by category, how many people were enrolled in the OHP at any time during the quarter.

| <b>Ever-enrolled Persons on OHP<br/>July – September 2005*</b> |                           |                                |                |
|--|---------------------------|--------------------------------|----------------|
| <b>Population</b>  |                           | <b>Total Number of Persons</b> |                |
| Expansion  | Title 19;<br>OHP Standard | OHP Parents                    | 8,280          |
|  |                           | OHP Childless Adults           | 19,828         |
|  | Title 19;<br>OHP Plus     | PLM Children FPL > 170%        | 476            |
|  |                           | Pregnant Women FPL > 170%      | 473            |
|  | Title 21; OHP Plus        | SCHIP FPL > 170%               | 3,307          |
| Optional   | Title 19; OHP Plus        | PLM Women FPL 133-170%         | 9,400          |
|  | Title 21; OHP Plus        | SCHIP FPL < 170%               | 24,734         |
| Mandatory  | Title 19; OHP Plus        | Other OHP Plus                 | 330,309        |
| <b>Quarter Totals</b>  |                           |                                | <b>396,807</b> |

\* Due to retroactive eligibility changes, the numbers should be considered preliminary.

## Fully Capitated Health Plans

### Effective: September 2005

- Providence Health Plan opened to new enrollment in Clackamas County for 30 days.

## Dental Plans

### Effective: July 2005

- ODS (Oregon Community Health) closed to new enrollment in Clackamas, Washington and Multnomah Counties with a 30-day re-enrollment period.

### Effective: August 2005

- Willamette Dental Group opened for new enrollment in Yamhill County.



## **Effective: September 2005**

- Capitol Dental Care closed to enrollment in Lincoln County with a 30-day re-enrollment period.
- Capitol Dental Care opened to new enrollment in Linn and Benton Counties.
- Hayden Family Dentistry reopened to new enrollment in Marion, Polk, and Clackamas Counties.
- Multicare Dental opened for new enrollment in Clackamas, Washington, and Multnomah Counties.

## **OMAP Managed Care Activities**

The Program and Policy Section coordinates the monthly meetings of the prepaid health plans CEOs and plan contacts. These meetings include Fully Capitated Health Plans (FCHPs), Dental Care Organizations (DCOs), Mental Health Organizations (MHOs) and Chemical Dependency Organization (CDO). Below are the areas of focus during the third quarter of 2005:

### **July 2005**

- PricewaterhouseCoopers LLP (PwC) began the development of adjustment factors for the Oregon Health Plan for the January 2006 capitation rates.
  - OMAP shared PwC's report with the Managed Care Organizations (MCOs) that summarized the encounter data PwC received from DHS for developing adjustment factors for the capitation rates. This data covers services incurred during the period 10-1-04 through 12-31-04.
  - Plans were given the opportunity to review their plan specific data. OMAP sent the MCOs their plan specific rate sheets and corresponding memo from PwC for the period beginning October 1, 2005 and ending December 31, 2005.
- OMAP sent the MCOs a draft of the Delivery System Strategic Plan 2005-2007, and asked them to provide comments.

- OMAP reminded MCOs that the drug Lamictal would be carved out of capitation with the amended FCHP contract effective 10/1/05.
- Notification was mailed to approximately 1,460 OHP client households living in mandatory managed care areas that are required to be enrolled in a medical and/or dental managed care plan. These notices informed the client they are being enrolled into a medical or dental plan effective August 1, 2005. Clients may change plans in the first 30 days of their enrollment and are instructed to call their workers to do so. Clients with continuity of care issues may be exempted.
- OMAP sent MCOs a plan-by-plan comparison of the October 1, 2005 rate adjustments as requested. The comparison was a precursor to the capitation rate development methodology report that will be finalized by PwC for the January 1, 2006 contract renewal.
- OMAP mailed announcements to dual eligible clients who are enrolled in Medical Plans that have contracted with Medicare as Medicare Advantage Plans. The announcement also explained the benefits of enrolling in a Medicare Advantage Plan and included an enrollment form and return envelope.

## **August 2005**

- CMS conducted an onsite review of OHP/OMAP Managed Care during the week of August 22-September 1, 2005. CMS evaluated contract compliance and all relevant regulatory requirements during the calendar years 2003, 2004 and 2005.
  - OMAP notified MCOs that CMS planned an onsite review with the following plans: Marion/Polk Community Health Plan, CareOregon, Inc., Lane Individual Practice Association, Providence Health Assurance, Tuality Health Alliance and Family Care, Inc.
  - OMAP notified the MCOs of the schedule for the CMS requested “provider meetings” to be held during the week of their DHS onsite review.
- OMAP mailed an announcement to dual eligible clients who are enrolled in FamilyCare. The announcement informed clients that FamilyCare is now contracting with Medicare as the Medicare Advantage Plan, PremierCare. It also explained the benefits of enrolling in PremierCare, and included a Medicare Plan Election form.

- OMAP mailed notification to approximately 3,008 OHP client households living in mandatory managed care areas that they are being enrolled into a medical or dental plan effective September 1, 2005. Clients may change plans in the first 30 days of their enrollment and are instructed to call their workers to do so. Clients with continuity of care issues may be exempted.
- OMAP solicited comments from MCOs regarding a possible change to Medical Care Identification Cards. OMAP is considering the removal of third party health insurance numbers from the Cards due to client concern of possible identity theft.
- OMAP held a series of meetings to provide a forum for stakeholders to give input as OMAP develops strategies for implementing legislation from the Legislatively Adopted Budget for 2005-2007.
  - Each meeting was focused on a specific legislative action including: hospital days limit for fee-for-service clients, vision cuts, dental cuts, and elimination of premiums for OHP Standard clients under 10% of the federal poverty level.
  - Meetings were held throughout the months of August and September. OMAP also solicited stakeholder input through a designated email address.
- OMAP sent MCOs the web link to the Federal EQR protocols notifying them that these protocols will serve as the basis for upcoming reviews.
- OMAP sent MCOs a letter clarifying DHS' decision to raise certain fee-for-service hospital rates.
- OMAP notified MCOs that *eSubscribe* is up and running and OMAP is ready to auto-subscribe plan contacts into the service. *eSubscribe* is OMAP's new vehicle for sending emails that link to Notices of Rulemaking Hearings, and temporary and permanently adopted rules.
- OMAP sent FCHP and DCO Contractors an invitation to the Oral Health Conference to be held on October 21, 2005.
- OMAP sent a letter to all prescribing OHP providers announcing that the Plan Drug List (PDL) is available on the OMAP Web site and on the Epocrates Rx drug database. The letter also explained how to access both forms of the list and where to go for additional information about the PDL and Epocrates Rx.

## **September 2005**

- OMAP sent MCOs a copy of the Short-Run Medicaid Reform report put together by the National Governor's Association.
- OMAP sent FCHPs and the PCO a letter clarifying their roles and responsibilities for the Ambulance Services benefit.
- OMAP notified FCHPs and the Hospital Workgroup regarding a revision in the FCHP Non-Contracted DRG Hospital reimbursement table. The revision reflects the contract period of October 2005 to December 2005.
- OMAP sent MCOs a copy of the 09/14/05 Medicaid Advisory Committee letter. The purpose of the letter is to convey the recommendations of the Medicaid Advisory Committee regarding (a) proposed reductions to DHS' budget per the Legislatively Adopted Budget for 2005-2007 and (b) the Special Purposed Allocation in the Insurance Pool Governing Board's budget to pursue a change to the OHP 2 waiver.
- OMAP mailed notification to approximately 2,129 OHP client households living in mandatory managed care areas that they are being enrolled into a medical or dental plan effective October 1, 2005. Clients may change plans in the first 30 days of their enrollment and are instructed to call their workers to do so. Clients with continuity of care issues may be exempted.
- OMAP notified the FCHPs that the plans that are becoming Special Needs Plans (SNP) January 1, 2006, need to develop a comprehensive Evidence of Coverage (EOC) and send it to DHS for review per the Medicare requirement in the Marketing Guidelines.
- OMAP mailed announcements to dual eligible clients who are enrolled in Medical Plans that have contracted with Medicare as Medicare Advantage Plans. The announcement also gave information about the Medicare Prescription Drug program.

## OHP Regional Meetings

### September 2005

OMAP held 15 meetings for the following counties: Coos, Curry, Malheur, Baker, Union, Wallowa, Hood River, Wasco, Gilliam, Sherman, Douglas, Jackson, Josephine, Klamath, Lake, Umatilla, Morrow, Lane, Linn, Benton, Marion, Polk, and Yamhill.

## OHP Monthly Premium Billing and Payment

| <b>OHP Monthly Premium Billing and Payments<br/>July - September 2005</b> |                   |                       |                     |                        |                      |                   |
|---|-------------------|-----------------------|---------------------|------------------------|----------------------|-------------------|
| <b>Month</b>  | <b>Households</b> | <b>Current Billed</b> | <b>Total Billed</b> | <b>Current Receipt</b> | <b>Total Receipt</b> | <b>% of Total</b> |
| July  | 23,965            | \$249,886.00          | \$286,951.00        | \$199,270.04           | \$280,876.09         | 98%               |
| August  | 23,057            | \$241,036.00          | \$282,397.00        | \$193,493.96           | \$273,072.39         | 97%               |
| September   | 22,512            | \$236,326.00          | \$275,874.00        | \$191,322.03           | \$266,097.74         | 96%               |
| <b>Totals</b>   | <b>69,534</b>     | <b>\$727,248.00</b>   | <b>\$845,222.00</b> | <b>\$584,086.03</b>    | <b>\$820,046.22</b>  | <b>97%</b>        |

| <b>Premium Waivers Information<br/>(Past Premiums – Billed Prior to Feb 2003)<br/>July – September 2005</b> |             |               |                  |
|---|-------------|---------------|------------------|
| <b>Waiver Type</b>  | <b>July</b> | <b>August</b> | <b>September</b> |
| Zero Income   | 6           | 3             | 3                |
| Crime Victim  | 0           | 0             | 0                |
| Domestic Violence   | 1           | 3             | 1                |
| Homeless  | 1           | 3             | 4                |
| Natural Disaster  | 0           | 1             | 1                |
| Death in Family   | 0           | 1             | 1                |
| <b>Totals</b>   | <b>8</b>    | <b>11</b>     | <b>10</b>        |

# OHP Client, Applicant, and Provider Information

## Communications

Communications staff worked on a variety of projects designed to improve access to, and understanding of, OHP information, including:

- Communications to dual-eligible (Medicare/Medicaid) clients about managed care enrollment changes because of implementing the Medicare Modernization Act.
- Continued work on numerous revisions to administrative rules and related materials to reflect OMAP program changes. As they occur, revisions to both administrative rules and supplemental information materials are available on the OMAP Web site at:

**<http://www.oregon.gov/DHS/healthplan/>**

- Continued work on analysis of legislative concepts, policy packages, and reduction packages for the 2005-2007 legislative session. Communications staff will coordinate the legislative process for OMAP for this session.
- Communications staff worked on a variety of communications to providers about HIPAA outreach and compliance, as well as other communications shared with MCOs (see “OMAP Managed Care Activities” section for more detail).

## Telecommunications and Applications

The following table shows the activity performed by customer service agents in two call centers located at Oregon Correctional Enterprises (OCE).

| <b>Telecommunications Call Center Activity<br/>July – September 2005</b> |        |
|--|--------|
| <b>Provider Services Call Center</b>                                     |        |
| Provider Claims Calls Received   | 25,369 |
| Average # of Customer Service Agents Available                           | 4.33   |
| <b>OHP Application Call Center</b>                                       |        |
| OHP Applicant Calls Received   | 23,713 |
| Average # of Customer Service Agents Available                           | 4.33   |
| <b>OCE Industries Mailroom</b>   |        |
| OHP Application Requests Mailed  | 20,545 |

## Client Advisory Services Unit

During the quarter, the CASU call center received 12,167 calls from clients or their representatives about medical assistance or related issues. This represents a 2% decrease from the 12,366 calls taken the previous quarter. The following table shows the distribution of these calls by type.

| <b>CASU Call Center Activity by Type of Call<br/>July – September 2005</b> |       |
|--|-------|
| Medical Services   | 3,430 |
| Pharmacy Services  | 1,906 |
| Dental Services  | 892   |
| Mental Health/Addiction Services   | 182   |
| Client Medical Bills   | 1,368 |
| Copayments   | 44    |
| Premiums   | 120   |
| Certificate of Creditable Coverage   | 395   |
| Pharmacy Lock-In Change  | 788   |

| <b>CASU Call Center Activity by Type of Call<br/>July – September 2005</b> |               |
|--|---------------|
| Certificate of Non-Eligibility   | 221           |
| Client Materials Request   | 269           |
| Adoption Case Plan Change  | 41            |
| Eligibility  | 1,365         |
| General Questions or Concerns  | 1,146         |
| <b>Totals</b>  | <b>12,167</b> |

## Outreach Activities

Outreach staff made presentations on the current OHP and possible changes coming to the OHP, including presentations to DHS field staff.

# Technical Systems and Encounter Data

## HIPAA

### Compliance deadline

- DHS' managed care entities are making slow progress towards compliance. Of the 36 managed care entities that must convert, 4 dental and 2 medical entities are in a compliant status. DHS continues to report the status of this group to the Transaction and Codes Sets (TCS) Executive Steering Committee and the affected entities in a variety of forums:
  - Managed Care Contractor's Monthly meeting
  - Managed Care Contractor's workgroup for HIPAA TCS
  - Managed Care Contractor's workgroup for Encounter Data

Those Managed Care Contractors in jeopardy of not meeting the compliance deadline are required to submit a work plan detailing their processes for



attaining compliance. DHS is also reviewing remediation options if compliance is not reached by the deadline.

## **Electronic Data Interchange (EDI) Registration**

- DHS has completely implemented the Trading Partner Agreement registration processes. All covered entities are registered and DHS works to register new entities and make changes to existing registered entities.
- The EDI Registration Database has been upgraded. The new system will not only eliminate some manual functions (add transactions to the look up tables) but also be used by the translator to validate relationships between provider and submitter(s).

## **EDI Testing and production submission of transactions**

- DHS continues to guide all covered entities through the testing process. As of September 2005, of the electronic submitters required to convert, the following compliance percentages have been reached:
  - 96.41%<sup>1</sup> of the 837 professional claims transactions (primary payer claims only)
  - 100% of the 837 institutional claims transactions (primary payer claims only)
  - 12.89%<sup>2</sup> of 837 professional secondary claims transactions
  - 100% of 837 institutional secondary claims transactions
- Dental claims are submitted on paper and are not required to convert to the electronic formats. However, DHS has been working closely with one of the larger clearinghouses to develop the 837 dental transactions and has two dental providers using this technology.

## **EDI Outreach and Training**

- DHS continues to create and post a monthly newsletter detailing the status of each transaction, impacts of the changes to HIPAA compliance on all covered

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<sup>1</sup> The remaining 3.59% are currently testing with DHS and they will be compliant by the deadline.

<sup>2</sup> DHS continues to work with trading partners to transition to the 837-secondary payer functionality.

entities, updates to DHS Companion Guides, reminders of the impending deadline and resources.

- **270/271 Eligibility and 276/277 Claims Inquiry/Response Solution.** DHS has completed all of the work necessary to begin the shut down of On Line Access screens for eligibility and claims information.
  - Communications to all affected entities has been mailed identifying dates and times for the blackout periods when DHS will begin the process of revoking access.
  - The process will begin October 1 and continue through December 30, 2005, when all access will be removed.
- DHS continues to review the transaction-specific Companion Guides for needed modifications and re-posting the DHS web site.
- Interested providers can now eSubscribe on the DHS Web site to receive system alerts about availability of EDI features such as transaction data and electronic funds transfer (direct deposit).

## **Systems**

- 68 new systems requests written.
- 63 systems requests completed or withdrawn.

## **Encounter Data Validation**

- DHS Actuarial Services Unit continues to work with TEDS staff to develop, distribute and monitor data validation reports. Managed Care Plans are briefed on how to review and utilize these reports during the monthly Rates and Encounter Data meetings. DHS continues to review ways to enhance and simplify the process of data comparison for the Plans.
- Managed Care Plan Quarterly Reports continue to address areas of compliance for TCS and contractual requirements for encounter data submission (medical, dental, mental health and pharmacy).

- Encounter Data staff continue to participate in the Managed Care Plan Collaboration Group that meets monthly. Any areas of concern are detailed in a spreadsheet and shared for team member input and understanding.