



**Oregon
Health
Plan
Medicaid
Demonstration
Project**



**Quarterly Report
October — December 2005**

Table of Contents

Fourth quarter highlights	1
Administrative Operations	3
OMAP Program and Policy Activities.....	3
Benefit RN Hotline	4
Medical Director’s Office	5
OMAP-OHP Hearings	6
Quality Improvement, Evaluation and Monitoring	7
Managed Care Review	7
Quality and Performance Improvement Workgroup.....	7
Disenrollment, Ever Enrolled and Complaint Reports.....	8
Medicaid Audit	9
Health Services Commission	10
Office of Mental Health and Addiction Services (OMHAS)	11
Policy and Planning Decisions	11
Benefit Package.....	11
Quality Improvement, Evaluation and Monitoring	14
Training and Activities	14
Attachments	14
Family Health Insurance Assistance Program	16
Administrative Operations/Policy Issues.....	16
Marketing	16
FHIAP Enrollment	17
OHP Eligibles and Enrollment	17
MHO Enrollment	17
Ever-enrolled Report	18
Fully Capitated Health Plans	18
Dental Plans	18
OMAP Managed Care Activities.....	19
OHP Regional Meetings	25
OHP Monthly Premium Billing and Payment	25
OHP Client, Applicant, and Provider Information	26
Communications.....	26
Telecommunications and Applications	27
Client Advisory Services Unit.....	27
Outreach Activities.....	28
Technical Systems and Encounter Data	28

HIPAA	28
Systems	31
Encounter Data Validation.....	31

Tables

1. OHP Hearings Statistics.....	6
2. FHIAP Enrollment	16
3. OHP Eligibles and Managed Care Enrollment.....	16
4. OHP Monthly Premium Billing and Payments	24
5. Premium Waivers and Denials	24
6. Telecommunications and Applications Center	26
7. Client Advisory Services Call Center Activity.....	26

Attachments

1. OHP Quality and Performance Improvement Workgroup Meeting Agenda and Minutes – October 2005
2. OHP Quality and Performance Improvement Workgroup Meeting Agenda and Minutes – November 2005
3. OHP Quality and Performance Improvement Workgroup Meeting Agenda and Minutes – December 2005
4. Disenrollment Reports (FCHPs) — Second Quarter 2005
5. Disenrollment Reports (DCOs) — Second Quarter 2005
6. Disenrollment Reports (CDO and PCO) — Second Quarter 2005
7. OMAP Managed Care Plans Complaints and Grievances Report
8. Analysis of Quarters 1 and 2, 2005 Financial Data – November 2005
9. Summary of Audit Notes From 2004 Audits – November 2005
10. MHO Utilization Report – October 2004 through June 2005*
11. 2005 Oregon Youth Services Survey for Families*
12. External Quality Review (EQR) Annual Report – December 2005*
13. OMHAS Performance Measure Validation*

14. Clackamas County Mental Health EQR Report – December 2005*
15. Jefferson Behavioral Health EQR Report – December 2005*
16. Verity Integrated Behavioral Healthcare System EQR Report – November 2005*
17. MHO Grievance Log (Exhibit B, MHO Agreement for 3rd Quarter 2005)*
18. Mental Health Organization enrollment for October, November and December 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.**

Fourth quarter highlights:

- ◆ OMAP has submitted 3 additional SPAs this quarter regarding:
 - Changing payment methods on Lab, radiology and other imaging services to hospitals.
 - MMA Part D Medical Transportation coverage.
 - Annual Community Spousal Resource standards.
- ◆ Oregon Health Plan Benefit RN Hotline averaged 1,263 calls per month.
- ◆ Beginning December 1, 2005, OMAP contracted with McKesson Health Solutions to provide a 24-hour triage line to fee-for-service OHP clients. OMAP anticipates that this service will decrease emergency department visits and hospital admissions, and increase overall access to appropriate care.
- ◆ OMAP held stakeholder meetings to introduce various cost-savings proposals as a result of Oregon's 2005-2007 Legislatively Adopted Budget. This included strategies to reduce Emergency Department use among OHP clients.
- ◆ OMAP is developing a new Request for Proposal (RFP) for External Quality Review, with a target award date of January 31, 2006.
- ◆ Disenrollment reports for 2nd Quarter 2005 are now available for the Fully Capitated Health Plans, Dental Care Organizations, Physician Care Organization and the Chemical Dependency Organization.
- ◆ The Health Services Commission (HSC) prepared to gather input from various stakeholders about Dr. Rick Wopat's alternative proposal for determining the Prioritized List of Health Services. The object is to develop a List that would accommodate a second funding line to define a basic benefit package for the OHP Standard program, which would then be offered to a greater number of low-income Oregonians.
- ◆ The Office of Mental Health and Addiction Services (OMHAS) created a dedicated phone line to receive questions from children's mental health system stakeholders about the Children's System Change Initiative (CSCI). This is a new step in a series of continuing steps to implement the CSCI.

- ◆ OMHAS conducted the Youth Services Survey for Families with families of children who received mental health services through the OHP in the last quarter.
- ◆ DHS enrolled Medicaid-eligible Hurricane Katrina survivors into Oregon Medicaid managed care plans effective December 1, 2005.
- ◆ Family Health Insurance Assistance Program (FHIAP) reduced applications to individual market applicants and focused on the group market. Total enrollment this quarter was 15,364.
- ◆ OMAP MCO enrollment averaged 76% during the quarter. Average MHO enrollment during this reporting period was 88%.
- ◆ PricewaterhouseCoopers LLP (PwC) drafted the 2006 OHP capitation rates. OMAP shared this draft with the managed care plans for review.
- ◆ The Client Advisory Services Unit (CASU) received 12,167 calls this quarter. This is a 0.6 % increase from the previous quarter.
- ◆ OMAP communications focused on MMA implementation for dual-eligible OHP clients, and HIPAA compliance efforts.
- ◆ OMAP continued outreach activities with presentations throughout the state.
- ◆ Systems and Encounter Data staff focused on meeting the December 31, 2005 HIPAA compliance deadline. 100% of primary paying providers using the 837P and 837I transactions for payment are now compliant. Over half of the managed care plans are in compliant status.
- ◆ OMAP continued to participate in requirements, design, and other planning sessions regarding implementation of the new MMIS. The Department anticipates that Phase 1 of the new MMIS should be completed in July 2007.

Administrative Operations

OMAP Program and Policy Activities

- ◆ OMAP continued to discuss and monitor the status of previously submitted State Plan Amendments (SPA) on inpatient and outpatient proportionate share revisions.
- ◆ OMAP submitted 3 additional SPAs this quarter to address the following issues:
 - Changing payment methods on Lab, radiology and other imaging services to hospitals.
 - MMA Part D Medical Transportation coverage.
 - Annual Community Spousal Resource Standards.
- ◆ Staff continued coordination to expand the transportation brokerage operation into Lane County. Staff is moving ahead with the final expansion of three brokerages to include those counties not currently in the brokerage system. The target date for complete brokerage coverage is 12/31/06.
- ◆ 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 coordination efforts with Oregon's Oral Health Section of the Health Division 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 and client advocates in development of agency cost reduction options.
- ◆ Staff coordinated and collaborated with the HSC and Health Resource Commission regarding the Prioritized List of Health Services and evidence-based findings on pharmaceuticals.
- ◆ Staff provided research and policy options to Oregon's legislative leadership in response to the financial challenges facing the OHP.

- ◆ Staff continued involvement with MMIS replacement project, HIPAA code sets and MMA coordination.
- ◆ Staff continued collaboration with other DHS programs and other community partners in the areas of:
 - 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
 - Integrate National Provider Identification (NPI) requirements into program policy, provider enrollment, and operations

Benefit RN Hotline

The OHP Benefit RN Hotline averaged 1,263 calls per month during the fourth quarter of 2005. Greater than 97% of the calls continued to be from practitioners, with greater than 87% 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 fourth quarter of 2005 include:

- ◆ **The effects of methamphetamine on oral health.** An in-depth presentation reviewed the signs of methamphetamine use and included the basic physiology of stress, methamphetamine carvings, and mechanism of tooth damage. The presentation also explored the need for, and the benefits of, integrated care services.
- ◆ **Oregon Network of Care Web site** <www.networktocare.org>. Designed for seniors, caregivers, families, the disabled, and the provider community, this new Web resource offers information by county on available care facilities as well as many other health services. Providers and organizations can use the site to inform the public of their services and the benefits they provide. The site will also feature a library of health-related articles.
- ◆ **RN Triage Line Update.** Beginning December 1, 2005, fee-for-service OHP clients have access to a 24-hour triage line for physical, mental health and dental services. The triage line will refer callers who are currently enrolled in a managed care organization to their plan contact. Clients are encouraged to call the triage line if they have questions regarding access to care for conditions that may be urgent in nature. OMAP anticipates that the service will decrease emergency department visits and hospital admissions in addition to increasing overall access to appropriate care.
- ◆ **Disease Case Management.** Beginning November 1, 2005, two additional chronic diseases were added to the fee-for-service disease management program. Fee-for-service clients can now receive disease case management services for chronic obstructive heart disease and coronary artery disease.
- ◆ **Emergency Department (ED) Screening Fee Update.** OMAP held stakeholder meetings to explore the idea of paying hospitals an assessment fee when a client visits the ED for specific conditions not considered emergent. The group is also exploring other options to decrease ED utilization such as

narcotic contracts, pharmacy lock-in programs, increased primary care access, and client education regarding ED utilization and appropriate pain management.

- ◆ **Quit Line NRT Initiative Update.** The Oregon Quit Line Initiative offers free nicotine replacement therapy (NRT) and counseling to Quit Line callers. Since its launch in 1998, the Initiative has served over 50,000 Oregonians. Available funding will determine the Initiative’s activities for 2006, but the Initiative plans to start by offering 2 weeks of NRT. It noted the following successes:
 - Increased public awareness of the program through free media coverage
 - Increased Quit Line volume
 - Improved quit rates
 - Influenced health plans to change or consider changing their cessation benefit.

OMAP-OHP Hearings

OHP Hearings Statistics October – December 2005		
	Managed Care	Fee-for-Service
Requests Received	67	56
Hearings Held	42	13
Hearings Pending	47	39
Claimant Withdrew	15	9
Plan/Agency Withdrew	15	23
No Show	3	0
Decision Affirmed	39	7
Decision Reversed	1	2
Dismissed (Timeliness)	5	3
Not Hearable Issue	10	12
Below the Line	28	5

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

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. The new project would follow the mandatory area EQR RFP, and CMS Region X meetings. EQR-based survey work will also continue, and the Quality Improvement Strategy will be revised.

- **Task 1:** Rapid Cycle Improvement Process. Complete.
- **Task 2:** An assessment of the state's QI program and the activities of the Managed Care Organizations (MCOs). No new developments this quarter.
- **Task 3:** Surveys. No new surveys this quarter.

Quality and Performance Improvement Workgroup

The Quality and Performance Improvement (QPI) Workgroup met each month 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 1-3) for specific details of each meeting this quarter.

- October's meeting included presentations and discussions about: disenrollment reports and reason codes; the 2005 Annual QI Report; the EQR Structure & Operations (Compliance Protocol); *Successful Practices Sharing: Best Clinical*

and Administrative Practices (BCAP); the Health Care Disparities Grant Project conducted by three OHP plans; and Women's Health Issues: Addressing Domestic Violence in Health Care Settings. (Attachment 1)

- November's meeting addressed the following topics: DCO, asthma and immunization performance measures; EQR: Performance Measures and Performance Improvement Projects (PIP); and Children's Dental Health month, including oral health program, state activities, community partners and contact information and resources. (Attachment 2)
- December topics included: Adverse Events; Oregon Medicaid Managed Care Quality Strategy; DCO PIP on Early Childhood Cavities Prevention; PIP Overview, Topic and Timeline Discussion; Informational Gathering for the Governor's Methamphetamine Task Force; and Tobacco Cessation, including Oregon's Tobacco Prevention and Education Program, programs and activities, community partners, contact information and resources, and lessons learned from the Quit Line NRT Study (Attachment 3).

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, the reporting cycle for these reports now coincides with the same quarter as the complaint reports. These attachments cover data from 2nd Quarter 2005 (Attachments 4 through 6).

A table of OHP clients enrolled in OHP for the 4th Quarter 2005 is also included (see page 17). Due to retroactive eligibility changes, the numbers should be considered preliminary.

OMAP's Managed Care Plans Complaints and Grievances Report (Attachment 7) contains data from the 2nd 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.

Solvency Reports

The "Analysis of Quarters 1 and 2, 2005 Financial Data" is a narrative analysis prepared by the Analysis & Evaluation Unit's Financial Solvency Program Coordinator (Attachment 8).

- Trends are identified for MCO, DCO, and CDO plans' revenues, expenditures, and financial ratios. If plans experienced significant changes from quarter-to-quarter or year-to-year, these are noted.
- Also included are the plans' responses to follow-up questions which the Financial Solvency Program Coordinator asked. This is the first time such an analysis has been included in DHS's quarterly report to CMS.

The "Summary of Audit Notes From 2004 Audits" is the latest in a series of annual reports prepared by the Financial Solvency Program Coordinator. The summary includes the most significant information from the plans' notes to their audited financial statements (Attachment 9).

Medicaid Audit

During this quarter, the Department hired a new Administrator for the new Office of Payment Accuracy and Recovery, where the Medicaid Audit function now resides. Several initiatives were developed to increase the Office's efficiency and effectiveness.

The Department's contract with Health Watch Technologies (HWT) to identify and recover potential overpayments proceeded this quarter. Much of the work performed this quarter was preparatory in nature. Recovery work is expected to begin in the first quarter of 2006.

In the 2nd Quarter 2005, DHS implemented a new toll-free fraud reporting hotline. This quarter, DHS rolled out a new online fraud reporting database on the DHS Web site at:

https://apps.dhs.state.or.us/cfm/OPR_Fraud_Ref/index.cfm?act=evt.subm_web

The Audit Group continues audit providers and perform special recovery projects. Considerable audit resources have been devoted to Federally Qualified Health Clinics, Mental Health Providers and Pharmacies.

Health Services Commission

The **Health Services Commission** (HSC) held one meeting during the quarter. As part of their biennial review of the Prioritized List of Health Services, the HSC agreed to further consider the concept proposed by former Commission member Rick Wopat, MD. Initial input provided by individual members indicated support for restructuring the Prioritized List to place more emphasis on preventive care and services related to the management of certain potentially fatal chronic illnesses.

- At the January meeting, the HSC will continue to discuss what the framework for a reprioritized List should look like. The object is to develop a List that would potentially allow for a second funding line to be drawn on it to define a basic benefit package for the OHP Standard program. The state could then offer the program's redefined benefit package to a significantly larger number of low-income Oregonians.
- To gather input on the potential reprioritization of the List, the HSC finalized a letter for distribution to more than 250 different providers, health care facilities, and advocacy groups.

The Commission accepted the recommendations of the Health Outcomes Subcommittee on a number of new CPT codes to be added to the Prioritized List. These included, among other things, the placement of codes related to skin grafts, surgical laparoscopies, and chemotherapy administration. At the January meeting, the HSC will make final decisions regarding a number of other outstanding new CPT codes for inclusion on the April 1, 2006 set of interim modifications to the Prioritized List.

The **Health Outcomes Subcommittee** held one meeting during the quarter. They began the review of the new CPT codes for 2006 for potential placement on the Prioritized List, including a new code for venous. The new code for venous will not be added to the List due to the minimal evidence supporting its effectiveness. The Subcommittee also reviewed a draft algorithm to help guide coverage decisions for non-prenatal genetic tests. The Subcommittee asked staff to solicit comment from a genetic consultant on the different components of the algorithm. Based on new data about the effectiveness of Essure, a female sterilization device that can be placed in an outpatient setting, the Subcommittee began a review of this device.

The **Subcommittee on Mental Health Care and Chemical Dependency** held one meeting during the quarter. They continued to monitor the progress of a

workgroup looking at ways to improve coding to capture treatment for early childhood mental health disorders. At their January meeting, the Subcommittee will review the final recommendations of the Office of Mental Health and Addiction Services on this matter.

Office of Mental Health and Addiction Services (OMHAS)

Policy and Planning Decisions

- **Evidence Based Practices (EBP).** OMHAS revised the EBP criteria with a more expansive definition, and solicited public comment about the new definition. The EBP Stakeholder group will review all comments during its January 10, 2006 meeting. The proposed definition and criteria are posted on the OMHAS Web site <http://www.oregon.gov/DHS/mentalhealth/index.shtml>.
- **Real Choice System Change Grants.** 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 Systems Change Grant, Integrating Long Term Supports with Affordable Housing, provides 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 to help mental health providers and consumers identify long-term supports and strategies to enable consumers to live as independently as possible.
 - OMHAS anticipates completing the analysis of existing and potential supports progress by March 2006. Different strategies are also being explored to address identified barriers in the service-financing arena.
- **Child and Adolescent System Advisory Committee (CSAC).** The Committee has met for the last year. A subcommittee of the OMHAS Planning and Management Advisory Council, the CSAC is made up of 51% family members. Continuing development of similar advisory committees and councils throughout the state reflect a positive acceptance of the need for family involvement and advocacy in the treatment system.

- The Child and Adolescent Advisory Committee are recruiting adolescent members. This person cannot be a member's child, but should be involved in the system and between the ages of 16 and 24.

Benefit Package

- **Children's System Change Initiative.** Effective October 1, 2005, providers submitted applications for certification under new administrative rules as Intensive Community-Based Treatment and Support Services providers. A product of the Children's System Change Initiative (CSCI), the new administrative rules define minimum standards for comprehensive, coordinated, strength-based and family-driven community-based planning. Forty-four programs, including community mental health programs, outpatient and intensive treatment services providers, were certified.
- **Psychiatric Residential Treatment Services (PRTS) and Psychiatric Day Treatment Services (PDTS) included within Managed Care Service Package.** Effective October 1, 2005, Mental Health Organizations will include PRTS and PDTS with capitated services for management of mental health services to Oregon Health Plan recipients, ages 0-17. Both services serve as foundations for service delivery within the Children's System Change Initiative, which also includes an integrated array of community-based wraparound psychiatric services.
- **Children's System Change Initiative (CSCI) Message Line.** OMHAS created a dedicated telephone message line for the Children's System Change Initiative (CSCI). The line is designed for children's mental health system stakeholders to communicate questions and issues regarding the implementation of the CSCI. OMHAS staff will work with local system partners and other state agency partners as the situation warrants. The line will provide case- and system-level problem solving to facilitate CSCI implementation success.
- **OMHAS Mental Health Organization (MHO) Agreement Amendment and New Contract Cycle.** In preparation for a redefined Oregon Health Plan contact cycle, January – December 2006, OMHAS implemented a contact amendment, effective October 1 through December 31, 2005. This allowed for the continuation of the contractual relationship with mental health organizations for the balance of 2005.

- **Children’s Mental Health System Coordinator’s Meeting.** Children’s Mental Health System Coordinator’s Meetings continued to meet regarding implementation of the CSCI. This meeting provides a forum for stakeholders to exchange information, identify barriers to effective collaboration with partners, and problem solve implementation issues. Service coordination planning and workforce development are key topics.
- **Youth Services Survey for Families (YSS-F).** As part of its ongoing program for monitoring the improvement of mental health services provided to Oregon children and families, OMHAS surveyed family members of children who received mental health care through OHP during the last quarter. The survey was comprised of the Youth Services Survey for Families (YSS-F) and a series of questions developed to investigate family members’ satisfaction with the coordination of services – a necessary component of the Children’s System Change Initiative.
- **CSCI Independent Evaluation.** OMHAS is in discussion with Portland State University Research and Training Center, to provide an independent evaluation of the Children’s System Change Initiative. Evaluation information used by OMHAS and stakeholders will improve Oregon’s children’s mental health system of care.
- **CSCI Policy and Procedure Review.** At the start of each contract cycle, Mental Health Organizations (MHOs) are required to submit various MHO CSCI policies and procedures for OMHAS’ review. OMHAS is developing internal policies and procedures to aid in this review.
- **Hurricane Katrina Survivors.** DHS enrolled Medicaid-eligible Katrina Survivors into Oregon Medicaid managed care plans effective December 1, 2005. Case descriptors used for tracking in the Medicaid Management Information System (MMIS) were KRL (Louisiana); KRM (Mississippi); KRA (Alabama).
- **Health Insurance Portability and Accountability Act (HIPAA).** In preparation for fully HIPAA-compliant production of protected health information regarding enrollment, capitation and encounter data on January 1, 2006, MHOs continued on-going system testing within the Oregon Health Plan system.

- **MHO Rates/Finance Workgroup.** Discussions this quarter included:
 - Inclusion of PEO costs in rate setting and the use of HCPC codes in lieu of PEO codes.
 - Rate development for January 2006.
 - Process for Reporting Capitation dedicated to children's services being spent on children and their families as defined in CSCI policy.
- **MHO Contract and Rule Workgroup.** Discussions this quarter included:
 - Third Party Resource and Personal Injury Liens.
 - Contract language regarding the definition of age of eligibility for the Intensive Service Array (ISA- CSCI).
 - Encounter data reporting of ISA services to children under age six.

Quality Improvement, Evaluation and Monitoring

- **External Quality Review (EQR).** The Quality Improvement and Certification Unit continued to work with Oregon Medical Professional Review Organization (OMPRO) in finalizing EQR reports (Attachments 12 through 16). Reports include: MHO level reports, 2005 EQR Report, Oregon Health Plan's Mental Health Care OMHAS Performance Measure Validation Report and 2005 Oregon Youth Services Survey for Families Report.

Training and Activities

- **The State Incentive Grant,** addressing children ages 0-6 and their families, provided a series of trainings during the fall 2005.
 - Trainings occurred in La Grande, Klamath Falls, Hillsboro and Lane County Oregon. These trainings focused on Systems Development with the intent to partner traditional behavioral health providers and with traditional providers of health care and other child related services (i.e., child care).
 - The *Circle of Security* trainings set for 2006 will center on four pilot sites, with the focus on cross-training behavioral health providers and early childhood development providers, early childhood attachment based intervention for parents, and the child care provider's role in behavioral health and trauma.
- **Co-Occurring Substance Use Disorders.** A member of OMHAS staff presented information to the MHOs from the National Policy Academy. The

presentation addressed the Improvement of Services for Youth with Mental Health and Co-Occurring Substance Use Disorders while they are concurrently involved with the Juvenile Justice System. Oregon submitted an application for this conference with Oregon Youth Authority (OYA) taking the lead.

- Oregon has a high rate of juveniles with mental health disorders in the justice system. Oregon does not have a standardized system to screen these children in the juvenile justice system. Each county uses a different screening process and lacks meaningful family involvement in their juvenile justice policies, planning and service implementation.
- OYA is reviewing the needs assessment tool currently used by 35 other states for mental health and substance abuse. Mental Health Organizations will also work with OYA in the review of the assessment tool.
- One project for the next eight months is to integrate services for children with both mental health and substance abuse issues.

Attachments

- MHO Utilization Quarterly Report – October 2004 through June 2005 (Attachment 10)
- 2005 Oregon Youth Services Survey for Families (Attachment 11)
- External Quality Review Annual Report – December 2005 (Attachment 12)
- OMHAS Performance Measure Validation (Attachment 13)
- Clackamas County Mental Health External Quality Review – December 2005 (Attachment 14)
- Jefferson Behavioral Health External Quality Review – December 2005 (Attachment 15)
- Verity Integrated Behavioral Healthcare System External Quality Review – November 2005 (Attachment 16)
- Mental Health Organization Grievance Log (Exhibit B, MHO Agreement for 3rd Quarter 2005) (Attachment 17)

- Mental Health Organization enrollment for October, November and December 2005 (Attachment 18)

Family Health Insurance Assistance Program

Administrative Operations/Policy Issues

- FHIAP staff updated agency publication/communications and the Web site to reflect the agency's new name, the Office of Private Health Partnerships.
- Based on the agency's budget, in October 2005, FHIAP reduced the number of applications sent to individual market applicants and focused on the group market.
 - FHIAP sent notices to all potential applicants who had already received an application to let them know of this change, and give them a deadline to return their application materials.

Marketing

- Education and Outreach staff worked on communications emphasizing FHIAP's focus on the group market and the start of the mid-November 2005 waiting list for subsidies in the individual health insurance market. This effort included:
 - Personal meetings with key representatives of all major insurance carriers.
 - Ongoing meetings with individual health insurance producers (agents) to remind them how FHIAP works in the group market.
 - News releases, newsletter inserts and e-mails to FHIAP stakeholders announcing immediate openings for group market subsidies and a wait for individual market subsidies.
- Phone call volume averaged approximately 1,655 calls per week during this quarter.
- Education and Outreach staff worked on updates to the four-hour producer training manual and slideshow for 2006.

FHIAP Enrollment

New Group enrollments	600
New Individual enrollments	2,347
Total new enrollments	2,947

Total enrollment on December 31, 2005	15,364
Disenrollment due to non-payment of premium	486
Total number of people ever enrolled during this quarter	16,286

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.

OHP Eligibles and Managed Care Enrollment October – December 2005			
Month	OHP Eligibles*	MCO Enrollment	MHO Enrollment
October	380,527	283,678	330,943
November	379,286	286,826	331,599
December	379,344	289,357	333,860
Qtr Average	379,719	286,620 (76%)	332,134 (88%)

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

MHO Enrollment

See Attachment 8, *MHO 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.

Ever-enrolled Persons on OHP October – December 2005*			
Population		Total Number of Persons	
Expansion	Title 19; OHP Standard	OHP Parents	8,056
		OHP Childless Adults	18,296
	Title 19; OHP Plus	PLM Children FPL > 170%	582
		Pregnant Women FPL > 170%	601
	Title 21; OHP Plus	SCHIP FPL > 170%	4,217
Optional	Title 19; OHP Plus	PLM Women FPL 133-170%	10,282
	Title 21; OHP Plus	SCHIP FPL < 170%	28,478
Mandatory	Title 19; OHP Plus	Other OHP Plus	337,326
Quarter Totals			407,838

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

Fully Capitated Health Plans

- No activity for October, November, or December 2005.

Dental Plans

Effective: October 2005

- Hayden Family Dentistry opened to new enrollment in Deschutes, Klamath, Lake, Harney, Jackson, Gilliam, Wheeler and Umatilla Counties.
- ODS Community Health (dental) closed to new enrollment in Baker, Crook, Deschutes, Jefferson, Hood, Wasco, Jackson, Josephine, Malheur, Marion, and Polk Counties, with a 30-day re-enrollment period.
- Willamette Dental Group closed to new enrollment in Marion, Polk, Linn and Benton Counties, with a 30-day re-enrollment period.
- Willamette Dental Group opened to new enrollment in Coos County.

- Hayden Family Dentistry Group reopened to new enrollment in Multnomah, Lane, Douglas, Linn, Lincoln, Benton, and Coos Counties.

Effective: November 2005

- Marion and Polk Counties became a mandatory enrollment area for Dental.
- Northwest Dental Services opened to new enrollment in Umatilla County.
- Capitol Dental Care opened to new enrollment in Marion and Polk Counties.
- Willamette Dental Group opened to new enrollment in Clatsop and Columbia Counties.
- ODS Community Health (dental) opened for new enrollment in Clackamas, Washington, and Multnomah Counties.

Effective: December 2005

- Hayden Family Dentistry opened for enrollment in Polk, Clackamas, and Douglas 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), Physician Care Organization (PCO) and Chemical Dependency Organization (CDO).

Below are the areas of focus during the fourth quarter of 2005. Communications to stakeholders, as described in this section, included the managed care plans.

October 2005

- OMAP sent MCOs clarification regarding the changes made to the HSC prioritized list effective October 1, 2005.

- OMAP sent MCOs notification of the interim staffing changes in OMAP. Organizational changes were made to temporarily adjust workloads and reporting structures to accommodate the workload with key personnel moving on to other positions.
- OMAP sent MCOs their plan-specific encounter data validation reports for the period of January 1, 2005 through March 31, 2005. The data validation report is designed to assist prepaid health plans in identifying the categories of claims received by the Medicaid Management Information System (MMIS) and those that will be sent to the Department of Human Services' (DHS) currently contracted actuary for calculation of per capita cost and risk adjustments.
- OMAP sent MCOs the PricewaterhouseCoopers, LLC (PwC) memo *Draft Statewide Capitation Rates Effective January 1, 2006-December 31, 2006* and accompanying exhibits. On October 19, 2005, PwC attended the Rates and Actuarial Workgroup Meeting to discuss the methodology and adjustments made to these rates.
- OMAP requested MCOs to submit verification that subcontracted physicians, physician assistants, and nurse practitioners have been credentialed within the last three years. Full compliance by the MCOs with Exhibit E will be required by OMAP in the new contract period of January 1, 2006 through December 31, 2006.
- OMAP notified MCOs that a FCHP request for application (RFA) was posted on ORPIN on October 14, 2005. The RFA closed on November 4, 2005.
- OMAP notified MCOs that the HSC prioritized list with the technical changes effective October 1, 2005 was posted and available to view on the Oregon Health Policy Research website.
- OMAP notified healthcare providers about the changes made to the OMAP Medical Care IDs to accommodate a new prescription drug benefit. Clients started receiving these IDs at the end of October 2005.
- OMAP notified stakeholders that OMAP submitted the request to approve the proposed benefit reductions to CMS. The notification also included information about a future stakeholder meeting scheduled to solicit stakeholder input regarding emergency department efficiencies and savings.

- OMAP sent MCOs their plan-specific rate sheets and corresponding memo from PwC for the period beginning January 1, 2006 through December 31, 2006.

November 2005

- OMAP provided clarification to the MCOs regarding changes in the hospital reimbursement, specifically those regarding payments to hospitals for services provided to Oregon Health Plan enrollees.
- A draft client announcement regarding enrollment into a Prescription Drug Plan (PDP), PDP comparisons, and client choices was sent to MCOs and providers for review and comment.
- OMAP sent MCOs clarification regarding co-payment issues for clients receiving Medicare Part D prescription drug coverage. OMAP's policy is that the Oregon Health Plan will not be able to cover co-payments for Medicare Part D prescription drug coverage.
- OMAP sent out a matrix showing the counties covered by each OMAP MCO and its counterpart Medicare Advantage Prescription Drug Plan (MA-PDP). The matrix was created because the MA-PDPs do not necessarily cover the same service areas as their OMAP MCO counterparts.
- OMAP requested that MCOs notify OMAP of any organizational changes or partnering relationships formed for the purpose of serving dual-eligible Medicaid and Medicare members.
- OMAP sent MCOs a capitation report entitled *Capitation Rate Development January 2006-December 2006*, a memo on the resolution of rates, and the plan-specific rate sheets developed by PwC. OMAP requested MCOs review these documents and provide feedback.
- OMAP sent a draft client announcement to MCOs and providers for review and comment. The announcement officially informs dual-eligible clients that on January 1, 2006, Medicaid will discontinue paying for most of their prescription drugs and that they will receive this drug coverage through their Medicare prescription drug plan.

- OMAP mailed notification to approximately 1,749 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 December 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 provided the MCOs with a crosswalk of the actuarial categories of service to the line items appearing on the capitation rate sheets. The crosswalk applies to the 2006-2007 per capita costs and related capitation rates beginning with rates effective January 1, 2006.
- OMAP sent MCOs DHS' final managed care HIPAA implementation plan notice. This letter outlined how DHS proposes assisting MCOs who are not completely implemented for HIPAA standards by December 31, 2005.
- OMAP announced its intent to award the FCHP RFA to ODS Community Health, Inc. ODS opened in Oregon counties that were without current FCHP coverage or very low penetration. ODS' contract with OMAP began January 1, 2006.
- OMAP sent stakeholders a reminder about the November 29, 2005 hospital stakeholder meeting. The focus of the meeting was Emergency Department efficiencies and savings.
- OMAP provided MCOs with the contact information for the person coordinating the Premium Sponsorship Workgroup. This information was provided so MCOs could express thoughts and concerns related to co-payments for drugs under Medicare Part D.
- OMAP provided MCOs with a list that identified prescription drugs by HICL sequence number and Medicare Part D exclusion information from CMS. This list was created to help managed care plans identify which drugs would be covered by OMAP fee-for-service, a MCO, or by Medicare Part D.

December 2005

- OMAP sent stakeholders a copy of the flyer that fee-for-service clients received about the new nurse advice hotline (see Medical Director's Office section of this report on page 5 for more information).
- OMAP sent a reminder to providers that the Plan Drug List is available on the Epocrates Rx Database.
- OMAP posted a notice on the DHS website to all health care providers regarding the expiration of the Edifecs contract for EDI third party testing on April 15, 2006.
- OMAP notified FCHPs, DCOs, the CDO, and the PCO that their 2006 contracts were mailed on December 1st, and requested that the contracts be signed and returned by December 16, 2005.
- OMAP notified FCHPs, DCOs, the CDO, and the PCO that effective with the January 2006 OHP contract, all plans are to use the revised Member Complaints/Appeals Report for the submission of complaints.
- After discussion with the MCOs, OMAP began enrolling Hurricane Katrina evacuees into prepaid health plans. On December 1, 2005, OMAP auto-enrolled all evacuees who had no valid exemptions.
- OMAP forwarded a survey to DHS stakeholders from the House Interim Task Force on DHS Review. The purpose of the survey was to gather input and ideas on how to improve DHS services.
- OMAP sent the MCOs the DHS Data Exchange Agreement that, when signed and returned to OMAP, will enter MCOs into a data sharing agreement with DHS regarding common dual-eligible clients.
- OMAP sent the MHOs their plan-specific prevalence report used to develop the CDPS risk adjustment factor for the January 1, 2006 rate-setting cycle.
- DHS sent providers and clients an announcement that provided web links to the DHS Information Security Offices Secure Email web page and briefly

explained the change to how clients and providers will receive confidential email from DHS.

- OMAP mailed notification to approximately 2,440 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 January 1, 2006. 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 a reminder to providers who have access to certain MMIS eligibility and claims verification screens, which stated that these screens would no longer be available after December 30, 2005. The reminder also outlined the available alternatives for eligibility and claim verification.
- OMAP notified MCOs that the December 2005 monthly or the December 30, 2005 weekly would be the last capitation/remittance OMAP will generate in the proprietary formats.
- DHS notified all external partners that the new email security process was to be in place by December 23, 2005.
- OMAP notified MCOs and hospital stakeholders that a discrepancy was found in the FCHP non-contracted outpatient hospital rates posted for October 1, 2005. OMAP corrected the rule and posted the corrected outpatient rates on the DHS website. These rates are retroactive to October 1, 2005.
- OMAP notified MCOs that the January 2006 model contracts for prepaid health plans were posted on the DHS website.
- OMAP requested MCOs review the 7208M Medicare Advantage Plan Election form and provide feedback and recommendations for revisions.

OHP Regional Meetings

October 2005

OMAP held 10 meetings for the following counties: Lincoln, Tillamook, Clatsop, Columbia, Crook, Jefferson, Deschutes, Grant, Harney, Wheeler, Multnomah, Washington, and Clackamas.

OHP Monthly Premium Billing and Payment

OHP Monthly Premium Billing and Payments October – December 2005						
Month	Households	Current Billed	Total Billed	Current Receipt	Total Receipt	% of Total
October	21,846	\$229,967.00	\$265,443.00	\$185,548.75	\$256,679.95	97%
November	21,454	\$224,459.00	\$264,375.00	\$179,533.59	\$245,578.79	93%
December	20,497	\$216,299.00	\$250,034.00	\$162,342.49	\$220,104.07	88%
Totals	63,797	\$670,725.00	\$779,852.00	\$527,424.83	\$722,362.81	93%

Premium Waivers Information (Past Premiums – Billed Prior to Feb 2003) October – December 2005			
Waiver Type	October	November	December
Zero Income	6	6	5
Crime Victim	0	0	0
Domestic Violence	1	0	3
Homeless	3	1	4
Natural Disaster	0	0	0
Death in Family	0	0	1
Totals	9	7	13

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.
- Communications to OHP and DHS stakeholders about CMS waiver amendment proposals to support reductions in the Department's 2005-2007 Legislatively Adopted Budget.
- 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).

Telecommunications Call Center Activity October – December 2005	
Provider Services Call Center	
Provider Claims Calls Received	23,898
Average # of Customer Service Agents Available	5
OHP Application Call Center	
OHP Applicant Calls Received	22,559
Average # of Customer Service Agents Available	5
OCE Industries Mailroom	
OHP Application Requests Mailed	19,244

Client Advisory Services Unit

During the quarter, the CASU call center received 12,245 calls from clients or their representatives about medical assistance or related issues. This represents a 0.6% increase from the 12,167 calls taken the previous quarter. The following table shows the distribution of these calls by type.

CASU Call Center Activity by Type of Call October – December 2005	
Medical Services	2,552
Pharmacy Services	2,015
Dental Services	727
Mental Health/Addiction Services	210
Client Medical Bills	1,338
Copayments	59
Premiums	85

CASU Call Center Activity by Type of Call October – December 2005	
Certificate of Creditable Coverage	319
Pharmacy Lock-In Change	874
Certificate of Non-Eligibility	209
Client Materials Request	190
Adoption Case Plan Change	70
Eligibility	1,470
General Questions or Concerns	2,127
Totals	12,245

Outreach Activities

Outreach staff made various 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

- With the testing process, DHS completed moving all covered entities to HIPAA-compliant transaction formats. As of January 2006, DHS' claims analysis reveals that of the electronic submitters required to convert, the following percentages have been reached:

- 100% of the 837 professional claims transactions (primary payer claims only),
 - 100% of the 837 institutional claims transactions (primary payer claims only),
 - 31.36%¹ of 837 professional secondary claims transactions
 - 100% of 837 institutional secondary claims transactions
- 270/271 Eligibility and 276/277 Claims Inquiry/Response Solution. DHS completed all of the work necessary for the shut down of the On Line Access screens for eligibility and claims information. Increased Communications were sent to all affected entities identifying dates and times that DHS will revoke access. The removal of all non-compliant access was completed December 30, 2005.
- All Managed Care Contractors have met the compliance deadline in that DHS no longer accepts non-compliant transactions. However, any MCC not meeting contract requirements in 2006 for encounter submission will be required to submit a work plan detailing their processes for attaining contractual compliance. DHS is also reviewing remediation options if compliance is not reached.
- DHS' managed care entities are making slow progress towards compliance. Of the 32 managed care entities that must convert all 7 dental, 8 physical health, and 6 mental health/chemical dependency entities are in a compliant status. The remaining 11 are in the business-to-business testing process with DHS.
- 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 Dental Workgroup
 - Managed Care Contractor's Mental Health Workgroup
 - Managed Care Contractor's Encounter Data Workgroup

¹ DHS continues to work with trading partners to transition to the 837-secondary payer functionality.

DHS' HIPAA Transaction and Codes Sets (TCS) Project Office is working with DHS' OMAP Office of Information Systems (OIS) to complete the transition plan to return outsourced project staff back to OMAP's OIS. DHS released contracted staff . Maintenance and support functions for the new HIPAA process will be done by OMAP's OIS.

Electronic Data Interchange (EDI) Testing and Registration

- One OMAP OIS staff person has been identified as the point person to continue upgrades and maintain the new registration system. Some additional modifications are needed for added efficiencies and are being addressed and changed regularly by the point person.
- Because dental claims are submitted on paper, they 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 five 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 entities, updates to DHS' Companion Guides, and resources.
- DHS continues to review the transaction-specific Companion Guides for needed modifications and re-posting the DHS web site
- DHS added an eSubscribe location to the HIPAA Web site for "EDI System Alerts." These alerts immediately notify subscribers about changes affecting the timeliness of electronic features such as electronic funds transfer (direct deposit) and claims transaction processing.
- OMAP held four statewide provider trainings that featured emphasis on EDI changes and compliance requirements.

Systems

OMAP continued to participate in requirements, design, and other planning sessions regarding implementation of the new MMIS. The Department anticipates that Phase 1 of the new MMIS should be completed in July 2007.

- 98 new systems requests written.
- 74 systems requests completed or withdrawn.

Encounter Data Validation

- The Office of Finance and Policy Analysis (Actuarial Services) continues to work with DHS' TEDS staff to develop, distribute and monitor data validation reports. Managed Care Contractors or Plans are briefed on how to review and utilize these reports during the monthly Rates and Encounter Data meetings. The DHS units involved continue to review ways to enhance and simplify the process of data comparison for the Plans.
- Managed Care Contractors 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 Contractors Collaboration Group that meets monthly. Any areas of concern are detailed in a spreadsheet and shared for team member input and understanding.