Oregon Health Plan Medicaid Demonstration Project

Quarterly Report
January — March 2006

Table of Contents

Tables

Attachments

***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.**

First quarter highlights:

- OMAP has submitted 6 additional SPAs this quarter regarding:
  - Changing 2006 PACE rates
  - Eliminating payments for Indirect Medical Education and Direct Medical Education
  - The 1115 waiver amendment request to reduce benefits for vision, dental, over-the-counter prescriptions and inpatient hospital stays
- Oregon Health Plan Benefit RN Hotline averaged 1,391 calls per month.
- OMAP'S new Request for Proposal (RFP) for External Quality Review is being reviewed and approved by the Oregon Department of Administrative Services and Department of Justice.
- Disenrollment reports for 3rd Quarter 2005 are now available for the Fully Capitated Health Plans, Dental Care Organizations, Physician Care Organization and the Chemical Dependency Organization.
- DHS Audits provided a Health Care Fraud and Abuse Prevention and Detection training to OHP managed care contractors. The information presented at this training will be shared among all OMAP stakeholders.
- The Health Services Commission (HSC) continued work on restructuring the Prioritized List to place more emphasis on preventive care and services related to the management of certain potentially fatal chronic illnesses.
- The HSC 2006 Biennial Review Workgroup held one meeting during the quarter. They developed a revised set of 9 categories of care and further identified criteria that could be used to rank line items within these categories. Criteria include measures on the impact to the individual's health, effects on the population at large, and the effectiveness and cost of treatment.
- The Office of Mental Health and Addiction Services (OMHAS) has established strategies to help measure provider/partner fidelity to the adoption of evidence-based practices (EBP) in the areas of Technical Assistance, Targeted Fidelity Monitoring, and QA/QI Capacity.
- The Insurance Pool Governing Board (IPGB) officially changed its name to the Office of Private Health Partnerships (OPHP) effective January 1, 2006. This

name change illustrates the agency's focus on bridging the gap between public and private health benefits.

- Family Health Insurance Assistance Program (FHIAP) partnered with the Service Employees International Union (SEIU)'s Homecare Union Benefits Board to provide affordable health care insurance to Oregon homecare workers and their families. Total enrollment this quarter was 17,260 (a 12.3% increase from the previous quarter).
- OMAP MCO enrollment averaged 76% during the quarter. Average MHO enrollment during this reporting period was 88%.
- The Client Advisory Services Unit (CASU) received 14,715 calls this quarter. This is a 20.2% increase from the previous quarter.
- OMAP communications focused on Medicare Part D billing for dual-eligible OHP clients, and HIPAA compliance efforts.
- OMAP continued outreach activities with presentations throughout the state.
- The DHS HIPAA Project Office closed, replaced by DHS EDI Support Services, which is comprised of both OMAP and former Project Office staff. EDI Support Services will provide the registration, testing, and production services for those wishing to bill electronically with OMAP.
- Of the 32 managed care plans that must convert to the 837 transaction, 25 are now in HIPAA-compliant status. The remaining 7 plans are in the business-to-business testing phase with DHS.
- OMAP continued to participate in requirements, design, and other planning sessions regarding implementation of the new MMIS. DHS has developed an MMIS enhancement transition plan to limit enhancement of Oregon's current MMIS to 3 essential categories.

Administrative Operations

OMAP Program and Policy Activities

- OMAP continued discussions and monitored previously-submitted State Plan Amendments (SPA):
  - Inpatient and outpatient proportionate share revisions,
  - Changing payment methods on Lab, radiology and other imaging services to hospitals.
- OMAP has submitted 2 additional SPAs this quarter:
  - Changing 2006 PACE rates
  - Eliminating payments for Indirect Medical Education and Direct Medical Education
- OMAP also submitted four SPAs to correspond with an 1115 waiver amendment request for benefit reductions in vision, dental, over-the-counter prescription drugs and hospital day limit.
- Staff continued coordination to expand the transportation brokerage operation that will encompass Lane County. Staff is moving ahead with the final expansion of three brokerages to include those counties not currently in the transportation brokerage system. The target date for complete brokerage coverage is 12/31/06.
- Staff consulted 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 that 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 leadership in response to the financial challenges facing the OHP.

- Staff were involved with MMIS replacement project, HIPAA code sets and MMA coordination.

- Staff continues coordination with School Based Health Centers to support Medicaid billing where applicable and interface with Medicaid Managed Care Organizations, and other opportunities for sustainable administrative support.

- OMAP staff has been working with its Pharmacy Benefit Manager in order to override pharmacy claims that should be covered by Medicare Part D but have not been due to Medicare implementation problems.

- 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 1,391 calls per month during the first quarter of 2006. Greater than 96% of the calls continued to be from practitioners, with greater than 75% 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 first quarter of 2006 include:

- **Methamphetamine Task Force Update.** The DHS Methamphetamine Task Force is comprised of three working groups focusing on service improvement, communication, and data collection. The Task Force's intent is to identify needed resources, opportunities for integration of services, and projects in local communities to improve services and coordination of care related to methamphetamine use. OMAP will share feedback from OHP managed care plans regarding local community issues with the Task Force.
- **Best Practices for Emergency Department (ED) Utilization.** An overview by a participating Oregon Health Plan Managed Care Plan on how it manages inappropriate ED access by enrollees. The primary strategies included the implementation of ED screening fees, client education on how to access care, provider education on how to assist clients in accessing care appropriately, and utilization review to identify frequent ED users. The above efforts resulted in a 9% decrease of inappropriate ED use with no provider complaints raised.
- **Best Clinical and Administrative Practices.** Presentation on the outcomes of a grant-funded collaborative project by Business Case for Quality in Medicaid Managed Care, whose strategic initiative is to improve care of highest need/risk members. The project included:
  - Interventions for asthma patients, and for adults with chronic illness and disabilities with a focus on chronic pain.
  - Health Supports for Consumers with Chronic Medical conditions.
  - Information about disease management vendors.

The project featured participation by OHP mental health and medical managed care plans, and included external evaluation of intervention data by the University of North Carolina's School of Public Health.

- **Guide to Improving Asthma Care in Oregon.** Report on the recently updated population-based guide developed to define indicators for monitoring quality of asthma care, promote consistent asthma treatment, and facilitate optimal delivery of asthma care. Following recommendations in the guidelines can result in decreased ED visits, cost savings, and improved quality of life for asthma members.
- **Medicare Part D Update.** A recap of three problem areas in Medicare Part D implementation that have resulted in decreased access of covered medications:
  - The misidentification of Dual Eligibles
  - Drug transition period complications caused by utilization management, step therapy and quantity limits
  - Confusion regarding the appropriateness of Patient Assistance Programs and Part D regulations

  Overall, access in Oregon is improving and there has been no significant increase in hospitalizations.
- **OHP 2005 Transplant Services Outcomes Report.** A broad analysis of 2005 transplant authorization requests, broken out by type, outcome, and managed care vs. fee-for-service.
- **OHP 2005 Contested Case Hearing Outcomes Report.** A broad analysis of 2005 Contested Case Hearing requests broken out by type, outcome and managed care vs. fee-for-service.

OMAP-OHP Hearings

OHP Hearings Statistics January – March 2006		
	Managed Care	**Fee-for-Service**
Requests Received	64	64
Hearings Held	27	10
Hearings Pending	66	52
Claimant Withdrew	12	20
Plan/Agency Withdrew	11	19

OHP Hearings Statistics January – March 2006		
	Managed Care	**Fee-for-Service**
No Show	1	1
Decision Affirmed	21	11
Decision Reversed	1	1
Dismissed (Timeliness)	3	3
Not Hearable Issue	8	11
Below the Line	15	9

Quality Improvement, Evaluation and Monitoring

Managed Care Review

Annual Quality Improvement Reviews

Evaluations of the managed care organizations (MCOs) for 2005 have been completed sequentially for the annual reviews. Submissions for 2006 were received this quarter and are being reviewed.

External Quality Reviews

2006 –2008. The Oregon Department of Administrative Services and the Oregon Department of Justice are currently reviewing OMAP's new Request for Proposal (RFP) for EQR services. In addition to the mandatory area EQR RFP, and following CMS Region X meetings, OMHAS and OMAP will move toward one additional EQR-based performance improvement project.

In addition, there will be the EQR-based survey work previously conducted, and a revised Quality Improvement Strategy.

Quality and Performance Improvement Workgroup

The Quality and Performance Improvement (QPI) Workgroup met on three occasions during this quarter. Each meeting included 40-45 participants from OHP managed care health and dental plans (quality improvement coordinators and

medical directors), DHS staff, and public health partners who serve as resources and experts on given quality improvement and chronic disease topics, and public requests. Please see QPI minutes (Attachments 1-3) for specific details of each meeting this quarter.

- January's meeting (Attachment 1) included presentations and discussions about:
  - OHP Plan Profile information for each plan.
  - Oregon Asthma Guidelines.
  - The 2007 FCHP Performance Improvement Project (PIP).
  - An Oregon MothersCare Program proposal.
  - Nutrition and Physical Activity MCO interventions.
- February's meeting (Attachment 2) addressed the following topics:
  - Chronic Disease: Evidence-Based & Model National Programs
  - The Health Services Commission (HSC) new biennial focus for the OHP Prioritized List: prevention
  - May as Asthma and Allergy Awareness Month, with scheduled Oregon activities, resources, local contacts and partnerships, drop-in Op-Ed pieces and newsletter articles, and partnerships with Emergency Departments to develop asthma resource kits for OHP plan participation
- March topics (Attachment 3) included:
  - The Plan Profile Data and the HIPAA crosswalk.
  - Credentialing and chart review discussion.
  - The PIP collaborative and coordination of care with OHP plans, OMAP and the Office of Mental Health and Addiction Services.
  - Health disparities and cultural competencies in health care settings.
  - The Oregon AHRQ Project: Reducing Pediatric Asthma Disparities.

Disenrollment, Ever Enrolled and Complaint Reports

Charts showing managed care disenrollment for FCHPS, DCOs, and the CDO are included with this report (Attachment 4). Due to the large number of retro disenrollments, the reports provided are for the same quarter as the complaint reports. The attachment covers this data from the 3rd quarter 2005.

A table of OHP clients enrolled in OHP for the 1st quarter 2006 is also included in this report (see page 19). Due to retroactive eligibility changes, the numbers should be considered preliminary.

This report also includes the Managed Care Plans Complaints and Grievances Report with data from the 3rd quarter 2005 (Attachment 5). 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 reporting period, DHS Audits provided a Health Care Fraud and Abuse Prevention and Detection training to managed care contractors. Some providers and other state personnel also attended the training. The topics included an overview of roles and responsibilities of state personnel, applicable CFRs related to Fraud and Abuse, and how data can be analyzed to prevent and detect fraud. The training was well received and resulted in an action plan to facilitate sharing this information among all OMAP stakeholders.

The federal Office of Inspector General directed States to perform audits of hospitals that may have incorrectly coded the discharge status on their claims. DHS started this project this quarter. Preliminary results show a fair amount of miscoding by hospitals. Recovery efforts will begin next quarter.

Provider Audit continued to have a heavy workload this quarter. Considerable audit resources have been devoted to Federally Qualified Health Clinics, transportation brokerages, mental health providers, and hospice providers.

Health Services Commission

The **Health Services Commission** (HSC) held one meeting during the quarter. The HSC continued their work on restructuring the Prioritized List to place more emphasis on preventive care and services related to the management of certain potentially fatal chronic illnesses.

- The HSC agreed upon a ranked list of broad categories of care that would act as a framework in creating such a list.
- A workgroup of four commissioners was appointed to define a new methodology for ranking line items and to explore whether the definitions for the categories of care needed to be altered.

- The HSC also decided that as major decision points are reached in the reprioritization of the list as part of the biennial review process, a super majority of 80% of the members would be required in order to proceed further.

The HSC made final approval of interim modifications to the Prioritized List for an effective date of April 1, 2006, as recommended by the Health Outcomes Subcommittee and Subcommittee on Mental Health Care and Chemical Dependency. The HSC also approved an algorithm to help guide coverage decisions for non-prenatal DNA tests. A task force will begin meeting in the fall to refine this algorithm and explore the development of a separate one for prenatal DNA testing.

The **Health Outcomes Subcommittee** held one meeting during the quarter. They completed the review of the new codes for potential placement on the Prioritized List. These included the remainder of the new CPT and HCPCS codes for 2006 whose placement was not resolved at the December 2005 meeting. They also approved placement of 29 new ICD-9-CM codes that were not included in the list of proposed new codes in the Federal Register that were reviewed at the HSC meeting in June 2005 for October 1, 2005 implementation. Additionally, their most recent review of Essure concluded that this method for female sterilization could be done in an outpatient setting at no more cost to the state than a tubal ligation. Based on this information and the previous review of recent evidence of a much improved effectiveness rate, it was recommended to add the corresponding CPT code to the list. They also are recommending to the HSC that intracranial angioplasty not be added to the list and that endovascular abdominal aortic aneurysm repair be added to the appropriate lines.

The **Subcommittee on Mental Health Care and Chemical Dependency** held two meetings during the quarter. They completed their review on changes to the Prioritized List that should be made to improve coding to capture treatment for early childhood mental health disorders. Final recommendations were developed and forwarded to the HSC on the addition of ICD-9-CM codes and/or guidelines to capture services provided to children age five or less in the areas of parent-child relational problems, child neglect and abuse, acute stress disorders, disruptive behaviors, attention deficit and hyperactivity disorders, bereavement, and other specified adjustment reactions.

The **HSC 2006 Biennial Review Workgroup** held one meeting during the quarter. They developed a revised set of nine categories of care, modifying those that had

been ranked at the January 2006 HSC meeting. They further identified a set of criteria that could be used to rank line items within these categories. The criteria include measures on the impact to the individual's health, effects on the population at large, and the effectiveness and cost of treatment. Staff was directed to meet with volunteer physicians to determine ratings for all criteria for each line item on the Prioritized List for review at the next HSC meeting.

Office of Mental Health and Addiction Services (OMHAS)

Policy and Planning Decisions

- **Oregon State Hospital Master Plan.** The Planning and Management Advisory Council (PAMAC) presented the following motions, which were approved by the Council:
  - The Oregon State Hospital Master Plan process should systematically incorporate research and planning for both a physical environment and treatment approaches that will create a more safe and healing environment. Specifically, they ask that the Master Plan look at trauma-informed services, the sanctuary model and other best practices.
  - PAMAC should create a timeline-driven, ad-hoc working committee to research, gather data and make recommendations to the Council for increasing the system's capacity for adopting best practices that reduce trauma, reduce seclusion and restraint and increase healing.

  Next step - individuals interested in the ad-hoc committee were to meet with the OMHAS Assistant Director for further discussion.

- **The 2004 Real Choice Systems Change Grant**, **Integrating Long Term Supports with Affordable Housing.** Staff working on this federal grant fund project has produced an analysis of existing and potential supports available to people with psychiatric disabilities in the community. Barriers to provision of support services in the community have been identified and strategies are being developed for service reform and technical assistance to eliminate such barriers.

- **OMHAS Housing Initiatives (January 1- March 31, 2006):**

- **Mental Health Services (MHS) Housing Fund.** Since 1989, OMHAS has provided grants to support the development of housing accommodating people with severe and persistent mental illness. In February 2006, 10 applications were approved for funding adding new housing capacity for 75 individuals.
- **MHS Renovation Funds.** Applicants can request up to $5,000 to make renovations that address safety, health and accessibility deficiencies in a current housing project serving people with mental illness. Applications are due May 31, 2006.
- **Community Mental Health Housing Fund.** Established with the proceeds from the sale of the former Dammasch State Hospital property, the first awards were made in March 2005. The Firs Project, a 5-resident group home called Hearthstone, broke ground in February 2006.
- **Alcohol and Drug Free (ADF) Housing Development.** Each biennium, OMHAS transfers funds to Oregon Housing and Community Services to support the development of "Alcohol and Drug Free" housing to support people in recovery from serious addictions. Applications were due February 2006, with announcements of awards due in June 2006.
- **Oregon Recovery Homes**. OMHAS contracts for two outreach coordinators who support the establishment of new Oxford Houses. During this quarter, 3 new Oxford Houses were opened in Oregon accommodating 26 people. There are now 137 of these homes in 16 Oregon counties accommodating 1,045 people recovering from alcoholism and drug addiction. These homes operate on a self-governed, peer support model.

- **Evidence Based Practices (EBP) – Measuring Fidelity.** OMHAS will work with community partners to ensure that the adoption of evidence-based practices by the service delivery system includes the use of methods to measure fidelity to the practices or programs implemented. The Office will pursue strategies as follows:

  - **Technical Assistance Strategies**

    - Provide technical assistance to selected providers on the practice of using fidelity measurements as they pertain to the effectiveness of evidence-based practice implementation

    - Meet with Quality Assurance (QA) teams of providers, community mental health programs, mental health organizations and fully-capitated health plans to coordinate strategies for ensuring system-wide use of fidelity measurement methods

- Use the OMHAS Web site to disseminate research and information regarding fidelity measurement tools or methods
- Serve as a clearinghouse and coordination center to assist providers in developing technical assistance exchanges, so that providers can assist each other by sharing information, experience and technical expertise

- **Targeted Fidelity Monitoring Strategies**
  - Consider contracting with a professional review organization to conduct fidelity reviews of some types of services
  - Assign OMHAS staff from the EBP Unit to conduct fidelity monitoring throughout the delivery system in the field specific to the practices being reviewed
- **Strategies to Measure QA/QI Capacity**
  - Conduct onsite reviews to place additional emphasis in reviewing effectiveness of the provider's QA and clinical supervision processes. These processes are among the most important for ensuring the effectiveness of EBP implementation and fidelity monitoring.
  - Use annual reports and other data submitted by providers as additional data elements in assessing the fidelity of EBP implementation

Benefit Package

- **Medicaid Funding of Peer Services.** OMHAS will meet with the Adult System Advisory Committee (ASAC) and the Children's System Advisory Committee (CSAC) to discuss three options:
  - Client-employed providers funded through the personal care program
  - Mini grants from the Mental Health Organizations
  - Encounterable services that may be done by Medicaid Mental Health providers. There is an encounter code for peer-to-peer services.

  OMHAS is working with consumers and advisory committee members to develop a brief technical assistance document.

- **Children's Mental Health System Change Initiative.** Implementation of the Children's Mental Health System Change Initiative (intensive community-based supports and services) continues. A statewide stakeholder group has identified areas of strengths as well as challenges. A workforce development focus group is being formed to prioritize workforce development needs.

- **Mental Health Organization (MHO) Agreement.** As of January 1, 2006, OMHAS has made a change in the contract cycle duration from October 1 – September 31 to January 1 through December 31. Current contract cycles revert to a twelve-month cycle from the previous 15-month cycle encompassing the 2004-2005 contract period. That contract included a twelve-month agreement and a three-month extension amendment. Revisions the 2006 MHO Agreement expanded the Third Party Resource/ Personal Injury Lien language and addressed additional "housekeeping" changes for the contract period.

- **MHO Contractors Meeting:**
  - Contractors are working with the local Service Delivery Areas (SDAs) to smooth out branch level Children's System Change Initiative implementation issues. SDAs wishing to participate received a survey to provide feedback for the MHOs on how to improve collaboration at the community level. The Children's System Advisory Council will also review the survey for input.
  - Ongoing discussions are occurring regarding non-contracted out-of-area hospitals and base reimbursement rates.
  - Oregon Professional Review Organization (OMPRO) presented the MHO aggregate 2005 External Quality Review Annual Report to the MHOs.
  - MHOs have placed EBPs in their provider subcontracts. They are working with OMHAS to identify ways to monitor progress. Plans have found that MHO roles vary by region, such as in those plans having multiple service areas vs. those with singular service areas. The Office is considering the creation of an EBP implementation packet that would include workforce development and infrastructure development.

- **MHO Rates/Finance Workgroup.** Topics of discussion included:
  - Prevention/Education/Outreach (PEO-C4B Report from the 2006 MHO Agreement) and how calculations were completed for the last rate setting period. Plans want further discussion of the bridge between Usual and Customary Charges for outpatient services and prevention/education/ outreach (PEO).
  - Clarifying how to use Flex Funds related to use in the Intensive Service Array.
  - Contracting with consumer organizations for families and adults. There is currently no regulatory structure for peer-oriented groups. OMHAS will work with PAMAC and CSAC on Medicaid and Peer-Delivered Services; this will evolve over the next several months.

- For the 1/31/06 data validation period: Areas of potential impact on the 07-09 rate setting (Long Term Care and PEO).

- **MHO Code Workgroup.** This group is working to better define the code for encounter wraparound services. The workgroup has been on hiatus for March and April, but will reconvene in May 2006.

- **Children's System Advisory Committee.** Met monthly during the reporting period, and celebrated their one-year anniversary. They have been working on a policy for family-driven care, including foster and homeless children. The policy would assist family members in navigation through the mental health system. It has been adopted by the Planning and Management Advisory Council (PAMAC) and forwarded to the OMHAS Assistant Director.

- **Adult System Advisory Committee.** Supported Employment was the focus during this reporting period. OMHAS has provided more data that the group wants to include in its review of Supported Employment. They will make a committee presentation at a future date.

Quality Improvement, Evaluation and Monitoring

- The MHOs have submitted their Quality Improvement (QI) Work Plans for 2006 & QI Reports from 2005. All but one of the QI Work Plans has been approved.

- During the reporting period, OMHAS conducted the following reviews and training sessions:
  - 5 Hold Room reviews
  - 2 County Site reviews
  - 2 Investigation/Examination Trainings (55 people attended)
  - 3 OP/RCS trainings
  - 2 Secure Transport Agency reviews
  - 2 Acute Care Facility reviews

Training and Activities

- **The State Incentive Grant** funded 23 participants from both SIG sites and Oregon Children's Plan sites to attend the 3-day Circle of Security training in Portland February 15-17. Based on attachment and positive psychology, this is

an emerging individualized intervention practice for parents and young children addressing relationship problems.

Attachments

- 2005 Youth Services Survey for Family Report (Attachment 6)
- MHO Utilization Report – 3rd Quarter 2005 (Attachment 7)
- MHO Member Enrollment Percentage, by month for first quarter 2006 (Attachment 8)
- OMHAS MHO QI Coordinators meeting minutes for first quarter 2006 (Attachments 9-10)

Family Health Insurance Assistance Program

Administrative Operations/Policy Issues

- The Insurance Pool Governing Board (IPGB) officially changed its name to the Office of Private Health Partnerships (OPHP) effective January 1, 2006. The new name illustrates the primary function of the agency to bridge the gap between public and private health benefits.
- FHIAP staff designed and implemented a new streamlined initial application. An electronic version of the application is also on the FHIAP Web site.
- FHIAP partnered with the Service Employees International Union (SEIU) Homecare Union Benefits Board (HUBB) to provide affordable health insurance to Oregon homecare workers and their families.
  - FHIAP and HUBB staff worked together to develop systems, procedures, and data reporting in preparation for an April 1, 2006 implementation.
  - FHIAP and Information, Education and Outreach staff also attended a dozen HUBB open enrollment meetings to assist homecare workers with the FHIAP application and eligibility process.
- In January 2006, FHIAP staff created and implemented new income charts based on the new Federal Poverty Level (FPL) information for 2006.

- In January 2006, the Emergency Board requested a status on the negotiations between the Department of Human Services (DHS), FHIAP and CMS regarding allocation of the remaining Special Purpose Appropriation funds set aside by the 2005 Legislature. The January Emergency Board did not receive formal approval from CMS, so allocation of the funds has been postponed until the next meeting in April 2006.

Information, Education and Outreach

- Information, Education and Outreach (IEO) staff met with Oregon's domestic carrier top executives to ask for help in promoting the use of FHIAP subsidies to enroll uninsured employees in group insurance.
- IEO staff met with hundreds of producers (individually or in small groups) in the Mid-Willamette Valley to remind them how FHIAP works in the group market, show them new agency promotional materials, and answer questions.
- IEO staff issued a news release and updated agency publications and training materials to incorporate the agency name change and new FPL information.
- IEO staff trained 15 to 20 producers monthly in Salem, as well as additional trainings in Bend and Pendleton in March for continuing education credit.
- IEO staff electronically sent the *Agent Connection* quarterly newsletter in March. This issue outlined the new application and how FHIAP works in the group market.
- Phone call volume averaged approximately 2,187 per week during this quarter.

FHIAP Enrollment

New Group enrollments	725
New Individual enrollments	1,889
Total new enrollments	**2,614**

Total enrollment on March 31, 2006	16,124
Disenrollment due to non-payment of premium	346
Total number of people ever enrolled during this quarter	17,260

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 January – March 2006			
Month	**OHP Eligibles***	**MCO Enrollment**	**MHO Enrollment**
January	381,343	285,474	332,997
February	378,125	288,916	333,816
March	380,098	292,380	332,934
Qtr Average	**379,855**	**288,923 (76%)**	**333,249 (88%)**

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

MHO Enrollment

See Attachment 7, *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 January – March 2006*			
Population		**Total Number of Persons**	
Expansion	Title 19; OHP Standard	OHP Parents	7,573
		OHP Childless Adults	16,543
	Title 19; OHP Plus	PLM Children FPL > 170%	614
		Pregnant Women FPL > 170%	611
	Title 21; OHP Plus	SCHIP FPL > 170%	4,195
Optional	Title 19; OHP Plus	PLM Women FPL 133-170%	10,696
	Title 21; OHP Plus	SCHIP FPL < 170%	28,853
Mandatory	Title 19; OHP Plus	Other OHP Plus	337,823
Quarter Totals			**406,908**

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

Fully Capitated Health Plans

Effective: January 2006

- ODS Health Plan opened for new enrollment in Jackson, Malheur, Union, Wallowa, and Baker Counties.
- ODS Health Plan closed to enrollment in Union, Wallowa, and Baker Counties. They are working on increasing their provider capacity.

Effective: February 2006

- Family Care added the following ZIP codes to their service area in Washington County: 97225, 97005, 97007, 97008, 97223, 97075, 97076, 97077, 97078, 97281, 97291, 97298, & 97123.

Effective: March 2006

- COIHS closed to new enrollment in Lake County. All ZIP codes will be voluntary enrollment.

- Douglas County IPA changed their name to DCIPA, LLC. This has no effect on services delivered.

Dental Plans

Effective: January 2006

- Hayden Family Dentistry Group had the following changes:
  - Added three counties to their service area: Columbia, Washington, and Yamhill (all ZIP codes)
  - Now covers all ZIP codes in Benton, Coos, Deschutes, Jefferson, Lane, Lincoln, and Linn Counties
  - For Harney County, only covers ZIP code 97758
  - For Jackson County, only covers ZIP codes 97535, 97540, 97536, 97541, 97502, 97522, 97503, 97524, and 97539
  - For Grant County, only covers ZIP codes 97864, 97848, and 97856
  - For Klamath County, excludes ZIP codes 97425, 97632, and 97633
  - For Lake County, excludes ZIP codes 97637, 97720, and 97639
  - For Douglas County, excludes ZIP codes 97410, 97429, 97442, 97470, and 97484
  - For Wasco County, excludes ZIP codes 97058 and 97021
  - For Crook County, excludes ZIP code 97751
- Northwest Dental Services opened Jackson, Josephine, Douglas, and Lane Counties for new enrollment.
- Willamette Dental opened to new enrollment in Lincoln County.
- Willamette Dental closed to new enrollment in Douglas and Lane Counties with a 30-day re-enrollment period.

Effective: February 2006

- Capitol Dental closed for new enrollment in Lane County with a 30-day re-enrollment period.
- ODS Dental opened to new enrollment in Baker, Hood River, Wasco, Jackson, Josephine, and Malheur Counties.

Effective: March 2006

- Capitol Dental reopened for new enrollment in Lincoln County.
- ODS Dental closed to new enrollment in Jackson and Josephine Counties with a 60-day re-enrollment period.

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 1st quarter of 2006. Communications to stakeholders, as described in this section, included the managed care plans.

January 2006

- The Office of Medical Assistance Programs (OMAP) notified Managed Care Organizations (MCOs) that beginning January 1, 2006, Medicare implemented fiscal limitations (caps) on therapy services; and that OMAP notified Occupational and Physical Therapy providers how to bill for services that go beyond the new 2006 Medicare caps for dual eligibles.
- OMAP notified MCOs about a reminder of Medicare Part D billing changes for pharmacies. The reminder outlined what will change, what they can do, and further contact information.
- OMAP notified MCOs that beginning January 1, 2006, OMAP revised administrative rules in the following programs: Federally Qualified Health Centers/Rural Health Clinics (FQHC/RHC), General Rules, Hospital Services, Pharmaceutical Services, and the Oregon Health Plan (OHP). These changes are posted and available to view on the DHS Web site.
- OMAP notified MCOs that the Health Services Commission (HSC) revised the Prioritized List of Health Services to reflect the merging of a number of lines, which does not affect coverage; and explained the new "OHP with limited drug" benefit package for Medicare Part D dual eligible clients, where to find information about the package, and what is covered.

- OMAP notified MCOs about Electronic Data Interchange (EDI) Registration Contact Changes. HIPAA Transactions and Codes Sets Projects funding ended December 31, 2005. To meet the continuing need OMAP has transferred this work to the EDI Outreach and Training Team.

- OMAP requested MCOs to review the revised 7208M Medicare Advantage Plan Elections form and provide comments.

- Following a press release from the Governor, OMAP sent MCOs Temporary Medicare Part D Billing Instructions for Dual Eligible Clients in Oregon. Beginning January 14, 2006, pharmacies can bill OMAP if claims are not being paid through the Medicare system for drugs covered for dual eligibles prior to January 1, 2006.

- OMAP sent MCOs a memorandum "OMAP Flash!" on January 17, 2006, outlining optimum EDI submission/response times. The memo explained that submissions of 837 transactions must be submitted by 2:00 p.m. for same-day response.

- OMAP notified stakeholders that the January 25, 2006, Hospital Stakeholders Meeting was canceled.

- OMAP notified MCOs that approximately 1,784 OHP client households living in the mandatory managed care areas were being enrolled into a medical and/or dental plan effective February 1, 2006. Clients may change plans in the first 30 days of their enrollment and are instructed to call their caseworkers to do so. Clients with continuity of care issues may be exempted.

- OMAP notified MCOs that effective February 1, 2006, ODS Dental will be open to new enrollment in Baker, Hood River, Wasco, Jackson, and Malheur Counties.

- OMAP provided FCHPs, MHOs, PCO, and CDO the January 2006 OMAP Standard Therapeutic classes 7 and 11 drug list. The list contains all 7 and 11 national drug codes (NDCs) on Oregon's Drug file.

- OMAP provided MCOs documents from the January 12, 2006 Program Savings/Efficiencies Meeting. Included were OMAP staff member notes and the letter provided by the Coalition for Healthy Oregon (COHO).

- OMAP sent an invitation to FCHPs and PCOs for the DHS Authorized Decision Makers Workgroup. This workgroup will review, revise, and submit

for public comment permanent Oregon Administrative Rules (OARs) identifying authorized decision makers for DHS clients with Medicare Part D coverage.

- OMAP notified MCOs about the OHP Fraud and Abuse Prevention and Detection training held on March 22, 2006 in Albany. The training provided overviews, objectives, policies, responsibilities, and detection methods.

- OMAP notified MCOs about several Medicare Modernization Act (MMA) provider announcements: 1) DHS is temporarily covering Part D drugs; 2) The DHS Medicare Hotline was temporarily closed; 3) The temporary Part D override code is client-specific; and 4) MMA updates/reminders covering these topics, as well as information about Medicare Part D formularies on Epocrates Rx.

- OMAP notified MCOs about an announcement that was provided with the February Medical Care IDs. The announcement tells clients they may be eligible for tax credits and gives clients the resources to receive help with their tax filing.

- OMAP notified MCOs that the Department of Administrative Services (DAS) State Procurement Office, on behalf of DHS, released a Request for Proposal (RFP) (#102-7019-5) for Actuarial Services for the OHP on January 19, 2006. Proposals for this RFP are due February 1, 2006.

February 2006

- OMAP provided MCOs with the schedule for the Spring 2006 OHP Regional Meetings.

- OMAP sent MCOs the revised 7208M Medicare Advantage Plan Elections form to add information required by CMS. The form will be available through DAS Distribution in early February and on the DHS Forms Web page.

- OMAP notified MCOs about a provider announcement regarding Unit Coding for Medical Supplies. The announcement reminded Durable Medical Equipment, Prosthetic and Orthotic Supplies (DME-POS) providers to bill by the box or bottle, rather than the individual item, for certain medical supplies.

- OMAP notified MCOs that effective January 18, 2006, OMAP temporarily adopted an administrative rule (121-0149) in the Pharmacy program, and

effective February 7, 2006, OMAP adopted rules in the Targeted Case Management program.

- OMAP sent a memorandum to FCHPs about disenrollment of clients from their Medicaid plan if the client does not complete the 7208M process. It was explained the turnaround time is based on the need to initiate the rule making process for implementation July 1, 2006. The rules intent is to give plans options, rather than requiring disenrollment.

- OMAP provided MCOs with the revised schedule for the Spring 2006 OHP Regional Meetings.

- OMAP notified MCOs and providers about the new e-mail address for OMAP's Provider Enrollment team.

- OMAP sent FCHPs and Type A and Type B Hospital Administrators information on the Managed Care wraparound settlements for Type A and B Hospitals. Oregon will discontinue the Type A and B Hospital settlements for managed care enrollees for dates of service after August 1, 2003.

- As a result of a February 2006 Medical Directors meeting, OMAP sent MCOs information about resolving issues concerning mental health services. The information included a Community Mental Health Program Directors Update from February 6, 2006; OMHAS' clarification on how to resolve complaints or concerns about mental health services provided through the OHP or its providers; and a list of Mental Health Organization Liaisons and Client Access Numbers.

- OMAP sent MCOs the HSC's request for feedback about reprioritization of the Prioritized List of Health Services (originally sent to the OHP Medical and Dental Directors for comment).

- OMAP notified MCOs about the Delivery System Planning Meeting, scheduled for February 27, 2006. The meeting was to discuss potential options for increasing enrollment in the OMAP Managed Care Delivery System.

- OMAP provided the MCOs information on the implementation of the fee-for-service (FFS) emergency department (ED) savings initiatives. At the request of the stakeholders, OMAP also provided a spreadsheet outlining the communications with stakeholders regarding the development of the FFS hospital ED savings policy.

- OMAP notified MCOs that effective March 1, 2006, ODS Community Health (Dental) in Jackson and Josephine Counties will be closed for new enrollment with a 60-day re-enrollment period.

- OMAP sent MCOs a reminder about the OHP Fraud and Abuse Prevention and Detection training held on March 22, 2006, in Albany. The training provided overviews, objectives, policies, responsibilities, and detection methods.

- OMAP notified MCOs that effective February 24, 2006, Capitol Dental Care in Lane County will be closed for new enrollment with a 30-day re-enrollment period.

- OMAP sent the MCOs information on the intent to award a 5-year contract for Request for Proposal (RFP) #102-7019-5, Actuary Services for the OHP, to PricewaterhouseCoopers LLP (PwC). The RFP closed February 1, 2006.

March 2006

- OMAP sent a draft of the Olmstead Memo to MCOs and providers for review and comment. This memo explains how to identify primary care practitioners for individuals prior to discharge from the Oregon State Hospital. Comments will be taken at the Contractor's Steering Committee Meeting.

- OMAP notified MCOs and providers that OMAP revised an administrative rule in the OHP (Managed Care) rules, effective March 1, 2006. They are available on the Web.

- OMAP notified MCOs about a reminder to bill pharmacy claims on the UCF 5.1 form. OMAP also advised them to stop using the obsolete OMAP 502 when submitting paper claims.

- OMAP asked MCOs to review and comment on a draft MMIS provider announcement. It introduced the concept of a replacement MMIS coming in Summer 2007.

- OMAP notified MCOs that Dr. Allen Douma was selected as the new State Medicaid Director. Dr. Douma will replace acting director Lynn Read, who will continue with OMAP as deputy director.

- OMAP provided MCOs with the minutes from the Delivery System Planning Meeting, held on February 27, 2006. This meeting discussed potential options for increasing enrollment in the OMAP Managed Care Delivery System.

- OMAP notified MCOs that the revised Medicare Advantage Plan Election form (7208M) was posted to the DHS Forms Web page. The form had changes to the format to make it more user friendly.

- OMAP sent an invitation to MCOs and pharmacies to participate in a Medicare Update scheduled for March 23, 2006. Topics will include: Temporary state payment of Part D drugs, billing update, and ongoing issues.

- OMAP notified MCOs that effective March 15, 2006, COIHS in Lake County will be closed for new enrollment, with all ZIP codes now voluntary enrollment.

- OMAP notified FCHPs that attendees at the March Quality and Performance Improvement Workgroup (QPIWG) and Medical Directors meetings have selected asthma as the next FCHP Performance Improvement Project (PIP) topic for 2007.

- OMAP sent FCHPs and PCOs the Olmstead Memo, which provided information on identifying Primary Care Practitioners for Individuals Prior to Discharge from the Oregon State Hospital. The memo was slightly revised based on feedback received during the March Contactors Meeting and the February 2006 review.

- OMAP sent OHP Contractors non-par follow-up information. Included were the initial non-par exhibit, revised exhibit, and letter from PwC. The revised exhibit summarizes the development of the capitation rates by eligibility group, with factors used in the calculation of the statewide rates. Non-par rule comments due April 28, 2006.

- OMAP sent MCOs notice that the Draft Delivery Systems Plan will be delayed until the first week of April 2006.

- OMAP sent MCOs a cancellation notice on the Discussion on Paid Claims Data Submission Meeting.

- OMAP notified MCOs that approximately 1,917 OHP client households are being enrolled into a medical or dental plan effective April 1, 2006. Clients may change plans in the first 30 days of their enrollment and are instructed to call their caseworkers to do so. Clients with continuity of care issues may be exempted.

- OMAP notified MCOs of an OMAP Management Opportunity. A recruitment announcement was attached for the recently vacated position of Delivery Systems Unit manager.
- OMAP provided MCOs with the OHP Regional Meeting information for Curry, Coos, Lane, Washington, Linn, and Benton Counties.
- OMAP notified MCOs about an announcement to 54 households in ZIP codes 97641 and 97638, who enrolled in COIHS managed care effective March 1, 2006. The announcement informs these clients that their local clinic, North Lake Clinic, does not accept COIHS clients, and provides information on remaining or disenrolling.

OHP Regional Meetings

OMAP held no regional meetings this quarter.

OHP Monthly Premium Billing and Payment

OHP Monthly Premium Billing and Payments January – March 2006						
Month	**Households**	**Current Billed**	**Total Billed**	**Current Receipt**	**Total Receipt**	**% of Total**
January	19,789	$202,166.00	$241,816.00	$167,893.73	$243,178.55	101%
February	19,257	$203,155.00	$244,489.00	$158,890.14	$218,889.07	90%
March	18,886	$196,310.00	$231,842.00	$158,839.96	$241,391.01	104%
Totals	**57,932**	**$601,631.00**	**$718,147.00**	**$485,623.83**	**$703,458.63**	**98%**

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 pharmacies and prescribing providers on how to bill for Medicare Part D drugs for dual-eligible (Medicare/Medicaid) clients.

- 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 January – March 2006	
Provider Services Call Center	
Provider Claims Calls Received	26,147
Average # of Customer Service Agents Available	5
OHP Application Call Center	
OHP Applicant Calls Received	22,691
Average # of Customer Service Agents Available	5
OCE Industries Mailroom	
OHP Application Requests Mailed	20,533

Client Advisory Services Unit

During the quarter, the CASU call center received 14,715 calls from clients or their representatives about medical assistance or related issues. This represents a 20.2% increase from the 12,245 calls taken the previous quarter. The following table shows the distribution of these calls by type.

CASU Call Center Activity by Type of Call January – March 2006	
Medical Services	3,063
Pharmacy Services	1,923
Dental Services	1,004
Mental Health/Addiction Services	223
Client Medical Bills	1,591
Copayments	68
Premiums	150

CASU Call Center Activity by Type of Call January – March 2006	
Certificate of Creditable Coverage	342
Pharmacy Lock-In Change	945
Certificate of Non-Eligibility	133
Client Materials Request	246
Adoption Case Plan Change	77
Eligibility	2,063
General Questions or Concerns	2,887
Totals	**14,715**

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

Transactions and Code Sets

The DHS HIPAA Transaction and Codes Sets (TCS) Project group has completed all of the work designated for this effort. As a complement to the TCS standards, DHS has established an EDI Support Services team with several of the staff assigned from the original project. This transition returned various outsourced project staff back to OMAP, and released contracted staff. This group will continue the work for testing and passing to production entities wishing to do

business with DHS electronically, as well as maintenance and support functions for the new HIPAA process.

- DHS' managed care entities made consistent progress towards compliance. Of the 32 managed care entities that must convert, 7 dental, 12 physical health, and 6 mental health/chemical dependency entities are in HIPAA-compliant status. The remaining 7 are in the business-to-business testing process with DHS.

- DHS continues to report the plans' Transaction and Codes Sets status to affected entities in a variety of forums:
  - Managed Care Contractors Monthly meeting
  - Managed Care Contractors Workgroup for HIPAA TCS
  - Managed Care Contractors Dental Workgroup
  - Managed Care Contractors Mental Health Workgroup
  - Managed Care Contractors Encounter Data Workgroup
  - Managed Care Contractors Enrollment Workgroup

- EDI Support Services worked with the Department's Office of Information Services (OIS) to continue fine-tuning the system for the new HIPAA standards. The new technology implemented to support HIPAA has resulted in increased efficiencies, such as faster response times for claims processing and eligibility inquiries.

Electronic Data Interchange (EDI) Registration

- DHS has registered all pre-deadline covered entities, and continues to register new entities, as well as make changes to existing registered entities.

- DHS continues upgrading the EDI Registration Database. The upgrades will increase efficiency by eliminating some manual functions (add transactions to the look up tables), and allowing the translator to validate relationships between provider and submitter(s).

- DHS has designated one OMAP-OIS staff person to continue maintaining and enhancing the EDI registration system. The point person identifies and regularly addresses additional modifications as needed for added efficiencies.

EDI Outreach and Training

- DHS continues to create and post a monthly newsletter detailing the status of DHS decisions that impact all covered entities.
- EDI Bulletins are created and posted as needed for more immediate update messages.
- DHS continues to review the transaction-specific Companion Guides for needed modifications and re-posting the DHS Web site.
- EDI Support Services continues to use the eSubscribe feature of the DHS Web site to immediately notify trading partners of DHS "system alerts." These alerts inform trading partners of issues affecting normal delivery of electronic business services such as electronic funds transfer (direct deposit) and processing of HIPAA transactions.

Systems

- **MMIS Replacement Project.** All sections of the Technical/Encounter Data Services Unit have participated in some level of the new MMIS. Primary staff continue to work closely with DHS' contracted vendor, Electronic Data Systems (EDS), to ensure that a complete, comprehensive MMIS is brought online in the summer of 2007. Primary areas of focus are:
  - Managed Care Encounter claims
  - Provider enrollment and re-enrollment
  - Security access
  - EDI capabilities
- **MMIS Transition Plan.** To facilitate a smooth transition to the new MMIS system, DHS has developed and implemented an MMIS enhancement transition plan. After August 1, 2006, DHS will limit all enhancements to Oregon's currently operational MMIS system to three categories:
  - Mission critical maintenance and repair
  - Required enhancements as mandated by law or rule
  - Facilitating the transition from the old system to the new system

  In anticipation of these transition plan limitations, DHS has focused current enhancement efforts on evaluation, prioritization and completion of known requests.

- **System Requests.** For the current reporting period:
  - 74 new systems requests written.
  - 82 systems requests completed or withdrawn.

Encounter Data Validation

- The DHS Actuarial Services Unit continued to work with TEDS staff to develop, distribute, and monitor data validation reports. The monthly Rates and Encounter Data meetings brief the OHP Managed Care Contractors (Plans) on how to review and utilize these reports. Both units continue to review ways to enhance and simplify the process of data comparison for the Plans.

- Managed Care Contractors Quarterly Reports continued to address areas of compliance for HIPAA Transactions and Code Sets, as well as contractual requirements for encounter data submissions (medical, dental, mental health and pharmacy).

- Encounter Data staff continued to participate in the Managed Care Contractors Collaboration Group that meets monthly. The group details any areas of concern in a spreadsheet that is shared for group input and understanding.