Updated March 2024

Comparing CCO spending initiatives

Spending programs to meet members' and communities' needs

Background

The Oregon Health Authority (OHA) is committed to advancing efforts on the social determinants of health and equity across the state. To this end, OHA, in partnership with Oregon's coordinated care organizations (CCOs), runs three programs aimed at more fully addressing members' and communities' needs. This includes investments in the social determinants of health and equity in partnership with community-based organizations.

Health-Related Services (HRS) are non-covered services that are offered as a supplement to covered benefits under Oregon's Medicaid State Plan to improve care delivery and overall member and community health and well-being. Health-related services include:

- **Flexible services**, which are cost-effective services offered to an individual member to supplement covered benefits, and
- **Community benefit initiatives**, which are community-level interventions focused on improving population health and health care quality. These initiatives can include but are not necessarily limited to members.

Learn more about HRS on the OHA HRS webpage.

The **Supporting Health for All through REinvestment (SHARE)** Initiative comes from a legislative requirement for CCOs to invest some of their net income or revenues back into their communities. After meeting minimum financial standards, CCOs must spend a portion of their net income or reserves on services to address health inequities and the social determinants of health and equity (SDOH-E). SHARE spending must fall into one of four domains: economic stability, neighborhood and built environment, education, and social and community health. A portion of SHARE spending must be on housing-related services and supports. See guidance on SHARE spending requirements.

In Lieu of Services (ILOS) allows CCOs to offer certain pre-approved, medically appropriate and cost-effective services as an alternative to a covered service. ILOS, which allows for covered services to be provided in alternative settings and/or by non-traditional providers, is intended to promote access to services in culturally responsive ways and reduce hospital, nursing facility and emergency department utilization. See more information about Oregon's approved ILOS.

Initiative comparison

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Initiative	In Lieu of Services (ILOS)	Health-Related Services (HRS)	Supporting Health for all through REinvestment (SHARE)
Summary	ILOS are medically appropriate and cost-effective alternatives to covered services. CCOs **may** offer one or more of Oregon's approved ILOS, and any ILOS must be available to all members eligible for the service	CCOs **may** use their global budget to fund flexible services and community-benefit initiatives that are not covered services. • Flexible Services: cost-effective services offered to an individual	If they meet minimum financial standards, CCOs **must** spend some of their net income or reserves on community-based initiatives that address health inequities and the social determinants of health and equity.

Initiative	In Lieu of Services (ILOS)	Health-Related Services (HRS)	Supporting Health for all through REinvestment (SHARE)
		member to supplement covered benefits • Community Benefit Initiatives (CBI): community-level interventions focused on improving population health and health care quality. This can include spending related to health information technology and meaningful use requirements to improve health care quality.	
Required?	No	No	Yes, if the CCO meets minimum financial standards
Purpose	To strengthen access to and expand availability of care by offering flexibility in how and where services are offered.	To give CCOs flexibility to offer services to improve their members' health and provide a specific funding mechanism within the CCO global budgets to address the social determinants of health (SDOH), including the health-related social needs of their members.	To safeguard public dollars by requiring that a portion of CCOs' profits are reinvested in their communities, and To improve member and community health by requiring investments in upstream factors that impact health.
How much spending is required?	No requirements for spending; however, if ILOS are offered, the services must be cost-effective substitutes for covered services. Utilization and costs associated with an ILOS will be used in the development of future CCO capitation rates. CCO spending on ILOS should not exceed five percent of total plan costs. For spending greater than 1.5%, additional reporting may be required.	No spending floor or ceiling is defined, but HRS spending counts favorably towards the CCOs' medical loss ratio calculation. HRS is also reflected in the performance-based reward component of CCOs' capitation rates.	Beginning in 2023, CCOs' SHARE spending is subject to a formula set by OHA that determines their required minimum SHARE obligation based on their prior year's financial reporting.

Initiative	In Lieu of Services (ILOS)	Health-Related Services (HRS)	Supporting Health for all through REinvestment (SHARE)
Spending alignment requirements	The settings or services listed below are determined by OHA to be a medically appropriate and cost-effective substitute for a covered service. For a list of ILOS available for CCO implementation, see the OHA ILOS webpage. • Additional ILOS may be proposed to OHA for consideration.	CCOs are encouraged to promote alignment between HRS spending on CBI and the priorities identified in the CCO's community health improvement plan.	SHARE spending must align with community priorities in the CCO's current community health improvement plan. SHARE Initiative spending must meet OHA's definition of SDOH-E and fall into one of four domains: economic stability, neighborhood and built environment, education, and social and community health. A portion of a CCO's SHARE Initiative spending must be toward the statewide priority of housing-related services and supports. Note: SHARE expenditures cannot also be counted as HRS.
Legal requirements	Defined in Federal Law (42 CFR § 438.3(e)(2)); (Exhibit B, SOW, Part 2, Section 11); and must be consistent with provisions in Oregon Administrative Rules (OAR 410-141-3820). See also clarifying guidance from CMS on ILOS principles.	Defined in 45 CRF 158.150 and 45 CFR 158.151; 1115 Oregon Health Plan Demonstration Waiver (2022-2027); Oregon Administrative Rules (OAR 410-141-3500 and 410-141-3845); and in CCO contracts (Exhibit K, Section 9). Must also follow some federal guidelines per CMS.	Defined in state law (House Bill 4018, Section 3, 1(b)(C) and Senate Bill 1041, Section 57, 1(b)); CCO contracts (Exhibit K, Section 8); and Oregon Administrative Rules (410-141-3735).
Governance requirements	CCOs must have policies and procedures for ILOS provider referrals.	CCOs must ensure a role for the community advisory councils and Oregon Tribes in how HRS CBI spending decisions are made.	Must include a role for the CCO's community advisory council in spending decisions.

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Reporting requirements	CCOs must submit ILOS encounter data to OHA in accordance with Ex. B, Part 8, Secs. 10 and 11. Aggregate ILOS spending data is reported on Exhibit L, Report L6.15, L18 and L18.1	Reported on Exhibit L, Report L6.21 and L6.22 annually by April 30. Note: HRS expenditures cannot also be reported as SHARE.	Reported on Exhibit L, Report L6.7 and L6.71 annually on June 30. Also reported annually using a SHARE spending report template.
Planning requirements	CCO must include the ILOS in their member handbook, include ILOS providers in their provider directory and provide appropriate notification to members.	CCOs submit HRS policies and procedures (P&Ps) to OHA to ensure the P&Ps meet all requirements in contract and OAR. Submissions are due annually by October 1, and approved P&Ps are posted to the OHA HRS webpage.	SHARE spending plans must be submitted to OHA between April 1 and December 31 annually. See the SHARE spending plan template.
Exclusions	Services outside of the approved ILOS in CCO contracts are excluded from being offered. Services that do not provide a medically appropriate and cost-effective substitute for a covered service are ineligible.	Medicaid-covered services cannot be considered HRS. The following expenditures are excluded as defined in CRF (45 CFR 158.150 and 45 CFR 158.151): • Those that are designed primarily to control or contain costs; • Those that otherwise meet the definitions for quality improvement activities but were paid for with grant money or other funding separate from revenue received through a CCO's contract; • Those that can be billed or allocated by a provider for care	Medicaid-covered services cannot be funded through SHARE (a CCO may not count expenses that are factored into its global budget). The following expenditures are also excluded: • Any covered services or benefits in Oregon's Substance Use Disorder (SUD) waiver (housing or employment supports for eligible members) or 1115 Medicaid waiver (health-related social needs services for eligible members, beginning in 2024). • Any activities, projects or initiatives targeted exclusively at delivery of

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		delivery and are, therefore, reimbursed as clinical services; • Establishing or maintaining a claims adjudication system, including costs directly related to upgrades in health information technology that are designed primarily or solely to improve claims payment capabilities or to meet regulatory requirements for processing claims, including maintenance of ICD-10 code sets adopted pursuant to the Health Insurance Portability and Accountability Act (HIPAA), 42 U.S.C 1320d-2, as amended; • That portion of the activities of health care professional hotlines that does not meet the definition of activities that improve health quality; • All retrospective and concurrent utilization review; • Fraud prevention activities; • The cost of developing and executing provider contracts and fees associated with establishing or managing a provider network, including fees paid to a vendor for the same reason;	health care or expanding access to care; • Expenses that have been reported separately, such as health-related services (HRS) or in lieu of services (ILOS) — CCOs may not double-count spending; • General administrative costs that are not directly related to a SDOH-E and/or health disparities initiative; • General administrative costs that are otherwise necessary for the regular business operations of the CCO and compliance with federal/state requirements (for example, providing interpreters), including any staffing required by contract (for example, traditional health worker liaison); • Sponsorships or advertising; • Equipment or services to address an identified medical need (for example, corrective lenses, specialized clothing); • Member incentives (for example, gift cards for accessing preventive services); • Costs for SDOH-E related research in which findings are only used

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		• Provider credentialing; • Costs associated with calculating and administering member incentives; and • That portion of prospective utilization that does not meet the definition of activities that improve health quality. The following are also excluded from HRS, based on prior OHA guidance: • Capital investments in new buildings • Administrative activities to support the delivery of covered services • CCO and clinic staff time on administering HRS, and community partner staff time for activities not associated with HRS • CCO contractual requirements, such as ensuring an adequate provider network, or required care coordination for covered services • Provider workforce or certification training • Broad assessments or research as it does not directly improve member and/or community health or health care quality	internally, only used by another private entity, or are proprietary; • Educational or promotional items or goods for general distribution through a health fair or other event not targeted at populations experiencing health disparities; • Political campaign contributions; or • Advocacy specific to CCO operations and financing (as opposed to advocacy for policy that advances SDOH-E objectives).

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		• Advocacy work that does not directly improve member and/or community health or quality of health care • Advertising or corporate sponsorships • Marketing and promotional materials of CCO services or products that are distributed to the broader community and are not considered member health education materials	
For more information	See the OHA ILOS webpage.	See the OHA HRS webpage.	See the OHA SHARE webpage.

Examples

Covered Service	In Lieu of Services (alternative to covered service)	Health-Related Services (complementary to covered service)	Supporting Health for all through REinvestment (complementary to covered service)
Multisector intervention by a community health worker with a member with uncontrolled diabetes	Multisector intervention by a community paramedic in the home of a member with uncontrolled diabetes**	Fruit and vegetables for a member with uncontrolled diabetes who is not eligible for the upcoming health-related social needs (HRSN) food benefit* (S)	Supporting a mobile farmers market or grocery store in a food desert (H)
Personal care hours used for making meals for a member post-hospitalization	Medically tailored meals delivered to a member post-hospitalization in the place of covered personal care hours**	Temporary housing and hygiene supplies for member post-hospitalization	Investing in low-income housing units with wraparound supports on site
Substance use screenings (including for adolescents) provided by a clinician in a clinic	Substance use screenings (including for adolescents) provided by a certified community health worker (CHW) in a community setting that cannot bill	Substance use education in schools outside of a treatment plan	Renovation of a community-based facility to support access by members with disabilities to meet their social needs alongside substance use recovery
Substance Use Disorder (SUD) peer services in a clinic (including for children/adolescents) to plan to get the care they need	Substance use recovery support (including for children/adolescents) provided by a certified qualified mental health associate (QMHA), Peer Support Specialist (PSS) or Peer Wellness Specialist (PWS) in a community setting that cannot bill	Substance use recovery support and prevention education in schools and for the student's parents outside of a treatment plan	Renovation of substance treatment facility to enable access by members with disabilities or parents with their children

Covered Service	In Lieu of Services (alternative to covered service)	Health-Related Services (complementary to covered service)	Supporting Health for all through REinvestment (complementary to covered service)
Multi-sector intervention with a member with uncontrolled diabetes, obesity or other chronic health conditions by a certified community health worker (CHW) in a clinical setting	Multi-sector intervention with a member with uncontrolled diabetes, obesity or other chronic health conditions by a certified CHW in a community setting that is unable to bill	Prepaid mobile phone cards to enable member to communicate with CHW; fresh fruit and vegetables to member with limited access and who is not eligible for the upcoming HRSN food benefit*, dissemination of health promotion communications, school or child-care based nutrition and physical activity (S)	Interventions or investment in public transportation or parks infrastructure (H)
Multi-sector intervention by a peer-delivered services staff (adult, family or youth specialist [PSS/PWS]) with a member with complex or persistent behavioral health treatment plan in a clinical or community setting	Multi-sector intervention with a member with complex or persistent behavioral health condition(s). Services provided in a community setting that is unable to bill by a certified PSS, PWS or QMHA delivered prior to or after assessment and diagnosis by a qualified professional	Support and attendance at meetings with member to coordinate housing, services for children, apply for public benefits or non-medically necessary services/supports	Interventions or investment in community-based support services, such as respite, specialized recreation or engagement with public policy work groups
Lactation intervention for pregnant people, new parents and their children by a clinician or certified Lactation Consultant in a clinic	Culturally specific lactation consultation services for pregnant people, new parents and their children provided by a registered nurse or certified traditional health worker with certification in lactation services in a community setting	Childbirth and chestfeeding education series for members in a community setting	Public information campaign to advocate for chestfeeding supports in the workplace for parents with lower incomes (H)

Covered Service	In Lieu of Services (alternative to covered service)	Health-Related Services (complementary to covered service)	Supporting Health for all through REinvestment (complementary to covered service)
Emergency behavioral healthcare in a facility provided by a psychiatrist	Crisis de-escalation services provided by a certified PSS, PWS or QMHA in a community setting**	Short-term rent support for a houseless member with a mental health condition who is not eligible for the upcoming HRSN housing benefit* (S) Post-treatment, peer-delivered support to avert a crisis or relapse provided in a non-Medicaid billing agency	Funding a community center to develop or host targeted health and community-building activities such as group exercise and meditation (H)
Inpatient psychiatric care for acute mental health crisis	Ongoing mental health support group sessions led by a certified PSS, PWS or QMHA in a community setting. Services delivered to OHP members prior to or after assessment and diagnosis	Ongoing peer support groups hosted for OHP members without a treatment plan and other community members at a local community center	Grant to a community-based organization to support connections to community services for members in acute mental health crisis (H)
Clubhouse services	Classes to promote life skills conducted by a certified PSS, PWS or CHW in a community setting	Transportation to a non-covered social event to practice life skills Community drop-in center classes to promote life skills conducted by a PSS, PWS, FSS or YSS for OHP members without a treatment plan and other community members and provided by a non-Medicaid billing agency	Renovation of community center to include physical space to host drop-in classes

Covered Service	In Lieu of Services (alternative to covered service)	Health-Related Services (complementary to covered service)	Supporting Health for all through REinvestment (complementary to covered service)
Walk-in crisis services for behavioral health	Crisis-lines with available call, text 24/7 response by qualified substance use disorder (SUD) and mental health clinicians, PSS, PWS, family support specialists (FSS) or youth support specialists (YSS)**	Counseling available through warm-lines for adults, youth, parents of children/adolescents/youth in transition for psychoeducation, implementation of safety and relapse plans, resources/services navigation and peer support provided by PSS, PWS, FSS or YSS through a non-Medicaid billing agency	Development of resource directories for use by warm-lines Development of electronic health records (EHR) for use by both non-Medicaid billing and Medicaid billing agencies, training for community recreation agencies to serve children/adolescents with physical or behavioral health related disabilities (H)
Diabetes outpatient self-management training services	Online diabetes self-management training programs for OHP members with type 1 or 2 diabetes. Synchronous, asynchronous, group or individual sessions provided by certified health coaches	Gym membership or physical activity classes to support OHP members' diabetes management	Support for development of a food pantry program for members diagnosed with or at risk for diabetes (H)
Office-based treatment for anxiety, depression and other mental health conditions	School-based therapeutic services delivered by behavioral health providers in a setting that cannot bill**	Mental Health First Aid training for school staff members	Renovations for childcare center to enhance ability to effectively serve children with behavioral health needs

(H): may also be HRS
(S): may also be SHARE
*: Learn more about the upcoming Medicaid 1115 Waiver's health-related social needs (HRSN) benefits.
**: This example is not one of Oregon's currently approved ILOS but an example of a medically appropriate, cost-effective alternative to a covered service which could potentially be approved as an ILOS in Oregon.https://www.oregon.gov/oha/HSD/OHP/Tools/Oregon In Lieu of Services List.pdf