



OFFICE OF THE DIRECTOR

Kate Brown, Governor

Oregon
Health
Authority

500 Summer St NE E20

Salem OR 97301

Voice: 503-947-2340

Fax: 503-947-2341

www.Oregon.Gov/OHA

www.health.oregon.gov

October 1, 2018

The Honorable Governor Kate Brown
254 State Capitol
Salem, OR 97301

RE: Oregon Health Authority Monthly Update on Ongoing and Emerging Issues

Dear Governor Brown:

This letter is the Oregon Health Authority's (OHA's) October 1st monthly issue update. We have two new issues to communicate this month.

OHA's Issue Resolution Leadership Team and the Issue Resolution Project Team have been meeting jointly to provide leadership oversight and to ensure progress continues to be made in resolving identified issues. We are also continuing ongoing research and analysis into previously documented issues and documenting new issues. The Issues Log is attached and includes all documented issues. This cover memo provides detail related to new issues or material updates to existing issues. Issues that have previously been reported as complete have been removed from the log.

Newly Documented Issues

Issue Number 008-18: Tribal Pharmacy All-Inclusive Rate Settlement Overpayment

Status: Not yet resolved

Estimated Impact: Research is being conducted to determine the impact

Summary: Oregon SPA OR-17-0007 gives the OHA the authority to issue tribal All-Inclusive Rate (AIR) pharmacy settlement payments, which was approved on September 20, 2017 and payments issued to the tribes starting in the fourth quarter of 2017. The manual process for calculating tribal pharmacy AIR settlement payments, pulls claims for each quarter based on payment date of the claim, rather than the date of service. Routine reprocessing of claims results in updated payment dates, causing some pharmacy claims to be erroneously included in the manual quarterly tribal pharmacy AIR settlement calculation, therefore causing overpayments. The amount of overpayment to the tribes will be recouped.

Issue Number 009-18: End Stage Renal Disease (ESRD) Provider Overpayment

Status: Not yet resolved

Estimated Impact: Estimated impact is \$3.7 million, however total impact is still being determined

Summary: In August 2018, OHA discovered that internal system and pay rate tables may be paying incorrectly to providers of ESRD services dating back to 2011.

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Upon further research it was determined that overpayments had occurred, and system coding changes are required. Overpayment amounts will be recouped from ESRD providers.

Please don't hesitate to contact me with any questions you may have.

Sincerely,

A handwritten signature in blue ink, appearing to be 'P. Allen', with a long horizontal stroke extending to the right.

Patrick M. Allen
Director

ENC

EC: Fariborz Pakseresht, Director, DHS

ISSUES LOG AND STATUS REPORT



Resolution Process Lifecycle

1. Issue Identified	2. Initial Issue Meeting	3. Research Underway	4. Issue Substantiated	5. Resolution Plan Established	6. Issue resolved
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Issues and Status

NUMBER	ISSUE	IMPACT	STATUS
002-17	Dual Eligible Population	\$41.48 Million	Resolution Plan Established
003-17	Payments to Institutions for Mental Disease (IMDs)	\$9.7 Million	Resolution Plan Established
004-17	Payments for Certain Procedures Related to Termination of Pregnancy	\$2.0 Million	Resolution Plan Established
005-17	Bariatric Surgery Payments	\$1.5 Million	Resolution Plan Established
007-17	Overwritten Eligibility Records	1200 Individuals/\$46,000	Resolution Plan Established
008-17	Pharmacy Other Coverage Codes (payer of last resort)	\$1.2 Million (Est.)	Resolution Plan Established
009-17	Retroactive Terminations	\$17.3 Million (Est.)	Resolution Plan Established
010-17	Prescription Drug Rebate Credits	\$22.3 Million (Est.)	Resolution Plan Established
011-17	Posting of Cash Payments – Cash Medical	\$20 Million (Est. opportunity)	Resolution Plan Established
012-17	Fee-for-Service Payments while Enrolled in CCOs	TBD	Issue Substantiated
013-17	Post-Delivery Coverage for CAWEM Plus Clients	TBD	Issue Substantiated
014-17	Capitation Payments for Deceased and Incarcerated Clients	TBD	Issue Substantiated
015-17	Long-Term Residential Services Eligibility	TBD	Issue Substantiated
016-17	Case Mismatch Across Systems	TBD	Issue Substantiated
017-17	Services Provided to Tribal Members at Non-Tribal Facilities	TBD	Issue Substantiated
018-17	Enhanced Federal Funding for Preventive Services	Enhanced funding opportunity	Issue Substantiated
019-17	Tribal Targeted Case Management Services	TBD	Issue Substantiated
020-17	Prior Period Adjustments for Public and Private Providers	TBD	Issue Substantiated
021-17	Alignment of Federal Financial Reports – Budget Neutrality	TBD	Issue Substantiated
022-17	Non-Covered Services in Rates for Certain Certified Community BH Clinics	TBD	Issue Substantiated
023-17	Eligibility Coding for Rate Development	TBD	Issue Substantiated
001-18	Mental Health Residential Transition	Est. \$4.6 Million	Resolution Plan Established
002-18	Adult Residential Treatment Programs	N/A	Combined with 001-18
003-18	Retroactive Medicare Eligibility	TBD	Issue Substantiated
004-18	Medicaid Compliance – Language and Translation	TBD	Issue Substantiated
005-18	Disproportionate Share Hospitals (DSH) Audit Reporting	None - Monitoring	Resolution Plan Established
006-18	Contract Issues and Impact on Medicaid	TBD	Issue Substantiated
007-18	Insufficient Notices of Action Regarding Mental Health Residential Services	TBD	Research Underway
008-18	Tribal Pharmacy All-Inclusive Rate Settlement Overpayment	TBD	Research Underway
009-18	End Stage Renal Disease (ESRD) Provider Overpayments	Est. \$3.7 Million	Research Underway