

Implementation Sites: Key Facts

Oregon Medicaid

PURCHASER: The State of Oregon

PRODUCT: The State of Oregon Health Plan Medicaid Demonstration.

DATE that health-based risk adjustment first implemented (payment adjusted):
The program was implemented in 1998.

PREVIOUS METHOD OF PAYMENT: Capitation with demographic risk adjustment limited to eligibility category. Age and gender adjustments were not used.

SIMULATION: Yes, both MCO relative risk scores and MCO payments were simulated.
Unblinded results were released to the plans.

	Year One	Current Year	Projected for Next Year
Groups Covered: SSI, Disabled TANF Dually Eligible, 65 and older Employees, dependents Retirees Other (describe)	✓ Non-Medicare disabled, General Assistance, Oregon Health Plan for Adults and Couples	✓ Non-Medicare disabled, General Assistance, Oregon Health Plan for Adults and Couples	✓ Non-Medicare disabled, General Assistance, Oregon Health Plan for Adults and Couples
Number of participating plans	14	15	
Number of covered lives	100,000	100,000	No change
Phase-in of Payment Adjustment			
a. Percent of payment based on health-based risk adjustment	10%	15%	15%
b. Transitional risk corridors	Yes, +/- 10%	Yes, +/- 15%	Yes, +/- 15%
c. Reporting adjuster for encounter data completeness	No	No	No
Risk assessment method:			
a. Diagnosis Grouper (name)	DPS	CDPS	CDPS
b. Type of prediction model	Concurrent	Concurrent	Concurrent
Basis of future payment to the plans: plan level risk score or based on the specific individuals who are enrolled at the time of payment	Plan	Plan	Plan
Relative value weights			
a. Source of weights (local or imported)	Imported	Imported	Imported
b. Type of data used for weights	FFS	FFS	FFS
c. Time frame of the data used for weights	CDPS Model ~ 1993	CDPS Model ~ 1993	CDPS Model ~ 1993
d. Size of population used to establish weights			
e. Truncating outlier costs			

Risk adjustment time frames: a. minimum enrollment before being included in the risk adjustment calculation b. minimum lag between the date the diagnosis was assigned and the date payment was adjusted based on that diagnosis c. Frequency for updating risk scores	No minimum 7 months Annually	No minimum 7 months Annually	No minimum 7 months Annually
Risk sharing after any phase-in period a. Risk corridors b. Stop loss	No No No	No No No	No No No
Carve-outs from risk adjustment model: a. Service categories, e.g., mental health, prenatal care b. Populations with defined conditions, e.g., beneficiaries with HIV/AIDS	Mental health is separately capitated, special adjustment for methadone services None	Mental health is separately capitated, special adjustment for methadone services None	Mental health is separately capitated, special adjustment for methadone services None
Encounter data collected from the MCOs for health-based risk adjustment a. Diagnosis codes b. Procedure codes c. Charges d. Identification of the treating provider	Yes No No No	Yes No No No	Yes No No No
Number of plan's risk scores that were affected by missing data from their providers	Don't know, at least two	Don't know, at least two	Don't know, at least two
Number of plan's risk scores that were affected by the plan's data system limiting the number of diagnoses per encounter	Don't know	Don't know	Don't know
Data audits: a. Audits using encounter data b. Audits using medical records	Yes Yes	Yes No	Yes Yes