

### Purpose

Exh. B, Pt. 10, Sec. 4, Para. e in the 2023 Coordinated Care Organization (CCO) describes the requirement for each CCO to create a written distribution plan for its Quality Pool and Challenge Pool earnings. The CCO must also make its plan publicly available. The purpose of the plan is to inform the CCO's Participating Providers, including Social Determinants of Health and Equity (SDOH-E) and public health partners, about CCO strategies and processes for distribution of Quality Pool funds.

The Oregon Health Authority (OHA) has developed this reporting template to ensure CCOs meet the contract requirements and to give Participating Providers and other interested parties clear and consistent information about CCO strategies for Quality Pool distribution.

### Instructions

The CCO must answer all questions in this template to satisfy the contract requirements. Supporting materials and links may be provided, but they must only supplement the answers provided in the template document. A person reading the CCO's responses provided in this template should have a clear and complete picture of the CCO's Quality Pool distribution, without reliance on any other sources.

Unless otherwise noted in a specific question, this template pertains only to Quality Pool funds received in 2023 (Distribution Year 2023) for achievement of 2022 incentive metrics (Measurement Year 2022).

All references to "Quality Pool" within this template include both Quality Pool and Challenge Pool earnings.

### Process

The CCO must submit the completed template in **PDF format** to [CCO.MCOCDeliverableReports@odhsoha.oregon.gov](mailto:CCO.MCOCDeliverableReports@odhsoha.oregon.gov) by August 29, 2023. The CCO must also make the completed template publicly available on its website.

OHA will review the submitted template for completeness. If any response is found to be incomplete, OHA will send a written request for additional information to the CCO contact person listed on the template. The CCO will then have 30 days to provide the requested additional information.

Once OHA approves the submitted template, OHA will notify the CCO via email. OHA will also add a link in the completed template to the CCO's most recent Exhibit L and send it back to the CCO. CCO should not publicly post its completed template until it receives confirmation from OHA that no additional information is needed.

### Questions?

Any questions about the template should be directed to [metrics.questions@odhsoha.oregon.gov](mailto:metrics.questions@odhsoha.oregon.gov).

## 2023 Quality Pool Distribution Plan

**CCO Name:** PacificSource Community Solutions – Central Oregon

**CCO Contact Person (name and email):** Erin Fair Taylor, [erin.fairtaylor@pacificsource.com](mailto:erin.fairtaylor@pacificsource.com)

**1. Provide an overview of the methodology and/or strategy your CCO uses to distribute Quality Pool and Challenge Pool earnings to Participating Providers, including SDOH-E and public health partners.**

PacificSource Community Solutions (PCS) will disburse 50% of the Quality Pool funds (after MCO taxes are paid) to repay or return provider withholds (or make payments that would otherwise have been withheld) as part of 2021 provider value-based payment arrangements. The Central Oregon Health Council (COHC) will direct the distribution of the other 50% of the Quality Pool funds received in 2023 (Distribution Year 2022) for achievement of 2022 incentive metrics (Measurement Year 2022). These distributions are described in further detail, below.

### Distributions by PCS

PCS has consistently contracted with providers in aligned value-based payment arrangements such that these funds are shared with the providers. As a result, consistent with our underlying contracting methodology, PCS will use the funds to repay/return provider withholds and make additional payments that would otherwise have been withheld as part of 2022 provider value-based payment arrangements. PCS contracts with many providers in the region in value-based payment arrangements, including St. Charles Hospital (and its corresponding outpatient clinics), Mosaic Medical, Central Oregon Independent Practice Association (representing numerous provider practices in Central Oregon), community mental health programs (CMHPs), and dental care organizations (DCOs).

### Distributions by the COHC

The COHC Board of Directors approved the Finance Committee's recommendation for distribution of the other 50% of the funds as follows: 35% of the Quality Pool funds will go to providers, 10% will go for Social Determinants of Health and Equity (SDOH-E) programs (to be approved by the Community Advisory Council), and the final 5% will be allocated for quality improvement projects (to be approved by the Provider Engagement Panel [PEP]). The methodology for distribution to providers and SDOH-E programs is consistent with the region's original spending plan as outlined in its CCO 2.0 application.

In 2022, the COHC Finance Committee recommended an additional incentive step for the 2022 measurement year Quality Pool. This recommendation was approved by the COHC Board of Directors in 2022 and is demonstrated below in Steps 3 and 4.

### *Distribution to Participating Providers*

The COHC uses a two-step process to distribute quality pool funds to organizations that have contributed to the success of achieving the quality metrics.

- *Step 1: Determine Quality Pool Fund Distribution by Provider Type*
  - Divide the total funds by the percentages identified in the provider distribution.
- *Step 2: Determine Individual Organization Maximum Quality Payout*
  - Further divide the new sub-total by each organization's total members.

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- *Step 3 (new this year): Determine Individual Organization Success or Opportunity on Metric Performance*
  - Award 100% of possible individual organization payout when the organization successfully met the metric.
  - Award 50% of possible individual organization payout when the organization did not meet the metric.
- *Step 4: Identify Any Remaining Funds and Redistribute Based on Membership*

### *SDOH-E Funding*

The Community Advisory Council (CAC) will be making decisions this fall about which SDOH-E programs will be funded with the SDOH-E portion. The CAC will prioritize programs that align with the region's Regional Health Improvement Plan (RHIP) and divide the funds using a poverty/equity lens to the counties in the CCO region: Jefferson, Crook, Deschutes, and northern Klamath.

### **2. Describe your CCO's process for evaluating the contributions of Participating Providers and connecting those evaluations to distributions of funds.**

Steps 3 above is designed to evaluate participating providers and community-based organization specifically on their performance and distribute funds based on their performance.

### **3. Does your CCO's distribution strategy consider payments made previously to Participating Providers (such as up-front funding to a clinic or non-clinical partner that is intended to help the CCO achieve metrics related to the Quality Pool)? If yes, please describe.**

No.

### **4. Describe how Participating Providers (including SDOH-E and public health partners) may qualify for CCO distribution of Quality Pool earnings.**

The PEP provides oversight on the 5% Quality Pool investments based on three priority areas: quality focus, upstream prevention, and regional focus areas. The Community Advisory Council (CAC) makes decisions each fall about which SDOH-E programs will be funded with the SDOH-E portion. The CAC will prioritize programs that align with the region's Regional Health Improvement Plan (RHIP) and divide the funds using a poverty equity lens to the three Tribes located in the CCO service area (Confederated Tribes of Warm Springs, the Cow Creek Band of the Umpqua Tribe of Indians, and the Klamath Tribes) and the four counties in the CCO region (Jefferson, Crook, Deschutes, and northern Klamath). These investments will be awarded via a grant application through the COHC.

### **5. Describe how your CCO distributed its 2021 Quality Pool (Measurement Year 2021) funds to Participating Providers, if different from the process described in #1 and #2 above.**

In 2021 Quality Pool (Measurement year 2021) only the following two steps were used to distribute to the 35% payout to provider partners:

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The COHC used a two-step process to distribute quality pool funds to organizations that contributed to the success of achieving the quality metrics.

- *Step 1: Determined Quality Pool Fund Distribution by Provider Type*
  - Divided the total funds by the percentages identified in the provider distribution
- *Step 2: Determined Individual Organization Quality Payout*
  - Further divided the new sub-total by each organization's total members

In 2022, two additional steps were added to further incentivize each individual organization to focus on quality performance.

**6. Describe any changes your CCO plans to make to its process for distributing Quality Pool funds in future years (beyond MY2022).**

Fall 2023, the COHC Finance Committee will review the 2022 methodology and either stay the course or recommend changes to the COHC Board of Directors.

**7. Please provide a link to where the 2023 Quality Pool Distribution Plan (this document) will be publicly available on your CCO's website.**

<https://communitysolutions.pacificsource.com/Providers/DocumentsAndForms>