

2025 Quality Pool Distribution Plan

Due: August 29, 2025

Purpose

Exh. B, Pt. 10, Sec. 4, Para. e in the 2025 Coordinated Care Organization (CCO) contract 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 2025 (Distribution Year 2025) for achievement of 2024 incentive metrics (Measurement Year 2024).

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

Process

The completed Quality Pool Distribution Plan template is due to OHA via the CCO Contract Deliverables Portal by August 29, 2025. (The submitter must have an OHA account to access the portal). 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 notify the CCO via the portal. The CCO will then have 30 days to provide the requested additional information. The 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.

2025 Quality Pool Distribution Plan Template

CCO Name: PacificSource Community Solutions – Central Oregon

Contract Number: 161762-23

CCO Contact Person (name and email): Erin Fair Taylor, 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) to repay provider withholds or make equivalent payments under 2024 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 2025 (Distribution Year 2025) for achievement of 2024 incentive metrics (Measurement Year 2024). These distributions are described in further detail, below.

Distributions by PCS

PCS has consistently contracted with providers through aligned value-based payment arrangements. Accordingly, PCS will use these funds to repay provider withholds and make additional payments that would have otherwise been withheld under 2024 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 towards 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 (with oversight from the Provider Engagement Panel). The methodology for distribution to providers and SDOH-E programs is consistent with the region's original spending plan outlined in its CCO 2.0 application.

Distribution to Participating Providers

The COHC follows a structured, equitable four-step process to evaluate the contributions of Participating Providers and determine their eligibility for Quality Pool earnings. This process ensures that funds are distributed based on provider type, share of membership, and performance on quality metrics.

Step 1: Distribution by Provider Type

• The total Quality Pool funds are first divided according to predefined percentages allocated to each provider type (e.g., Primary Care Providers, Behavioral Health Providers, etc.). This ensures that each provider category receives a fair share based on its role in achieving quality outcomes.

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• Within each provider type, the allocated funds are further divided among individual organizations based on their share of membership in each metric. This step ensures proportional distribution, recognizing the scale of each organization's service population.

Step 3: Performance-Based Adjustment (Primary Care Providers Only)

- For Primary Care Providers, individual organization payouts are adjusted based on performance on quality metrics:
- 100% payout is awarded if the organization successfully meets the metric.
- **50% payout** is awarded if the organization does not meet the metric.
- This performance-based evaluation incentivizes quality improvement and rewards success.

Step 4: Redistribution of Remaining Funds

• Any remaining funds after Step 3 are redistributed among all participating Primary Care Provider organizations based on total membership count.

SDOH-E Funding

The Community Advisory Council (CAC) will make decisions this fall about which SDOH-E programs it will fund for the SDOH-E portion. The CAC will prioritize programs that align with the Regional Health Improvement Plan (RHIP) and will allocate funds based on a matrixed scoring system which applies an equity framework and considers rural, and poverty impacts to health. Entities within the CCO region may apply for available funds: Jefferson, Crook, Deschutes, and northern Klamath, and the three Federally Recognized Tribes in its service area, the Confederated Tribes of Warm Springs, Cow Creek Band of Umpqua Tribe of Indians, and the Klamath Tribes.

2. Describe your CCO's process for evaluating the contributions of Participating Providers and how they may qualify for CCO distribution of Quality Pool earnings.

The CCO follows a structured, equitable four-step process to evaluate the contributions of Participating Providers and determines their eligibility for Quality Pool earnings. This process ensures that funds are distributed based on provider type, share of membership, and performance on quality metrics.

- 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 any changes your CCO plans to make to its process for distributing Quality Pool funds in future years (beyond MY2024).

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The COHC Finance Committee will review the 2024 methodology in the fall of 2025, to determine whether to recommend any changes to the COHC Board of Directors.

5. Please provide a link to where the 2025 Quality Pool Distribution Plan (this document) will be publicly available on your CCO's website.

https://pacificsource.com/resources/documents-and-forms