



2024 Quality Pool Distribution Plan Template

Due: October 9, 2024

Purpose

Exh. B, Pt. 10, Sec. 4, Para. e in the 2024 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 2024 (Distribution Year 2024) for achievement of 2023 incentive metrics (Measurement Year 2023).

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 October 9, 2024. (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.

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CCO Name: PacificSource Community Solutions – Marion-Polk CCO

Contract Number: MP-161765

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.

Under the PacificSource Community Solutions (PCS) Marion-Polk CCO community governance model, annual Quality Pool funds are evenly split between PCS and the Willamette Health Council (WHC), the CCO's community governance body. As such, after paying the managed care tax liability (MCO tax), PCS will disburse 50% of the Quality Pool funds (received in 2024/earned in 2023) to pay provider withholds based on 2023 value-based payment arrangement performance. The WHC will direct the distribution of the other 50% of these funds. The methodology is 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 them. As a result, consistent with underlying contracting methodology, PCS will use the funds to pay provider withholds as part of 2023 provider value-based payment arrangement performance. PCS contracts with many providers in the region in value-based payment arrangements including the major hospital systems, the Independent Physicians' Association, the two Federally Qualified Health Centers, the three Dental Care Organizations (DCOs), among others.

Distributions by the WHC

From December 2023 to September 2024, the WHC convened a monthly QIM Ad-hoc Committee, which included members from its Finance Committee, Board of Directors, Community Advisory Council, as well as the PCS' CCO Director, Data Analytics Manager, and Quality Incentives Program Manager. The committee's purpose is to review QIM specifications and develop a distribution model based on Quality Pool funds received in 2024 and earned in 2023. This ad-hoc committee is responsible for presenting a distribution model to the Finance Committee for their review and subsequent recommendation to the Board of Directors.

On September 5, 2024, the QIM Ad-hoc Committee finalized the distribution model using the following methodology:

- 95% of total funds will be distributed primarily to healthcare provider groups based on their contributions to QIM performance; and
- 5% of total funds will be invested in public health initiatives that support the QIMs.

In previous years, 5% of total funds were designated for social determinants of health and equity (SDOH-E) partners through the WHC's Community Benefit Initiatives (CBI) grant program. Now that there is a dedicated measure for SDOH-E, along with an upstream system-level social-emotional health metric, the funds earned from these measures will be distributed through the WHC's 2025 committee grant structure, which includes the Community Benefit Initiative grant program.

On September 11, 2024, the Finance Committee reviewed the quality pool distribution plan proposed by the QIM Ad-hoc Committee and recommended that the Board of Directors approve it. The Board of

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Directors is set to review and vote on the Finance Committee's suggested quality pool distribution plan on November 11, 2024. Although the WHC Board has not yet approved the distribution plan, PCS anticipates that the plan will remain generally consistent with the distribution framework reviewed by both committees.

Distribution to Participating Providers

The WHC is utilizing a well-vetted, stepwise process to distribute Quality Pool funds to organizations that have contributed to the success of the metrics. These steps consider the provider types contributing to each metric, membership assignments (or similar representation) by organization and the provider performance for each measure. Payout calculation steps are as follows:

Step 1: Determine the Distribution of the Quality Pool Funds on a Per-Metric Basis

The Quality Pool funds are first divided among all the quality metrics based on whether the annual target was met. Metrics that are met receive one point; metrics where the annual target was not met receive half a point. From there, the total available WHC Quality Pool funds are divided across the 15 QIMs for 2023 based on points earned.

Step 2: Make Calculations for Quality Pool Fund Distribution by Discipline

This year, the QIM Office Hour Ad-hoc Committee reviewed the distribution methodology and changed the percentages distributed among disciplines. Per QIM, the associated funds were further divided by healthcare provider sector based on their contribution to meeting the metric. These sectors include Behavioral Health, DCOs, Hospitals, OB-GYN, and Primary Care Providers (PCPs). Factors influencing the distribution between sectors include which sector type(s) work directly with members and/or encounter the services for each QIM.

For example, in 2023, the post-partum measure was split between PCP and OB-GYN at 20%/80%. In 2024, the QIM Ad-hoc Committee reevaluated the split based on claims across provider sectors and recommended changing it 25% PCP and 75% OB-GYN. Additionally, the preventative dental and the oral evaluation for adults with diabetes was allocated entirely to DCOs based on a claims data analysis.

Step 3: Use Membership Assignment (or Similar) to Determine Distributions at the Organizational Level

Once Steps 1 and 2 are complete, the WHC will distribute allocated funds based on assigned membership (DCOs), utilization (behavioral health), episodes of care (OB-GYN), proportion of the CCO populations served (county public health and community mental health), group performance (PCP), and evenly across hospital systems.

Public Health Partners

As mentioned above, 5% of the WHC's total Quality Pool funds will be invested in public health initiatives that support the QIMs. Marion County Public Health will receive 80% of available funds; Polk County Public Health will receive 20% of available funds. The split of funds between the two counties is based on percent of total population for the region that resides in each county.

SDOH-E Funding

As mentioned above, the funds earned from the SDOH-E and the Social-Emotional QIM will be allocated towards the Willamette Health Council's grant funding process. In 2025, the Community Advisory Council (CAC) and the provider led Clinical Advisory Panel (CAP) will decide which SDOH-E

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programs will be funded with these allocated funds. The CAC will prioritize programs that align with the region's Community Health Improvement Plan (CHP) and support at least one of the four SDOH-E domains of Economic Stability, Neighborhood and Built Environment, Education, and Social and Community Health. The CAP will prioritize projects that impact clinical quality improvement.

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.

As described above, the WHC's distribution methodology for their Quality Pool funds paid in 2024/earned in 2023 allocates funds among healthcare provider sectors based on their contributions to meeting the QIMs.

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. Decisions about this year's distribution of 2024 Quality Pool funds (Measurement Year 2023) in no way consider prior-year payments.

4. Describe any changes your CCO plans to make to its process for distributing Quality Pool funds in future years (beyond MY2023).

The WHC will continue to convene a QIM Ad-hoc committee, collaborating with its various committees, board members, and the PCS team to guarantee equitable representation across sectors and disciplines during the review of methodology for upcoming years. Additionally, in 2024, the WHC CAC and the CAP will provide grants to SDOH-E partners in the region, utilizing funds from both the SDOH-E and the SE/HAKR QIM for these investments. However, when these measures transition to member-level metrics, the committee will reassess the 5% allocation for SDOH-E investments, similar to previous years.

5. Please provide a link to where the 2024 Quality Pool Distribution Plan (this document) will be publicly available on your CCO's website.

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