

Questions and Answers

Last updated 8/19/2022

This document contains a running log of questions submitted or posed by members of the Joint Task Force on the Bridge Health Care Program. LPRO staff compiled the responses from information available as of the date of this document. Updated information will be provided as it becomes available. We thank Oregon Health Authority and Department of Consumer and Business Services staff for their assistance.

Contents

Bridge Program Population.....	2
About the Bridge Program Population	2
Enrollment, Marketplace Platforms, and Coverage Transitions.....	5
Federal Pathways*	7
Federal Financing and State Budget Implications	8
Plan Design	11
Access, Covered Services and Enrollee Costs	11
Plan Administration and Provider Reimbursements	15

**Note: In May 2022, CMS provided guidance that Oregon should develop a Bridge Program proposal using a 1331 Basic Health Program Blueprint. Questions about differences in federal pathways were raised prior to this point but are documented here for reference.*

Bridge Program Population

About the Bridge Program Population

Q: What is known about the population of people who lack insurance coverage in Oregon? How does this rate compare to other states?

A: LPRO staff compiled a slide deck on the uninsured population from the 2019 American Community Survey. [Available here.](#)

Q: [*updated] What is known about the population of people who may be eligible for the Bridge Program, including their demographics?

A: The population that would be eligible for the Bridge Program are 1) adults ages 18 to 64, who 2) earn less than 200% of the federal poverty level (FPL), who 3) are not eligible for Medicaid or affordable group coverage, but 4) are eligible for premium tax credits. This population includes lawfully present immigrants who earn less than 138% FPL but are ineligible for Medicaid because they have resided in the U.S. for fewer than five years. The [slide deck here](#) contains American Community Survey estimates of the demographic profile of the population 138-200% FPL who are not covered under other public insurance. *Oregon Health Authority provided additional estimates from the Oregon Health Insurance Survey on August 9th ([slides here](#)).

Estimates using population survey data are currently the best available information regarding the demographic characteristics of the BHP population. Because the BHP population consists of people who are covered under OHP, commercial coverage, and uninsured, there is no administrative data source available that contains comprehensive demographic information about this population. Limited demographic information such as age and gender will be available in the fall when OHA and DCBS combine OHP and commercial carrier data. Insurers do not consistently collect enrollee-level race and ethnicity and this information would not be available until after a BHP is created.

Q: How many people would be eligible for the Bridge Program?

A: OHA has estimated that 55,000 people currently enrolled in Oregon Health Plan (Medicaid) would be eligible for the Bridge Program. Manatt estimated 32,500 people currently covered through the Marketplace and 21,300 people currently uninsured may also be eligible. These are rough estimates. OHA is working to connect eligibility system data, actuarial and

**Note: In May 2022, CMS provided guidance that Oregon should develop a Bridge Program proposal using a 1331 Basic Health Program Blueprint. Questions about differences in federal pathways were raised prior to this point but are documented here for reference.*

other CCO data, and survey data, to provide more precise estimates of eligible population size and demographics.

Q: Among the population who would be eligible for the Bridge Program, how are they geographically distributed across the state?

A: OHA is unable to provide this information at this time, as current estimates of the eligible population are not based on member-level enrollment data. The [ACS slide deck here](#) provides information on the geographic distribution of a population that is similar to those who would be eligible for the Bridge Program.

Q: Among the population of people currently enrolled in Medicaid who would transition to a Bridge Health Care Program, what percent are entering Medicaid via presumptive eligibility determinations in hospitals versus other channels?

A: OHA is unable to provide this analysis at this time, but a relatively small portion of OHP enrollees enter through hospital presumptive eligibility. The percentage of overall OHP enrollees who enter through this process may not be reflective of the subset of enrollees who could be eligible for the BHP.

Q: Among people currently insured through the Marketplace, what is the breakdown in plan enrollment by metal tier and FPL?

A: See table below for the number and percentage of people selecting plans in each tier, by income level. Note that these numbers reflect plan selection on the Marketplace; the number of people whose plan selections are effectuated (activated as coverage) is slightly lower due to nonpayment of premiums.

		Federal Poverty Level									
Metal Level	N	<100%	≥100% to ≤138%	≥100% to ≤150%	>150% to ≤200%	>200% to ≤250%	>250% to ≤300%	>300% to ≤400%	>400% to ≤500%	>500%	Other or Unknown
Bronze	61,601	0%	0%	2%	6%	12%	15%	27%	11%	14%	13%
Silver	59,329	2%	4%	16%	33%	19%	9%	10%	4%	3%	3%
Gold	25,159	0%	0%	1%	5%	15%	16%	24%	10%	15%	15%

Source: State, Metal Level, and Enrollment Status Public Use File (2022), Centers for Medicare and Medicaid Services <https://www.cms.gov/files/zip/2022-oep-state-metal-level-and-enrollment-status-public-use-file.zip>

**Note: In May 2022, CMS provided guidance that Oregon should develop a Bridge Program proposal using a 1331 Basic Health Program Blueprint. Questions about differences in federal pathways were raised prior to this point but are documented here for reference.*

Q: Among people currently insured through the Marketplace who would be eligible for the Bridge Program, which carriers provide their current coverage?

A: OHA is unable to provide this analysis at this time but this information may be available in late 2022 following completion of a carrier data call and further actuarial analysis.

Q: What do we know about the health status of the BHP-eligible population?

A: In a preliminary actuarial analysis that was limited to individuals currently covered through the Marketplace, Manatt estimated the “morbidity” or burden of poor health in the BHP-eligible population is similar to overall morbidity in the individual and small-group market. The morbidity of the BHP-eligible population currently enrolled in OHP is unknown. Additional analysis is underway and will be shared as it becomes available.

Q: What portion of the BHP-eligible population is offered employer-sponsored insurance that is considered affordable under current ACA requirements?

A: OHA does not have access to data that would answer this question.

Q: How would the Bridge Program affect coverage options for adults who are non-citizens?

A: Coverage options for Oregon adults and children who are non-citizens vary by income, age, and immigration status.

- Full OHP coverage is generally available to adults who meet eligibility requirements, such as income, and have a qualifying immigration status. People who are Lawful Permanent Residents, (LPR) also known as "green card" holders, must generally wait five years to be eligible for full coverage.
- Adults who don't qualify for full OHP due to immigration status can still qualify for limited benefits. Citizen Waived Medical (CWM) covers emergency care, and CWM Plus covers full OHP benefits regardless of immigration status during pregnancy and for 60 days after a pregnancy ends.
- As of July 1, 2022, a new program called Healthier Oregon covers adults 19-25, or 55 and older, who would be eligible for full OHP if not for immigration status. This includes people in these age ranges who haven't met the 5-year LPR waiting period requirement. The

**Note: In May 2022, CMS provided guidance that Oregon should develop a Bridge Program proposal using a 1331 Basic Health Program Blueprint. Questions about differences in federal pathways were raised prior to this point but are documented here for reference.*

Healthier Oregon program will also expand full OHP eligibility to adults ages 26 to 54 in the future as funding becomes available. This expansion may occur before Oregon's Bridge Program is available.

- Until Healthier Oregon expands, adults have not met the 5-year LPR waiting period requirement for full OHP coverage may still be eligible for tax credits and cost-sharing reductions on Marketplace plans.
- Oregon's Bridge Program would provide coverage to adults earning up to 200% FPL. Certain non-citizens who have not met the 5-year LPR waiting period requirement for OHP coverage may also qualify for the Bridge Program. However, the Bridge Program may not offer the same benefits available through Healthier Oregon. Further policy development may be needed to both maximize federal funding and consider equity between future OHP and Bridge Program enrollees.

Enrollment, Marketplace Platforms, and Coverage Transitions

Q: Among states that operate Basic Health Programs, how is enrollment effectuated? Is it more similar to Medicaid or to commercial insurance? Does it occur on a continuous basis or during an open-enrollment period?

A: There is flexibility in the Basic Health Program Blueprint (federal application) to design enrollment procedures that are more Medicaid-like or Marketplace-like. The approaches used in Minnesota and New York are documented in their [Basic Health Program blueprint applications, Section 4](#). The specific approach to be outlined in Oregon's BHP Blueprint has not yet been determined.

Q: Does one federal pathway* (e.g. a 1331 Blueprint versus a 1332 waiver) provide better options for managing the "churn point" or coverage transitions for people transitioning off OHP?

A: OHA discussed options with CMS to implement a Bridge Program under a Section 1331 Blueprint and a Section 1332 waiver. Discussions about the 1332 waiver included exploration of "optionality," a scenario where eligible consumers would be able to choose between a BHP-like product and other subsidized coverage on the Marketplace. The idea behind optionality is to mitigate the coverage "cliff" at 138% FPL where Medicaid eligibility ends without creating a new coverage cliff at 200% FPL where BHP eligibility ends. While there is reason to believe people at 138% FPL experience more frequent income fluctuations than people at 200% FPL and are less

**Note: In May 2022, CMS provided guidance that Oregon should develop a Bridge Program proposal using a 1331 Basic Health Program Blueprint. Questions about differences in federal pathways were raised prior to this point but are documented here for reference.*

likely to be offered employer-sponsored insurance (ESI), OHA is not able to confirm these assumptions from existing data.

OHA's vision is to make Bridge Program coverage transitions as seamless as possible under either pathway. The ideal scenario results in an OHP member "transitioning in place." In other words, they would receive a letter from their Coordinated Care Organization (CCO) saying their coverage had switched from OHP to BHP, but they would experience no disruptions in access. This approach requires that a BHP is offered through CCOs; a Marketplace-based option would require different administrative procedures.

Q: Is one of the federal pathways* more easily implemented than the other?

A: OHA has indicated that, in general, the more closely a Bridge Program resembles the OHP, the easier it will be for the state and CCOs to implement. The choice of federal pathway is closely linked to how Oregon operates its individual Marketplace. Currently, Oregon operates a state-based Marketplace on the federally facilitated exchange (Healthcare.gov). CMS has indicated that the federal platform can accommodate Oregon's plan to establish a Basic Health Program under a 1331 BHP Blueprint, but the federal platform could not enable "optionality" (e.g. the ability of consumers to choose between BHP-like coverage and subsidized Marketplace coverage) as was proposed by the state under a 1332 waiver.

Q: How quickly could Oregon implement a state-based exchange?

A: OHA has indicated that if the Oregon Legislature opted to pursue a state-based exchange during the 2023 legislative session, the platform may be operational by 2026.

Q: Is it possible to offer a Basic Health Program with a two-year eligibility period rather than one year?

A: CMS indicated that this is not an option.

Q: How would enrollees be assigned to CCOs? Would people be able to choose which CCO they enroll in? Could this process be designed with consideration for continuity in provider access?

A: This is still to be determined. OHA has procedures for auto-assignment and manual enrollment (member choice) depending on the members' residence, CCO capacity, and other contributing factors (e.g., whether the member is eligible for auto-assignment exceptions or exemptions), but has

**Note: In May 2022, CMS provided guidance that Oregon should develop a Bridge Program proposal using a 1331 Basic Health Program Blueprint. Questions about differences in federal pathways were raised prior to this point but are documented here for reference.*

not yet considered whether an auto-assignment process for the BHP would differ.

Q: What needs to be done to communicate with enrollees about the redetermination process and Public Health Emergency (PHE) “unwinding,” including ensuring digital access, language access, etc.?

A: OHA has convened a community and partner workgroup to advise on this process as required by HB 4035. This group will provide ongoing support and guidance to OHA on these topics; information about their work is available [here](#). OHA provided [a report to the Legislature](#) on May 31, 2022 with an update on planning efforts related to the PHE unwinding.

Q: How would creation of a BHP impact revenues for county health departments?

A: This question has not been explored at this time.

Federal Pathways*

Q: Are the federal pathways* mutually exclusive? Can they be implemented sequentially?

A: The pathways are not mutually exclusive. A phased or sequential approach is possible. A short-term 1115 waiver could be followed by a more permanent 1331 Blueprint or 1332 waiver. House Bill 4035 directs the state to pursue a temporary, short-term 1115 waiver as part of its’ redetermination of Medicaid enrollees’ eligibility when the PHE ends. OHA and DCBS are preparing this federal 1115 waiver request for submission as soon as possible in 2022.

Oregon could pursue either a 1331 Blueprint or 1332 waiver as a longer-term vehicle for creating the Bridge Program; CMS has advised OHA that a 1331 Blueprint is the recommended federal pathway to achieve the goal of HB 4035. CMS clarified that Oregon could implement a BHP under a 1331 Blueprint prior to pursuing a 1332 waiver to create a BHP-like product. However, CMS clarified that the 1331 BHP would need to be fully implemented for a period of 1-2 years before a 1332 waiver should be requested.

**Note: In May 2022, CMS provided guidance that Oregon should develop a Bridge Program proposal using a 1331 Basic Health Program Blueprint. Questions about differences in federal pathways were raised prior to this point but are documented here for reference.*

Q: Are the federal pathways* different with respect to implementation timeframes? Is one pathway more likely to receive federal approval than the other?

A: The federal pathways differ in terms of implementation timeframes. The 1331 Blueprint is a relatively straightforward application process with well-defined parameters for program design decisions. The 1332 waiver has not previously been utilized for the creation of a BHP-like product and would present many unknowns and potential program design challenges. CMS has recommended Oregon pursue a 1331 Blueprint for creation of the Bridge Program.

Q: Oregon already has an 1115 waiver to deliver Oregon Health Plan coverage through Coordinated Care Organizations. Would a separate 1115 application for a Bridge Health Care Program affect the state's currently pending 1115 waiver application?

A: No. The use of a short-term, temporary 1115 waiver for creation of a Bridge Health Care program would be unlikely to impact anything related to the state's separate pending Medicaid waiver (aka "the waiver").

Q: Would pursuing a 1331 Blueprint for people earning less than 200% FPL preclude the state from pursuing a separate 1332 waiver for people earning more than 200% FPL?

A: No. Implementing a Basic Health Program under a 1331 Blueprint does not prevent Oregon from applying for other waivers. New York is pursuing a 1332 waiver to cover people above BHP income eligibility levels in addition to their 1331 Blueprint.

Federal Financing and State Budget Implications

Q: What actuarial analyses are planned and when will they be available?

A: This question was addressed as part of the overall timeline update presented to the Task Force at the 7/12 meeting and can be found in [the slide deck here](#).

OHA and DCBS are working to finalize the specific parameters for additional analysis over the next 4 months. A series of analyses are planned, as follows:

**Note: In May 2022, CMS provided guidance that Oregon should develop a Bridge Program proposal using a 1331 Basic Health Program Blueprint. Questions about differences in federal pathways were raised prior to this point but are documented here for reference.*

- Analysis of the impact of creating a BHP on the existing ACA individual market including the impact on premiums in the individual market and analysis of enrollee responses to premium changes. Results of this analysis are planned for the September Task Force meeting.
- More robust analysis to project potential enrollment in a BHP as well as the costs to provide coverage to the BHP population and the expected federal funding Oregon would receive. Results of this analysis are planned to be presented at a Task Force meeting in October.
- Additional analysis will be sought to project the potential implications of BHP design scenarios and/or specific strategies to mitigate negative impact on the individual market. The timing and scope of these analyses will depend on future Task Force discussions.
- These analyses and simulations *will not* be able to report results that are disaggregated by race and ethnicity. Enrollee-level data are being compiled from several sources including OHP, DSHS, and commercial carriers. These data sources do not contain standardized information about enrollee demographics that can be reported across the BHP population as a whole.

Q: What are the state budget implications if the Bridge Program has higher than expected enrollment?

A: Increasing the level of coverage among the population is consistent with the goals of HB 4035, though the state budget implications of higher-than-expected enrollment are different under a 1331 Blueprint and a 1332 waiver. The federal funding formula for a 1331 BHP Blueprint is calculated on a per-person basis and the state would receive federal funds for the program that would be tied to the number of people enrolled. Under a 1332 State Innovation Waiver, the state would receive an aggregated (population-based) amount of federal funds rather than a per person amount. The state would be accountable for “deficit neutrality,” meaning federal funds for the waiver could not exceed that aggregated amount if enrollment was higher than expected.

Q: Are there differences in program administration costs to implement either of the pathways*?

A: OHA is currently in the process of developing its budget for the 2023-25 biennium, which will include funding requests necessary to implement Bridge Program elements recommended by the Task Force.

**Note: In May 2022, CMS provided guidance that Oregon should develop a Bridge Program proposal using a 1331 Basic Health Program Blueprint. Questions about differences in federal pathways were raised prior to this point but are documented here for reference.*

OHA has not produced cost comparisons related to the difference in implementing a Bridge Program through either a 1331 or 1332 pathway. There are differences in how federal funds may be used under the two pathways. Under a Section 1331 Blueprint, federal funds are held in a BHP trust to cover enrollee benefits. Federal funds from the trust may not be used for program administration and these costs must be covered with state dollars. The section 1332 waiver offers more flexibility in how federal funds may be used (toward enrollee benefits versus program administration), but federal funds are subject to overall deficit neutrality rules that constitute additional financial risks to the state.

Q: Is one federal pathway more financially predictable or stable long-term than the others?

A: Generally, 1115 and 1332 waivers are approved by CMS for three to five years and must be reapproved at the discretion of the sitting federal administration. A Section 1331 Blueprint does not generally need to be renewed once approved. The federal funding formula for the 1331 Basic Health Program has historically been updated on an annual basis; in 2022, CMS proposed to move away from annual formula updates to a formula that would be updated on an as-needed basis. This proposed change is currently open to public comment.

Q: Does one pathway* or the other support reduction of uninsurance rates for the 4.5% of Oregonians without coverage?

A: Nothing in the basic structure of the 1331 Blueprint and 1332 waiver automatically points toward differences in the likely effect on uninsurance rates. However, enrollment or “uptake” of the BHP by eligible consumers may be sensitive to whether and how cost sharing is incorporated into the benefits design. To the extent that 1331 funding is on a per-capita basis, scalable to varying levels of enrollment, and not subject to deficit neutrality rules, it may be easier for the state to promote higher levels of plan uptake *over time* under a 1331 Blueprint.

Q: What is the administrative cost of churn, which may not be well captured in analyses of either Medicaid or Marketplace enrollees?

A: A [2015 study](#) simulating Medicaid churn from pre-ACA data (2005-2010) estimated that the process of disenrolling and reenrolling one person in coverage within a year incurs administrative costs between \$400 and \$600, an amount which would be higher in today’s dollars. A national [study](#) of Medicaid service utilization and costs estimated that churn resulted in a \$650 per-member per-month increase in acute care costs (driven primarily

**Note: In May 2022, CMS provided guidance that Oregon should develop a Bridge Program proposal using a 1331 Basic Health Program Blueprint. Questions about differences in federal pathways were raised prior to this point but are documented here for reference.*

by higher emergency department utilization and inpatient stays) and an overall \$310 per-member per-month increase in total costs.

Q: Does the cost of administering member cost sharing (such as premiums or co-pays) offset the revenue gained through these strategies?

A: OHA does not expect that the administrative costs of implementing cost sharing will exceed 1) the revenues gained from these strategies, and 2) reduced costs that result from lower service utilization. OHA has not yet made forecasts of the administrative costs of these strategies or the revenue impacts but aims to explore the operational and fiscal implications of these strategies.

Q: Will actuarial analyses consider the future costs of deferred care that may result from the pandemic?

A: OHA will not be able to answer this question due to limited resources. It is outside the scope of their actuarial analysis.

Q: [New] Which of the Task Force's recommendations need approval from the Legislature? Does Oregon Health Authority need approval from the Legislature to establish the BHP?

A: Prior to submitting a Blueprint request to CMS, OHA must receive approval from the Oregon Health Policy Board as required in Section 5(1). No explicit legislative approval is necessary to establish the Bridge Program, as Section 5(2)(a) allows OHA to implement the Program after receiving approval from CMS. Legislative action to support implementation of the Program is contemplated by Section 5(2)(b), which requires OHA to submit a report outlining any federal approval received and the implementation plan for the Program along with any necessary legislative changes. A bill supporting implementation of the Program is planned.

Plan Design

Access, Covered Services and Enrollee Costs

Q: What are the differences between covered services under the Essential Health Benefits (EHB) package and OHP package (as delivered through CCOs)?

A: OHP covers all EHBs as defined by federal law. At a high level, the covered services in OHP and marketplace plans are very similar, though

**Note: In May 2022, CMS provided guidance that Oregon should develop a Bridge Program proposal using a 1331 Basic Health Program Blueprint. Questions about differences in federal pathways were raised prior to this point but are documented here for reference.*

with some nuanced differences such as in limits in the volume of some services allowed. OHP also includes some additional services such as non-emergency medical transport (NEMT), enhanced behavioral health care, bariatric surgery, and dental that are not required in marketplace plans. OHA provided [a comparison](#) of these service packages at the July 26th Task Force meeting. OHA also plans to provide more detailed estimates of the cost of providing the OHP service package to BHP enrollees as part of upcoming actuarial analyses.

Q: Does the federal government have the ability to dictate non-covered services under one or both of these pathways?

A: Federal BHP funds can be used to pay for services that are not part of the EHB or traditionally covered by marketplace plans with the exception of abortion services subject to the Hyde Amendment.¹ The Hyde Amendment prohibits the use of federal funds to pay for abortion except in very narrow circumstances. This amendment covers programs funded through the Department of Health and Human Services, such as Medicaid. The Affordable Care Act extends Hyde Amendment exclusions to programs federally funded under the Affordable Care Act, including Basic Health Programs and federal premium tax credits for the purchase of subsidized coverage on the Marketplace. States can cover these services using state revenues as they do with Medicaid.

Q: How much overlap exists in provider networks for people earning 139-200% FPL who are covered through OHP and the Marketplace?

A: OHA is investigating this issue through its Medicaid to Marketplace Migration team and working to provide a more complete response to the Task Force.

Q: Does one federal pathway* offer better ability than the other to increase members' access to providers?

A: Generally no, the differences between a 1331 Blueprint and 1332 waiver would not automatically lead to differences in provider access (though access may be indirectly affected by plan design decisions made under either pathway).

¹ <https://www.kff.org/womens-health-policy/issue-brief/the-hyde-amendment-and-coverage-for-abortion-services/>

**Note: In May 2022, CMS provided guidance that Oregon should develop a Bridge Program proposal using a 1331 Basic Health Program Blueprint. Questions about differences in federal pathways were raised prior to this point but are documented here for reference.*

Q: Does the choice of federal pathway* have implications for enrollee cost sharing?

A: Generally, no. Oregon has broad flexibility to design enrollee cost sharing as part of a BHP under either pathway.

Q: What options exist for customizing how co-pays may apply to certain services?

A: Federal rules limit overall enrollee costs allowable in BHP programs. BHP premiums and cost-sharing cannot be higher than what an individual would have paid for a Marketplace plan. The ACA also generally prohibits cost-sharing for preventive services except in limited instances such as out-of-network care. States have some flexibility in setting co-payments, though more complicated co-payment designs can cause consumer confusion and increased administration costs.

Q: What research exists regarding the relationship between enrollee cost sharing, coverage, and utilization of health services?

A: Research on health insurance premiums generally shows that premiums reduce the number of people with health insurance coverage. This can occur when 1) people decline to enroll due to cost barriers, 2) enroll in a plan that is never “effectuated” (activated as coverage) because they do not pay the first months’ premium, or 3) enroll in a plan that is effectuated but later disenroll due to premium nonpayment. Higher premiums tend to create larger barriers to coverage, though specific estimates of the effect vary by population. Research suggests rates of coverage among lower-income enrollees are highly sensitive to premiums. A [2014 study](#) of Medicaid enrollees in Wisconsin found that increasing the monthly premium from \$0 to \$10 reduced the average length of enrollment by 1.4 months and decreased the likelihood of remaining continuously enrolled for 12 months by 12 percent. A [simulation study](#) of lower income Marketplace enrollees estimated that eliminating Marketplace premiums would increase enrollment by 14.1 percent in 2019.

In 2003, the Oregon Health Plan implemented new premiums and coverage restrictions following premium-nonpayment due to state budget deficits; [research](#) on the impact of these changes found rates of coverage fell 13 percent for OHP Plus and 44 percent for OHP standard in the months following this change. Oregon also temporarily introduced co-pays to the Oregon Health Plan, and later rescinded them. The study assessed enrollees’ self-reported unmet care needs in the months before and after co-pays were eliminated, finding that the percent of enrollees with unmet

**Note: In May 2022, CMS provided guidance that Oregon should develop a Bridge Program proposal using a 1331 Basic Health Program Blueprint. Questions about differences in federal pathways were raised prior to this point but are documented here for reference.*

care needs fell from 28 to 19 percent following the elimination of co-pays. These findings are consistent with [a KFF review of literature](#) from 2000-2017 finding that co-pays in Medicaid and CHIP, even at relatively low levels (\$1-5), are associated with adverse care utilization patterns including reductions in necessary services and increased emergency department utilization.

Q: Do Minnesota and New York, the other two states with Basic Health Programs, include enrollee cost sharing in their plan designs?

A: The table below compares cost sharing in New York and Minnesota's BHPs in plan year 2022. Both states have made changes to enrollee cost sharing over time. OHA presented case studies of both state programs at a meeting on July 26th including details regarding how and why the programs have evolved over time.

	NY Essential Plan (135 – 150% FPL)	NY Essential Plan (151 – 200% FPL)	MinnesotaCare
Preventative Care	\$0	\$0	
Nonpreventative Care			\$25 (substance use disorder /mental health visits excluded)
Primary Care Physician Visit	\$0	\$15	
Specialist Visit	\$0	\$25	
Inpatient Hospital Stay (per admission)	\$0	\$150	\$250
Behavioral Health Outpatient Visit	\$0	\$15	
Emergency Room	\$0	\$75	\$75
Urgent Care		\$25	
Ambulatory Surgery			\$100
Radiology			\$25/visit
Physical Therapy, Speech Therapy, Occupational Therapy	\$0	\$15	
Durable Medical Equipment (DME)			10% co-insurance
Rx (generic)	\$1	\$6	\$7
Rx (preferred)	\$3	\$15	\$7
Rx (non-preferred)	\$3	\$30	\$25
Dental	\$0	\$0	\$15/non-routine visit
Vision	\$0	\$0	\$25 copay for eyeglasses

**Note: In May 2022, CMS provided guidance that Oregon should develop a Bridge Program proposal using a 1331 Basic Health Program Blueprint. Questions about differences in federal pathways were raised prior to this point but are documented here for reference.*

Q: [New] Will BHP members be eligible for Long-Term Services and Supports (LTSS)? Will the reduction in the number of OHP enrollees following redetermination reduce funding the state receives for LTSS?

A: Federal law and House Bill 4035 do not require that Oregon include LTSS in covered services for the BHP. There is also no prohibition on the use of BHP funds for these services. States *are* required to provide LTSS to Medicaid enrollees in specific circumstances. OHA presentations to the Task Force to date have assumed a covered service package that is aligned to the CCO covered service package for OHP. This package does not include LTSS, which are provided to OHP enrollees through the Oregon Department of Human Services and not through CCOs.

Unrelated to the BHP, Oregon operates a program called Oregon Project Independence that provides home and community-based services (HCBS) to older adults who are lower income but not eligible for Medicaid. Oregon has submitted [a request for a Section 1115 waiver](#) to expand OPI eligibility to adults 18 and older who earn up to 400% FPL. This population includes adults who may also be eligible for the BHP. This waiver request was pending CMS review as of August 16, 2022.

The impact of the PHE unwinding on Oregon's receipt of federal funding for LTSS is unclear and will depend on whether significant numbers of OHP enrollees receiving LTSS have experienced income or other changes that affect their OHP eligibility. Broadly, people receiving LTSS may be less likely than other OHP enrollees to lose coverage during the post-PHE redetermination process, though it is not possible to precisely estimate the effect redetermination will have on federal funding the state receives for LTSS.

Plan Administration and Provider Reimbursements

Q: How do provider reimbursements relate to enrollees' access to care? What options exist for directing how CCOs invest funds toward provider reimbursements?

A: OHA does not set provider reimbursement rates paid by CCOs and would not likely consider doing so for a BHP. OHA would seek to develop a program with payment rates to CCOs that are sufficient to ensure members have access to high quality health care services when they are needed.

**Note: In May 2022, CMS provided guidance that Oregon should develop a Bridge Program proposal using a 1331 Basic Health Program Blueprint. Questions about differences in federal pathways were raised prior to this point but are documented here for reference.*

OHA has not yet developed strategies to direct how CCOs should structure reimbursements to providers if capitation rates developed for the BHP assume higher payment rates than current OHP capitation rates. Furthermore, strategies to provide additional direction to CCOs would likely depend on funding available, which will become more clear after upcoming actuarial analysis.

The relationship between plan rates, provider reimbursements and adequacy of provider networks is influenced by a range of economic and workforce factors that can meaningfully vary across regions. [Research](#) on Medicaid provider networks suggests that within a contracted provider network, the provision of care to Medicaid enrollees is often concentrated among a small proportion of the network. Increasing reimbursement rates to providers can result in increased access to services for Medicaid enrollees.²

Q: How will success (i.e. performance) be measured in a BHP, and how will this relate to plan or provider payment?

A: This has not yet been determined. The BHP could build on the incentives and other provisions in CCO contracts. OHA is working with Manatt to understand how New York and Minnesota have integrated value-based purchasing into their BHP designs.

Q: How would the creation of a BHP impact federal funding for safety net providers or Federally Qualified Health Centers?

A: Federally Qualified Health Centers (FQHCs) are those that receive Section 330 grant funding under the Public Health Service Act to provide care in communities underserved by the health system. [KFF estimated](#) that in 2017, Medicaid accounted for 44% of FQHC revenue while Section 330 grants accounted for 18%. Federal law establishes a Prospective Payment System (PPS) for FQHCs to tie payments to the cost of providing care and ensure that provision of care for Medicaid enrollees does not reduce federal grant funds for care of people who are uninsured.³ In Oregon, OHA makes quarterly “wraparound” payments to FQHCs based on the number of OHP members served. [These payments](#) are intended to make up the difference between CCO (and third party) payments a clinic received for care of OHP members and what clinics would have been paid at their PPS rate.

² <https://www.nber.org/bh-20193/increased-medicaid-reimbursement-rates-expand-access-care>

³ <https://www.nachc.org/wp-content/uploads/2018/06/PPS-One-Pager-Update.pdf>

Nationally, half of people served in FQHCs are Medicaid enrollees, and changes in Medicaid caseloads are an important factor in FQHC financial stability during the “unwinding” of the public health emergency.⁴ [Oregon Primary Care Association has estimated](#) that FQHCs provide care to one in six OHP members. When the PHE ends, people who maintained OHP coverage under the continuous eligibility (CE) provision may lose coverage and be disenrolled. When this occurs, FQHCs providing care to these individuals may no longer be able to bill OHA for wraparound payments for their care. This change is not directly related to the creation of a Basic Health Program though a BHP could be designed to replicate the wraparound payment model used in OHP.

Q: [New] Will CCOs be allowed and incentivized to provide Health Related Services for BHP members? Will CCOs be subject to SHARE Initiative requirements for profits derived from their BHP plans?

A: Health Related Services are non-covered services offered as a supplement to CCO OHP benefits (OAR 410-141-3500) and provide a funding mechanism for CCOs to address social determinants of health through their “global budgets.” The SHARE initiative is a requirement for CCOs to reinvest a portion of any net income in services to address social determinants of health and equity, including housing-related services and supports. A comparison of these services is available [here](#).

Neither HRS nor SHARE are required to be included in the BHP under House Bill 4035 or federal law. There is also no prohibition on the use of federal BHP funds for these services. [At a July 26th meeting](#), OHA noted that CCOs are encouraged to support HRS but they are not an explicit covered service category. Analysis of the potential BHP covered service package have not assumed the inclusion of HRS or SHARE in the BHP.

⁴ <https://www.kff.org/policy-watch/community-health-centers-taking-actions-prepare-for-unwinding-public-health-emergency/>

**Note: In May 2022, CMS provided guidance that Oregon should develop a Bridge Program proposal using a 1331 Basic Health Program Blueprint. Questions about differences in federal pathways were raised prior to this point but are documented here for reference.*