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# Introduction for Coordinated Care Organizations to In Lieu of Services

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# Agenda

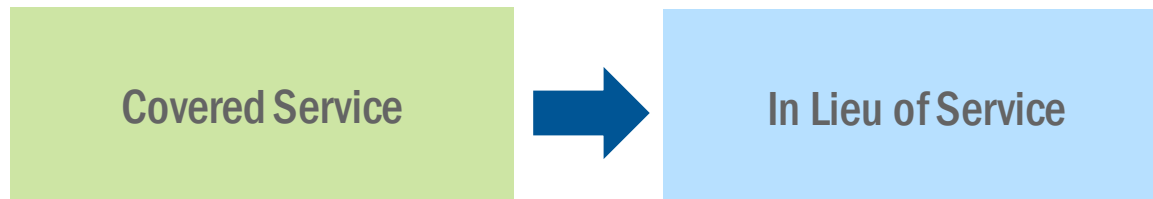
1. What is In Lieu of Services?
2. Why In Lieu of Services?
3. CCO Contract Changes
4. ILOS Use Cases
5. Questions & Answers

# In Lieu of Services (ILOS)

## ILOS defined:

- Determined by the state to be a medically appropriate and cost-effective **substitute** for a covered service or setting under the State Medicaid Plan.
- CCOs are **not required** to offer ILOS to members
- The member **cannot** be required to use the alternative service or setting.
- Must meet requirements for 42 CFR 438.3(e)(2)

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# Why In Lieu of Services (ILOS)?

- Support key services, such as Diabetes Prevention Program and Traditional Healthcare Workers
- Enabling covered services to be provided in non-traditional settings
- Connects to the larger vision for CCO 2.0 and key transformation objectives by:
  - Improving access to services in a more culturally responsive manner
  - Enhancing care coordination for high-need/traditionally underserved members
  - Reducing hospital care, nursing facility care, and emergency department utilization

# 2022 CCO Contract Changes – ILOS Services\*

- Prevention programs
- Services provided by Traditional Health Workers
- Community transition services
- Enhanced case management
- Post-hospitalization recuperative care
- Lactation consultations
- In-home health hazard remediation programs

\*CCOs may request approval of additional services/settings

# 2022 CCO Contract Changes - Conditions

- CCOs determine which services/settings to offer annually
- Members are not required to use ILOS services/settings
- ILOS services available to all who qualify
- ILOS services offered listed in member handbook
- ILOS providers listed in provider directory and DSN provider capacity reports
- Grievance and appeals processes apply to ILOS services
- CCO policies & procedures for ILOS referrals

# 2022 CCO Contract Changes – Payment

- Provider submits claim to CCO for reimbursement of ILOS services
- If unable to submit claim, provider submits invoice template provided by OHA
- CCO is responsible for creating encounter data for submission to OHA
- Costs associated with ILOS will be considered in development of CCO payment rates

# Use Cases: Covered Service in Different Setting

- Community-based organization provides Diabetes Prevention Program, but cannot bill for it
- Yoga studio provides services for back pain, but cannot bill for them



# Use Cases: Substitute Service for Covered Service

- Service provided by a traditional health worker, qualified mental health associate, or peer support specialist, currently not billable, provided in place of covered service
- Rehabilitation service provided instead of covered service

# Use Cases: Service Provided by Non-credentialed Individual or Facility

- Covered care management service provided by a non-credentialed community paramedic, or traditional health worker
- Covered care management service provided at a non-credentialed facility, such as a community-based organization

# ILOS Timeline

## 2021

May 5

ILOS definition proposed in Rules Advisory Committee meeting

July 1

ILOS definition added to state rules OAR 41-141-3500

July 19

Proposed ILOS contract language provided to CCOs for comment

September 10

Informational webinar

October 5 at 4 pm

ILOS office hours

September 1– October 31

ILOS services & handbook development

October 1 – November 1

CCO member handbook submission

## 2022

January 1

CCO may begin offering ILOS services

January 1-31

OHA feedback and iterative revision

June 1-30

OHA-CCO collaborative assessment of ILOS

# Questions & Answers

## Proposal Process:

Q: Can CCOs propose ILOS more than once a year?

A: Submission of proposal for additional ILOS services or settings are accepted ongoing. CCOs may only alter the ILOS services offered annually.

## Proposed Service Review:

Q: How will proposed ILOS be reviewed by OHA?

A: OHA will provide a template for proposed ILOS services or settings. OHA will review each proposal based on whether it is a medically appropriate and cost-effective substitute for a covered service or setting. Contractual changes will be made annually to include all accepted proposals. CCOs will be able to offer all new services or settings once contractual changes are effective.

# Questions & Answers

## Approved Services:

**Q:** Once a service is approved for one CCO does that make it approved for all CCOs, or require other CCOs to cover it?

**A:** An approved service may be utilized by any CCO, but there is no obligation for CCOs to add approved services.

## Service Descriptions:

**Q:** Given the small amount of time until handbooks are due, can a CCO add a service now with the understanding that they will continue to flesh it out over the next few months?

**A:** Yes, with the understanding that services included in the member handbook are made available within a reasonable time frame and are available to all members.

# Questions & Answers

## Eligible Services:

Q. Can a service that is below-the-funding-line be provided as an ILOS?

A. A service may only be offered as ILOS if it meets the criteria of being a medically appropriate and cost-effective substitute for a covered service or setting.

## Health-Related Services (HRS):

Q. What effect will ILOS have on HRS?

A. ILOS should not impact HRS. ILOS is a substitute setting or service for a covered service. HRS is complementary to ILOS because HRS cannot be covered services.

# Questions & Answers

## Rate Development:

Q: What is the effect of ILOS on rate development?

A: Utilization and actual cost of ILOS will be considered for rate development:

- No expected impact on 2022 capitation rates
- Future years' rates would reflect actual utilization

## Medical Loss Ratio (MLR):

Q: What is the effect of ILOS on the MLR?

A: ILOS is currently listed in Oregon's MLR template as a category of medical costs included in the MLR numerator

# Questions & Answers

## Billing:

Q. How will OHA assign billing codes?

A. This is still in development

## Reporting:

Q. What will the reporting for ILOS be like?

A. This is still in development. 2022 Exhibit L template to be published 9/30. Be prepared to track ILOS by category of service.



# Questions & Answers

## Network Capacity:

**Q:** If we offer a service through ILOS, does that mean we will be required to have the same network adequacy standards as other covered services? Can we propose a plan to build network capacity over a defined period of time?

**A:** Although meeting network adequacy standards is ultimately the expectation for ILOS services, 2022 will be used as a baseline. CCO plans for building network capacity are encouraged. Network adequacy considerations will be a part of OHA-CCO collaborative assessment of ILOS in June 2022.

# Questions & Answers

## Transitions of Care:

**Q:** If a member using an ILOS transitions to a new CCO, does that service carry to the new CCO?

**A:** Not necessarily. Since each CCO may choose to offer different ILOS services, a particular service may not be available from all CCOs.

# Questions & Answers

## CHW Template:

**Q:** Will ILOS be aligned with the CHW template for CCOs such that CCOs will be able to use the proposed roles for ILOS?

**A:** We'll reach out to OEI and work to coordinate this

## Evaluation:

**Q:** How will OHA evaluate and/or audit ILOS to ensure there is value for members?

**A:** Given ILOS is an optional service for members, utilization will be a strong indicator of the value placed on these services by members. All grievance and appeals processes available for covered services are available for ILOS.

# Questions & Answers

## Administration:

**Q:** How can ILOS reduce the administrative burden for community-based organizations (CBOs)?

**A:** ILOS will provide greater financial stability for CBOs by enabling billing for substitute services offered to CCO members previously not available.

Consideration of administrative burden for CBOs, as well as CCOs, will be a consideration of 2022 mid-year assessment of ILOS.

# Questions?

# In Lieu of Services (ILOS) Next Steps

- Reach out with questions or for technical assistance
- CCO contract changes finalized
- Timeline
- Technical documents
- Informational sessions and webinars
- Workplan development

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# Thank you!



## Questions or Comments?

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