

Secretary of State

NOTICE OF PROPOSED RULEMAKING HEARING*

A Statement of Need and Fiscal Impact accompanies this form.

Oregon Health Authority (Authority), Division of Medical Assistance Programs (Division) 410
Agency and Division Administrative Rules Chapter Number

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Rules Coordinator Address Telephone

RULE CAPTION

Change method of payment to FQHC and RHC Out Station Outreach Worker Activities

Not more than 15 words that reasonably identifies the subject matter of the agency's intended action.

6/17/2013 10:30 500 Summer St NE, Salem, OR 97301, Room 137C Cheryl Peters
Hearing Date Time Location Hearings Officer

Auxiliary aids for persons with disabilities are available upon advance request.

RULEMAKING ACTION

Secure approval of new rule numbers (Adopted or Renumbered rules) with the Administrative Rules Unit prior to filing.

ADOPT:

AMEND: OAR 410-147-0400

REPEAL:

Stat. Auth. : ORS 413.042 and 414.065

Other Auth.:

Stats. Implemented: ORS 414.065

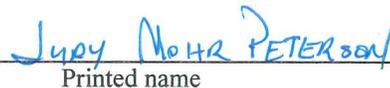
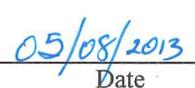
RULE SUMMARY

The Division needs to amend 410-147-0400 to change the method of payment to Federally Qualified Health Clinics (FQHC) and Rural Health Clinics (RHC) for out stationed outreach worker activities. These clinics have historically been reimbursed for out stationed outreach worker activities through a rate calculated from 100% of cost, which was then added to their base Prospective Payment System (PPS) all inclusive encounter rate. This amended rule will reimburse clinics 100% of their allowable costs for out stationed outreach worker activities and be paid in four equal installments at the beginning of each calendar quarter, January 1, April 1, July 1, and October 1.

The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing the negative economic impact of the rule on business.

6/19/2013 by 5:00 p.m.

Last Day for Public Comment (Last day to submit written comments to the Rules Coordinator)

 Signature  Printed name  Date

*Hearing Notices published in the Oregon Bulletin must be submitted by 5:00 pm on the 15th day of the preceding month unless this deadline falls on a weekend or legal holiday, upon which the deadline is 5:00 pm the preceding workday. ARC 920-2005

STATEMENT OF NEED AND FISCAL IMPACT

A Notice of Proposed Rulemaking Hearing or a Notice of Proposed Rulemaking accompanies this form.

Oregon Health Authority (Authority), Division of Medical Assistance Programs (Division)	410
Agency and Division	Administrative Rules Chapter Number

Change method of payment to FQHC Out Station Outreach Worker Activities
Rule Caption (Not more than 15 words that reasonably identifies the subject matter of the agency's intended action.)

In the Matter of: The proposed amendment of OAR 410-147-0400

Statutory Authority: ORS 413.042 and 414.065

Other Authority: ORS 414.065

Stats. Implemented: ORS 414.065

Need for the Rule(s): The Division needs to amend this rule to change the method of payment to Federally Qualified Health Clinics (FQHC) for out stationed outreach worker activities. These clinics have historically been reimbursed for out stationed outreach worker activities through a rate calculated from 100% of cost, which was then added to their base Prospective Payment System (PPS) all inclusive encounter rate. This amended rule will reimburse clinics 100% of their allowable costs for out stationed outreach worker activities and be paid in four equal installments at the beginning of each calendar quarter, January 1, April 1, July 1, and October 1.

Documents Relied Upon, and where they are available: None

Fiscal and Economic Impact: For the 2011-2013 biennium, the fiscal impact is estimated to be \$673,337.88 (General Fund only). For the 2013-2015 biennium, the fiscal impact is estimated to be: \$723,574. 19 (General Fund).

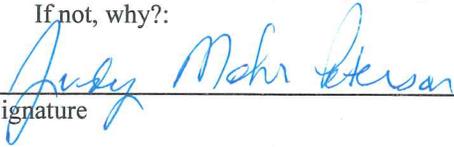
Statement of Cost of Compliance:

1. Impact on state agencies, units of local government and the public (ORS 183.335(2)(b)(E)): Some FQHCs are local governments. This amended rule does not impact the amount paid to FQHCs. Benefit to this amended rule includes receipt of timely payments on a regular schedule.
2. Cost of compliance effect on small business (ORS 183.336): Compliance will be improved with these rule clarifications.
 - a. Estimate the number of small businesses and types of business and industries with small businesses subject to the rule: None, an FQHC must be a public or private non-profit.
 - b. Projected reporting, recordkeeping and other administrative activities required for compliance, including costs of professional services: There is no increased administrative activity required for compliance with this amended rule.
 - c. Equipment, supplies, labor and increased administration required for compliance: None

How were small businesses involved in the development of this rule? Small businesses are not impacted by this rule amendment. FQHCs do not meet the definition of a small business.

Administrative Rule Advisory Committee consulted?: DMAP will consult with the FQHCs and trade organization, Oregon Primary Care Association (OPCA) through a RAC before the rule is close to finalization or made permanent.

If not, why?:

	Judy Mohr Peterson	05/08/2013
Signature	Printed name	Date

410-147-0400 Compensation for Outstationed Outreach Activities

(1) This rule provides reasonable compensation for activities directly related to the receipt and initial processing of applications for individuals, including low-income pregnant women and children, to apply for Medicaid at outstation locations other than state offices.

(2) A federally qualified health center (FQHC) eligible in accordance with Oregon Administrative Rule (OAR) 410-120-0045 Applications for Medical Assistance at provider locations, will be eligible for compensation under this rule.

(3) "Initial processing" includes the following activities:

- (a) Taking applications;
- (b) Assisting applicants in completing the application;
- (c) Providing information as outlined in OAR 410-120-0045;
- (d) Obtaining required documentation to complete processing of the application;
- (e) Ensuring that the information contained on the application form is complete; and
- (f) Conducting any necessary interviews.

(4) "Initial processing" does not include evaluating the information contained on the application and the supporting documentation or making a determination of eligibility or ineligibility.

(5) At locations that are infrequently used by the designated low-income eligibility groups, the Division of Medical Assistance Programs (Division) may use the following resources:

- (a) Volunteers, provider or contractor employees; or
- (b) Its own eligibility staff, or
- (c) Telephone assistance by:

(A) The FQHC as outlined in section (128); or

(B) Prominently displaying a notice that includes the telephone number for the state OHP Application Center or the local branch office that applicants may call for assistance.

(6) Eligible FQHCs may be able to receive reasonable compensation for outreach activities performed by Outstationed Outreach Workers (OSOW) that is equal to 100% of direct costs.;

(7) Allowable direct cost expenses for OSOW reimbursement include:

(a) Travel expenses incurred by the FQHC for Division training on OSOW activities;

(b) Phone bills, if a dedicated line is used. Otherwise an estimate of telephone usage and resulting costs;

(c) OSOW personnel costs:

(A) Wages shall be the lesser of:

(i) Wages reported by the FQHC; or

(ii) Wages paid by the State of Oregon to an employee of the state providing enrollment assistance to individuals applying for OHP;

(iii) Wage reimbursement may not exceed the highest salary rate issued by the State of Oregon to a Human Services Specialist 2;

(B) Taxes;

(C) Fringe benefits provided to OSOW;

(D) Premiums paid by the FQHC for private health insurance.

(d) Reasonable costs for equipment necessary to perform outreach activities, which does include expenses for replacing equipment if the original equipment cost was reported on the cost statement when the clinic's initial PPS encounter rate was calculated;

(e) Rent or space costs only if 100% of facility costs were not reported on the cost statement when the clinic's initial PPS encounter rate was calculated;

(f) Reasonable office supplies necessary to perform outreach activities; and

(g) Postage.

(8) The Division may not include indirect costs in the OSOW reimbursement rate. Indirect costs include but are not limited to the following:

(a) Any costs included in the initial calculation of a clinic's PPS encounter rate;

(b) Contracted interpretation services;

(c) Administrative overhead costs;

(d) Supervision costs; and

(e) Operating expenses including utilities, building maintenance and repair, and janitorial services.

~~(a) The Division will calculate an OSOW rate based on reasonable direct costs described in section (11) of this rule, and reported by a clinic according to section (7) of this rule;~~

~~(b) The Division will add the OSOW to the clinic's current base medical Prospective Payment System (PPS) encounter rate.~~

~~(7) Changes to OSOW compensation applied to the PPS encounter rate:~~

~~(9a) Clinics must submit to the Division a cost statement for the preceding calendar fiscal year between no earlier than October 1, and no later than October 31, of each year for Division review and approval of the clinic's OSOW direct costs;~~

~~(10) If a clinic fails to submit the OSOW cost statement by October 31 of the required year, the clinic may not be eligible for reimbursement of OSOW costs as of January 1 for the following year.~~

~~(11b) Any change to the OSOW rate, based on the October cost statement submission, shall be effective January 1 of the following year;~~

~~(a) The Division shall make payment to the clinic for the reviewed and accepted OSOW costs in four equal installments at the beginning of each calendar quarter; January 1, April 1, July 1, and October 1.~~

~~(be) If the Division determines that the clinic's OSOW rate is inflated, the Division shall OSOW rate will be adjusted adjust the rate effective immediately.~~

~~(128) Clinic locations with limited operating hours, or that limit access to the general public during their regular operating hours must calculate the actual time an OSOW meets face-to-face with the general public for receipt and the initial processing of applications. For example, if a clinic employs an OSOW at a satellite school-based health center (SBHC), and the SBHC can only be accessed by the general public outside of the school's normal hours of operation, use the percent of time an OSOW is available to meet face-to-face with potential applicants when reporting compensation as outlined in section (11) (c) of this rule.~~

(a) Clinics must display a notice in a prominent place that advises potential applicants when an OSOW will be available;

(b) The notice must include a telephone number that applicants may call for assistance.

(139) For staff employed by a clinic and performing outreach activities at less than full time, the clinic must calculate the percentage of time spent performing OSOW services activities and maintain adequate documentation to support the percentage of time claimed. The percentage must be used to calculate personnel expenses incurred by an FQHC as ~~outlined in Section (10) (c) of this rule and~~ that are directly attributed to outreach activities performed by the employee. Outreach activities:

(a) May include assisting individuals with completing applications for other Department of Human Services (Department) and Authority-administered programs where eligibility is determined by staff at local branch offices;

(b) Does not include assisting individuals with applying for non-Department and non-Authority-administered programs.

(1410) A clinic ~~shall not~~ ~~is prohibited from~~ claiming reimbursement for costs associated with personnel positions where 100% of costs were included in the FQHC's Prospective Payment System (PPS) encounter rate calculation.;

~~(11) Direct cost expenses allowed for OSOW reimbursement:~~

~~(a) Travel expenses incurred by the FQHC for Division training on OSOW activities;~~

~~(b) Phone bills, if a dedicated line. Otherwise an estimate of telephone usage and resulting costs;~~

~~(c) Personnel costs for OSOWs:~~

~~(A) Wages will be the lesser of:~~

~~(i) Reported wages by the FQHC; or~~

~~(ii) Wages paid by the State of Oregon to an employee of the state providing enrollment assistance to clients applying for the Oregon Health Plan;~~

~~(B) Taxes;~~

~~(C) Fringe benefits provided to OSOW;~~

~~(D) Premiums paid by the FQHC for private health insurance.~~

~~(d) Reasonable equipment necessary to perform outreach activities. Do not include expenses for replacing equipment if the original cost of the equipment was reported on the cost statement when the clinic's initial PPS encounter rate was calculated;~~

~~(e) Rent or space costs. Do not include rent or space costs if 100% of facility costs were reported on the cost statement when the clinic's initial PPS encounter rate was calculated;~~

~~(f) Reasonable office supplies necessary to perform outreach activities; and~~

~~(g) Postage.~~

~~(12) The Division excludes indirect costs relating to OSOW activities from calculation of the OSOW rate. Excluded indirect costs include and are not limited to the following:~~

~~(a) Any costs included in the initial calculation of a clinic's Prospective Payment System (PPS) encounter rate;~~

~~(b) Contracted interpretation services;~~

~~(c) Administrative overhead costs;~~

~~(d) Supervision costs; and~~

~~(e) Operating expenses including utilities, building maintenance and repair, and janitorial services.~~

~~(15) A Public Health Department designated as an FQHC or a School Based Health Center (SBHC) within the scope of an FQHC designation cannot participate in the Medicaid Administrative Claiming (MAC) program.~~

~~(14) If a clinic fails to submit the OSOW budget by November 1 of the required year, a clinic may not be eligible for compensation of OSOW costs as of January 1 for the coming year.~~

Stat. Auth.: ORS 413.042 and 414.065

Stats. Implemented: ORS 414.065