

# Qualified Directed Payment (QDP) Overview

## Yamhill Community Care



### Background

Over the years there has been much conversation and advocacy regarding payment levels for behavioral health (mental health and substance use disorders) services. A variety of structural and funding level challenges complicated the ability for these increases to occur.

In 2022, the Oregon Health Authority (OHA) sought and received additional funds via House Bill 5202. The OHA submitted requests for authorization, to the Centers for Medicare and Medicaid Services (CMS), to implement changes in the Oregon Health Plan (OHP) Fee-for-Service Fee Schedule and to implement a new Qualified Directed Payment structure. These two approaches support increased payments for both Open Card Fee-For-Service payments and CCO payments. The two different structures are:

- **OHP Fee-for-Service Fee Schedule** (often referred to as DMAP rates): Changes to the OHP Fee-for-Service Fee Schedule is the vehicle being used to increase rates for services provided to Open Card members (OHP members who have not been assigned to a CCO). Providers who are paid based on DMAP rates will receive the new rates retroactive back to July 1, 2022 once OHA officially implements the new fee schedule. CMS has recently approved this request.
- **Qualified Directed Payments (QDP)**: In order to increase continuity of payment levels across CCOs, the OHA has added QDP requirements to each CCO's contract. This new language outlines four (4) different "tiers" for payment. As of the authoring of this document, CMS has not approved this request.

*What are Qualified Directed Payments (QDP):* Pursuant to 42 CFR 438.6 (c), CMS governs how states may direct Managed Care Plans' expenditures in connection with implementing delivery system and Provider payment initiatives under Medicaid Managed Care contracts. OHA refers to these payments as Qualified Directed Payments.

### Overview of Tiered Payments

Tier 1	Increase for treatment services for specific provider types
Tier 2	Integrated Co-Occurring Disorder (ICOD) services
Tier 3	Culturally and Linguistically Specific Services (CLSS)
Tier 4	Behavioral Health Oregon Medicaid fee-for-service (FFS)

**Tier 1:** An overall percentage increase for treatment services for specific Provider types.

Applies to Providers who meet one or more of the following service categories:

- Assertive Community Treatment (ACT)
- Supported Employment Services (SE)

- Outpatient Mental Health Treatment and Services (OPMH)
- Outpatient Substance Use Disorder Treatment and Services (OP SUD)

Payment rate will be calculated based on whether the Behavioral Health (BH) Participating Provider derives its BH revenue primarily from providing services to individuals enrolled in Oregon’s Medicaid and Children’s Health Insurance Program (CHIP) programs. A BH Participating Provider is regarded as “Primarily Medicaid” if it derived at least fifty percent (50%) of its revenue from providing Medicaid services in the prior Contract Year.

- *Primarily Medicaid Payment:* Qualified BH participating Providers payment will be a combination of their contracted service payment rate effective January 1, 2022 plus thirty percent (30%) of the contracted service payment rate effective January 1, 2022. For example: In 2022, a Provider was contracted to receive \$100 for Service X. In 2023, this Provider would receive \$130 dollars for Service X.
- *Non-Medicaid Primary Payment:* Qualified BH participating Providers payment will be a combination of their contracted service payment rate effective January 1, 2022 plus fifteen percent (15%) of the contracted service payment rate effective January 1, 2022. For example: In 2022, a Provider was contracted to receive \$100 for Service X. In 2023, this Provider would receive \$115 dollars for Service X.

In order to be eligible for payment at the “Primary Medicaid” rate, Qualified BH participating Providers must submit a completed attestation to verify Primarily Medicaid status. Attestation form can be found on the OHA website or may be requested from YCCO Provider Relations representatives once OHA has issued the forms. All Qualified BH participating Providers will default to the 15% basis, until such attestation has been received and verified. Payments on the 30% increase will be made effective as of January 1, 2023 or the beginning date of the current calendar quarter, whichever is later, following receipt of a validated attestation.

**Tier 2:** Integrated Co-Occurring Disorder (ICOD) Services payment increase is applicable for BH Participating Providers approved by OHA for provision of integrated treatment of Co-Occurring Disorders (ICOD) pursuant to OAR 309-019- 0145.

ICOD Providers will need to use the required claims modifiers to trigger Tier 2. Payment will be calculated as follows:

- For BH Participating Provider of non-residential services who are Qualified Mental Health Associates, Peers, or Substance Use Disorders Treatment Staff as defined in OAR 309-019-0105, the payment increase is equal to ten percent (10%) of the applicable Behavioral Health Oregon Medicaid fee-for-service (FFS) payment rate in effect on the date of service.
  - For example: A Provider’s 2023 contract stipulates that they will receive \$100 for Service X (including the Tier 1 %). An ICOD qualified QMHA practitioner provides Service X as part of an ICOD program. The Behavioral Health Oregon Medicaid fee-for-service (FFS) payment rate in effect on the date of service is \$80. Ten percent (10%) of the \$80 is \$8. The payment for Service X would be calculated as the contracted rate (\$100) plus the 10% addition (\$8) for a total payment for Service X of \$108.

# Qualified Directed Payment (QDP) Overview

## Yamhill Community Care



- For BH Participating Provider of non-residential services who are Qualified Mental Health Professionals, or Licensed Health Care Professionals or Mental Health Interns as defined in OAR 309-019-0105, the payment increase is equal to twenty percent (20%) of the applicable Behavioral Health Oregon Medicaid fee-for-service (FFS) payment rate in effect on the date of service.
  - For example: A Provider's 2023 contract stipulates that they will receive \$100 for Service X (including the Tier 1 %). An ICOD qualified QMHP practitioner provides Service X as part of an ICOD program. The Behavioral Health Oregon Medicaid fee-for-service (FFS) payment rate in effect on the date of service is \$80. Twenty percent (20%) of the \$80 is \$16. The payment for Service X would be calculated as the contracted rate (\$100) plus the 20% addition (\$16) for a total payment for Service X of \$116.
- For BH Participating Provider of Substance Use Disorders (SUD) residential services, the payment increase is equal to fifteen percent (15%) of the applicable Behavioral Health Oregon Medicaid fee-for-service (FFS) payment rate in effect on the date of service.
  - For example: An ICOD Residential Provider's 2023 contract stipulates that they will receive \$100 for Service X. An ICOD qualified practitioner provides Service X as part of an ICOD residential program. The Behavioral Health Oregon Medicaid fee-for-service (FFS) payment rate in effect on the date of service is \$80. Fifteen percent (15%) of the \$80 is \$12. The payment for Service X would be calculated as the contracted rate (\$100) plus the 15% addition (\$12) for a total payment for Service X of \$112.

Payments for this Tier will be made effective as of January 1, 2023 or the beginning date of the current calendar quarter, whichever is later, following confirmation of OHA documented approval as a ICOD provider.

**Tier 3:** Culturally and Linguistically Specific Services (CLSS) QDP is applicable for BH Participating Provider who meet OHA established criteria for delivery of CLSS.

Payment level will vary based on whether the provider is designated as Non-rural or Rural as defined in OAR Chapter 309, Division 65. YCCO is awaiting clarification regarding the criteria for rural and non-rural.

Payment will be calculated as follows:

- Non-Rural BH Participating Provider will be paid an additional amount equal to 22% of the applicable Behavioral Health Oregon Medicaid fee-for-service (FFS) payment rate that is in effect on the date of the CLSS eligible service.
  - For example: A Provider's 2023 contract stipulates that they will receive \$100 for Service X (including the Tier 1 %). An CLSS qualified practitioner provides Service X in a language other than English (or a qualified interpreter is used). The Behavioral Health Oregon Medicaid fee-for-service (FFS) payment rate in effect on the date of service is \$80. Twenty-two percent (22%) of the \$80 is \$17.60. The payment for Service X would

be calculated as the contracted rate (\$100) plus the 22% addition (\$17.60) for a total payment for Service X of \$117.60.

- Rural BH Participating Provider will be paid an additional amount equal to 27% of the applicable Behavioral Health Oregon Medicaid fee-for-service (FFS) payment rate that is in effect on the date of the CLSS eligible service.
  - For example: A Provider's 2023 contract stipulates that they will receive \$100 for Service X (including the Tier 1 %). An CLSS qualified practitioner provides Service X in a language other than English (or a qualified interpreter is used). The Behavioral Health Oregon Medicaid fee-for-service (FFS) payment rate in effect on the date of service is \$80. Twenty-seven percent (27%) of the \$80 is \$21.60. The payment for Service X would be calculated as the contracted rate (\$100) plus the 27% addition (\$21.60) for a total payment for Service X of \$121.60.

Payments for this Tier will be made effective as of January 1, 2023 or the beginning date of the current calendar quarter, whichever is later, following confirmation of OHA certification as a CLSS provider. Provider is responsible for submitting claims for CLSS eligible services with required payment related modifier. Specific information regarding which modifier will be required has not been released yet. This information will be updated once this information is known.

**Tier 4:** Eligible Providers will be paid at no less than the applicable Behavioral Health Oregon Medicaid fee-for-service (FFS) payment rate in effect on the date of service.

Applicable for:

- BH Providers of SUD residential services
- Applied Behavior Analysis (ABA)
- Wraparound

Example of payment: An eligible Provider delivers Service X. The Behavioral Health Oregon Medicaid fee-for-service (FFS) payment rate in effect on the date of service is \$80. A CCO must pay at least \$80.

### **How does it work when more than one Tier is applicable?**

Some providers will qualify for more than one Tier payment. For example: A Provider qualifies for 30% increase for Tier 1. This provider is an ICOD provider. Service X is an ICOD service provided by an ICOD QMHA. The Provider/Practitioner is certified as a CLSS provider, and the service is provided in Spanish. The calculation would break down in the following manner:

- The Provider's 2023 contract stipulates that they will receive \$100 for Service X which includes the Tier 1 30% increase.
- The ICOD Provider is a QMHA. The Behavioral Health Oregon Medicaid fee-for-service (FFS) payment rate in effect on the date of service is \$80. Ten percent (10%) of the \$80 is \$8.
- The CLSS eligible service was provided by a provider who is categorized as "rural." The Behavioral Health Oregon Medicaid fee-for-service (FFS) payment rate in effect on the date of service is \$80. Twenty-seven percent (27%) of the \$80 is \$21.60.
- The total payment for Service X is:  $\$100 + \$8 + \$21.60 = \$129.60$