



BOARD OF COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: February 28, 2022

SUBJECT: Consideration of Board approval and Board signature of Document #2022-209, Amendment #2 to the 2021 PacificSource Coordinated Care Organization contract.

RECOMMENDED MOTION:

Move approval and Board signature of Document #2022-209, Amendment #2 to the 2021 PacificSource Coordinated Care Organization contract.

BACKGROUND AND POLICY IMPLICATIONS:

PacificSource Community Solutions, Inc. (PSCS) contracts with Deschutes County Health Services, as a Community Mental Health Program (CMHP), to provide treatment to Oregon Health Plan (OHP) members for mental health, mental illness, addiction disorders and substance use disorders. Deschutes County Health Services is paid on a monthly capitation basis. PacificSource withholds 8% of the Fee for Service portion of the contract as an incentive payment for meeting performance measures.

This Amendment 2 increases the overall revenue from the Coordinated Care Organization (CCO) contract for County Mental Health Program (CMHP) services by roughly 5%. Specifically, it represents a 1.9% increase in the Capitation and Program Allocation per member per month (PMPM) amounts, increasing projected annual capitation revenue by approximately \$213,000. In addition, the amendment adds a \$0.70 PMPM earmarked for Stabilization Center services generating an estimated \$504,000 annually, bringing the total increase in the contract to approximately \$717,000. The estimated calendar year total for this contract is revised to \$14,575,849.

The amendment also reflects hospital capitation withhold and provider withhold metrics developed in coordination with regional health partners and the CMHPs and carried forward from calendar year 2021 with minor adjustments in targets to account for pandemic impacts. All other terms remain consistent with the 2021 contract year.

BUDGET IMPACTS:

The impact of amendment 2 is an increase in revenue of approximately \$717,000.

ATTENDANCE:

Janice Garceau, Deputy Director

Cheryl Smallman, Business Officer