

Oregon Health Plan

Development of Maternity Case Rates

Background

- Beginning with capitation rates effective October 1, 2003, maternity services have been carved out of the capitation rates and paid on a case rate basis
- The case rate covers prenatal care, professional services related to pregnancy and delivery, and hospital services arising from the delivery
- DHS staff determined the criteria used for identifying completed pregnancies for which a case payment is made
- Payment is made to the plan upon completion of the pregnancy

Calculations

- Based on the DHS criteria, PwC identifies completed pregnancies in the FCHP encounter data underlying the capitation rates
- The completed pregnancy counts are converted into a frequency rate based on the population underlying the capitation rates
- The biennial per capita costs are trended to the midpoint of the contract period
- The per capita value of maternity services is divided by the completed pregnancy frequency to derive the maternity case rate
- The capitation rate is accordingly reduced for the per capita cost redirected to the maternity case rate. The estimated value of sterilization services provided in conjunction with a delivery remains in the capitation rates.
- An administration allowance, consistent with that used in the capitation rates, is added to the maternity case rate
- Plan-specific maternity case rates are developed by applying geographic adjustments to the inpatient and outpatient hospital components of the maternity case rate

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Development of January 2007 Maternity Case Rates

Eligibility Category	July 2001 - June 2003 Encounter Data			January 2007 Statewide Per Capita Cost				
	Member Months	Delivery Counts	Cases per 1000	IP Hosp-Maternity	IP Hosp-Maternity/ Sterilization	OP Hosp-Maternity	Phys-Maternity	Total Maternity
ABAD	530,545	339	7.7	\$ 1.63	\$ 0.21	\$ 0.54	\$ 1.53	\$ 3.91
CHILDREN 06-18	1,503,486	894	7.1	\$ 1.36	\$ 0.00	\$ 0.38	\$ 1.45	\$ 3.20
PLMA	115,746	10,721	1,111.5	\$ 286.69	\$ 20.62	\$ 45.51	\$ 263.50	\$ 616.32
SCF	169,044	38	2.7	\$ 0.80	\$ -	\$ 0.21	\$ 0.65	\$ 1.65
TANF	479,936	5,454	136.4	\$ 27.11	\$ 3.56	\$ 5.11	\$ 25.53	\$ 61.31
Total	2,798,757	17,446	74.8	\$ 17.59	\$ 1.50	\$ 3.08	\$ 16.38	\$ 38.56

Eligibility Category	Maternity Service Percentages				Cost per Case (excluding administration allowance)				
	IP Hosp-Maternity	IP Hosp-Maternity/ Sterilization	OP Hosp-Maternity	Phys-Maternity	IP Hosp-Maternity	IP Hosp-Maternity/ Sterilization	OP Hosp-Maternity	Phys-Maternity	Total
ABAD	100%	63%	100%	100%	\$ 2,551.65	\$ 206.40	\$ 840.68	\$ 2,399.10	\$ 5,997.83
CHILDREN 06-18	100%	63%	100%	100%	\$ 2,287.14	\$ 1.89	\$ 646.95	\$ 2,442.78	\$ 5,378.76
PLMA	100%	63%	100%	100%	\$ 3,095.15	\$ 141.20	\$ 491.33	\$ 2,844.75	\$ 6,572.43
SCF	100%	63%	100%	100%	\$ 3,541.48	\$ -	\$ 940.09	\$ 2,872.54	\$ 7,354.12
TANF	100%	63%	100%	100%	\$ 2,385.32	\$ 198.95	\$ 449.95	\$ 2,246.42	\$ 5,280.65
Total					\$ 2,822.25	\$ 153.07	\$ 494.14	\$ 2,628.50	\$ 6,097.96