To request translation or disability-related accommodations, please contact us at **bcc@clackamas.us** | **503-655-8581**.

Si quiere solicitar servicios de traducción o adaptaciones para la discapacidad, contáctenos en/al **bcc@clackamas.us** | **503-655-8581**.

Чтобы запросить перевод или приспособления, связанные с инвалидностью, пожалуйста, свяжитесь с нами по: **bcc@clackamas.us** | **503-655-8581**.

Щоб попросити переклад або спеціальні послуги для осіб з особливими потребами, зверніться до нас, скориставшись такими контактними даними: **bcc@clackamas.us** | **503-655-8581**.

如需翻译服务或残障相关的协助，请与我们联系：**bcc@clackamas.us** | **503-655-8581**。

Để yêu cầu dịch vụ dịch thuật hoặc điều chỉnh liên quan đến tình trạng khuyết tật, vui lòng liên hệ với chúng tôi qua **bcc@clackamas.us** | **503-655-8581.**

Clackamas County

www.clackamas.us

Health, Housing & Human Services
CLACKAMAS COUNTY

Mary Rumbaugh
Director

December 3, 2026 BCC Agenda Item: _____

Board of County Comissioners
Clackamas County

Approval of a Revenue Agreement with CareOregon, Inc. for the Primary Care Payment Model Program. Total estimated value is $1,000,000 for 1 Year. Funding is through CareOregon, Inc. No County General Funds are involved.

Previous Board Action/Review: 2025 Agreement September 4, 2025, Agenda Item IV.H.3;
FY23-24 Agreement July 20, 2023, Agenda Item II.C.5;
FY22-23 Agreement June 9, 2022, Agenda Item II.D.11;
FY21-22 Agreement June 24, 2021, Agenda Item A.10
Performance Clackamas: Healthy People
Counsel Review: Yes-Andrew Naylor **Procurement Review:** N/A
Contact Person: Sarah Jacobson **Contact Phone:** 503-742-5303

EXECUTIVE SUMMARY: The Health Centers Division of Health, Housing, and Human Services Department requests approval of a Revenue Agreement with CareOregon, Inc. The purpose of this agreement is to receive revenue through the Primary Care Payment Model Program. The Health Centers Division is eligible to receive a per member per month (PMPM) value-based payment based on level of achievement in Clinical Quality metrics. The clinics participating in this program are Beavercreek, Gladstone, Sunnyside, and Sandy.

The Primary Care Payment Model program supports primary care transformation by facilitating knowledge of and accountability for: engaging assigned populations in a timely and clinically appropriate manner, reduction of health disparities, integration of oral, behavioral, and primary health care, and active contributions to reducing the total cost of care. The clinical metrics of this program include childhood immunizations, diabetes control, postpartum care, well child visits, screening for depression and follow up, and meaningful language access.

Under this value-based payment agreement, Health Centers has received significant revenue: FY20-21: $1.39 million, FY21-22: $1.43 million, FY22-23: $1.50 million, FY23-24: $1.73 million, FY24-25: $1.94 million, FY25-26: $1.08 million

RECOMMENDATION: Staff respectfully request the Board of County Commissioners approve this Agreement (#12774) and authorize Chair Roberts or his designee to sign on behalf of Clackamas County.

Respectfully submitted,

Mary Rumbaugh
Mary Rumbaugh
Health, Housing & Human Services

For Filing Use Only

CareOregon, Inc.

Healthcare Services Contract

Primary Care Payment Model

This Healthcare Services Contract (HSC) is between CareOregon, Inc. (CareOregon) and County of Clackamas, Oregon (Provider), to enable Provider's participation in the Primary Care Payment Model (PCPM) Program (PCPM Program). For purposes of this HSC, CareOregon, and Provider shall each be referred to individually as a "Party" and collectively as the "Parties".

RECITALS

A. CareOregon, Inc. is a Subcontractor of Health Share of Oregon ("Health Share"), a certified Coordinated Care Organization. Although CareOregon, Inc is not a certified Coordinated Care Organization, for administrative simplicity, CareOregon will be referred to as "CCO" for purposes of this Contract;

B. Health Share has entered into a Health Plan Services Contract, Coordinated Care Organizations Contract, Non-Medicaid Health Plan Services Contract, and Oregon Health Plan Bridge – Basic Health Services Program Health Plan Services Contract, intentionally referred to in the singular as the "CCO Contract", with the State of Oregon, acting by and through its Oregon Health Authority ("OHA");

C. CCO, as a Subcontractor of Health Share, provides major health plan functions for Health Share, as contracted for in the CCO Contract, for Health Share members enrolled in the Oregon Health Plan ("OHP");

D. CCO and Provider entered into an Agreement ("Provider Agreement") whereby Provider has been providing and continues to provide services to CCO members. As stipulated in the Provider Agreement, Provider is subject to all the laws, rules, regulations, and contractual obligations governing the provision of care to CCO Members.

E. Through this Agreement, CCO and Provider endeavor to improve the health of its Member community through efforts focused on outpatient preventive services, quality focused reimbursement models, and the provision of additional financial support to participating providers.

Now, therefore, in consideration of the mutual promises herein, the Parties agree as follows:

AGREEMENT

I. Administration/Interpretation of HSC.

The Parties agree and understand that the foregoing Recitals, and Exhibit A through Exhibit B to this HSC are incorporated herein by reference with the same force and effect as if fully set forth in this HSC.

The Parties further agree and understand that the Provider is participating in the PCPM Program as outlined in the Primary Care Payment Model Program Guide as amended from time to time, which is incorporated herein by reference, with the same force and effect as though fully set forth herein.

The Parties agree and understand that this HSC is supplemental to the Provider Agreement and that the applicable provisions of the Provider Agreement are incorporated by reference into this HSC. Nothing in this HSC may be construed to waive any of the obligations or other commitments Provider has made pursuant to the Provider Agreement. Thus, the Parties acknowledge and agree that this HSC is subject to the terms and conditions of the Provider Agreement and all applicable Policies. Notwithstanding the foregoing and to the extent that the Provider Agreement and this HSC include provisions that are applicable, all Policies shall be consistent with the Provider Agreement.

For purposes of this HSC, any capitalized words not otherwise defined in this HSC shall have the meaning set forth in the Provider Agreement.

II. Term and Termination

A. **Term.** This HSC is effective as of **January 1, 2027** (Effective Date) and shall remain in effect through **December 31, 2027** (Termination Date) unless sooner terminated as stipulated for herein.

B. **Termination**. Other than as modified and expressly stated immediately below, the Termination provisions found in the Provider Agreement will remain as described therein.

i. Either Party may terminate this HSC with or without cause upon providing 30 days written notice to the other Party.

ii. Either Party may, in its sole discretion, may terminate this HSC immediately for any of the following reasons:
   a. an employee, agent, contractor, or representative of either Party actively participating in performing the responsibilities hereunder has violated any applicable laws, rules, or regulations;
   b. fraud, dishonesty, substance abuse, or personal conduct of an employee, agent, contractor, or representative of either Party which may harm the business and/or reputation of either Party;
   c. inability to perform the responsibilities hereunder or incompetence demonstrated in performance of responsibilities under this HSC; or,
   d. the termination of the Provider Agreement.

iii. The Party initiating the termination, under any circumstance, shall render written Legal Notice of termination to the other Party and must specify the Termination provision giving the right to termination, the circumstances giving rise to termination, and the date on which such termination will become effective.

iv. Upon Termination under any circumstance, funding will cease immediately, any payments not yet made by CCO to Provider shall not be made, and any remaining balance of payment disbursed in advance under this HSC that has not been used for, or committed to, this Program shall be promptly returned to CCO prorated from the date of termination to the end of the Term of this HSC.

v. Should (i) OHA reduce, suspend, delay, discontinue, or recoup Quality Pool funding; (ii) CCO reasonably determine that available Quality Pool reserves are insufficient to support continued PCPM Program payments; or (iii) continued PCPM Program funding would create financial, regulatory, or operational risk to CCO, CCO may in its sole

discretion immediately modify, suspend, reduce, or terminate payments under this HSC and/or terminate this HSC upon written notice to Provider, without liability for any unpaid future amounts.

III. Description of PCPM Program; Incentive Payment Components, and Reporting Requirements.

Provider agrees to assume the duties, obligations, rights, and privileges applicable to participating in the PCPM Program pursuant to the designated exhibits, parts, and sections of this HSC.

A. **Description of the PCPM Program.** Provider agrees to participate in the Primary Care Payment Model Program (PCPM Program) with the description and obligations as further stipulated in the 2027 PCPM Program Guide_Metro.

i. **Payment Components.** CCO agrees to make payments to Provider based on the terms specified in Exhibit B of this HSC. CCO may revise, suspend, reduce, withhold, or discontinue PCPM Program payments and payment methodologies at any time upon notice to Provider if required by changes in available funding, regulatory requirements, program design, data integrity concerns, Provider non-compliance, or other business considerations.

B. Reporting Requirements and Audit Rights. From time to time, CCO may request certain information or the submission of certain reports concerning various aspects of this HSC including but not limited to any progress made towards any identified targets, compliance with the terms of this HSC, number of members served, etc. At the reasonable request of CCO, and subject to any limitations under applicable law, Provider shall provide such information or submit such reports and shall make its personnel available to discuss expenditures, records, the progress of PCPM Program or other topics related to this HSC. CCO shall provide reasonable notice along with detailed instructions on any material requested from the Provider, should any such request be made. Provider represents and warrants that all data, reports, attestations, and information submitted in connection with the PCPM Program shall be complete, accurate, and truthful. Payments based upon inaccurate or incomplete information shall be subject to recoupment.

IV. Representations and Warranties.

A. **General Warranty**. Provider represents and warrants that Provider, its agents, and its representatives possess the knowledge, skill, experience and valid licensure necessary to perform the services contemplated under this HSC and will perform such services in a timely manner and with the maximum reasonable degree of quality, care, and attention to detail.

B. Provider expressly represents and warrants to CCO that Provider is eligible to participate in and receive payment pursuant to this HSC. In so doing, Provider certifies by entering into this HSC that neither it nor its employees, agents, and representatives are: (1) placed on the Tier Monitoring System by CCO's Peer Review Committee; (2) have documented material contract, quality, compliance, credentialing, operational, or performance issues, as determined by CCO in its discretion; or (3) are presently declared ineligible or voluntarily excluded from entering into this HSC by any federal or state department or agency. Additionally, Provider shall continuously satisfy all PCPM Program eligibility criteria throughout the term of this HSC. Failure to maintain eligibility may result in suspension or termination of participation and repayment of amounts previously paid.

V. General Provisions.

To the extent applicable and only as related to the services contemplated under this HSC, the provisions below supplement the relevant sections in the Provider Agreement.

A. Provider understands and agrees that Provider is not eligible to participate in or receive funding from CCO if Provider is placed on the Tier Monitoring System by CCO's Peer Review Committee or has documented contract and/or compliance issues. Should it be determined that Provider was ineligible to receive payments from CCO pursuant to this HSC, Provider expressly agrees to promptly repay all such payments disbursed to it under this HSC and all funding associated with this HSC will be discontinued until Provider is removed from the CCO Tier Monitoring System or has resolved compliance issue(s) to CCO's satisfaction. Any discontinued funding that has been withheld will not be disbursed.

B. Provider authorizes CCO to withhold or deduct from amounts that may otherwise be due and payable to Provider under this HSC any

outstanding amounts that Provider may owe CCO for any reason, including but not limited to overpayments made by CCO under the Provider Agreement, in accordance with CCO's recoupment policy and procedure.

C. **Force Majeure**. Neither Party shall be deemed in default of this HSC to the extent that any delay or failure in the performance of its obligations results from any cause beyond its reasonable control and without its negligence provided such Party gives notice to the other Party, as soon as reasonably practicable, specifying the nature and the expected duration thereof. Failure of a Party to give notice shall not prevent such Party from relying on this Section except to the extent that the other Party has been prejudiced thereby. Notwithstanding the foregoing, any dates and obligations specified in this HSC shall be subject to change at CCO's discretion, without liability on either Party.

D. **Amendments and Waivers**. No amendment, modification, assignment, discharge, or waiver of this HSC shall be valid or binding without prior written consent (which shall not be unreasonably withheld) of the Party against whom enforcement of the amendment, modification, assignment, discharge or waiver is sought. A waiver or discharge of any of the terms and conditions hereof shall not be construed as a waiver or discharge of any other terms and conditions hereof.

E. **Confidentiality and Marketing.**

   i. Provider agrees to uphold all confidentiality provisions of the Provider Agreement and this HSC, and specifically to safeguard all confidential information including the health information of Members as it applies to all activities related to this HSC.

   ii. Both Parties agree that this HSC and all negotiations and related documentation will remain confidential and that no press, news releases, or other publicity release or communication to the general public concerning the obligations contemplated herein will be issued without providing a written copy of the communication to the other Party and receiving the other Party's prior written approval, unless applicable law requires such disclosure. In addition, both Parties agree that they must obtain written permission prior to using the other Party's name, trade name, image, symbol, design, or

trademark in any marketing, advertising, or promotional campaign in any medium or manner. Email approval by CCO or the Provider Contact specified herein will suffice as written approval. Nothing in this Section shall be construed to limit or interfere with either Party's obligations under applicable public records, public meetings, or other access-to-information laws. A Party's good-faith disclosure of information in compliance with such laws shall not constitute a breach of this Section.

iii. **HIPAA and HITECH.** Notwithstanding anything to the contrary, both Parties agree to implement and maintain systems that protect PHI, as required by HIPAA, HITECH, the Provider Agreement, and the Business Associate Agreement, if applicable.

F. **Insurance**. Provider and CCO each agree to maintain, at all times during this HSC and at their own cost and expense, commercial general liability insurance, professional liability insurance, and workers' compensation insurance coverage in amounts standard to its industry. If the Oregon Tort Claims Act is applicable to either CCO or the Provider, this section is modified by its terms.

G. **Indemnity; Defense**. Each Party hereby agrees to defend, indemnify and hold harmless the other Party, its officers, directors, and employees from and against third Party claims, loss, liability, expense (including reasonable attorney's fees), judgements or settlement contribution arising from injury to person or property, arising from negligent act or omission on its part or its officers, directors, volunteers, agents, or employees in connection with or arising out of: (a) services performed under this HSC, or (b) any breach or default in performance of any such Party's obligations in this HSC including, without limitation, any breach of any warranty or representation. Additionally, and for the avoidance of confusion, Provider shall indemnify and hold harmless CCO from any governmental recoupment, penalty, assessment, repayment obligation, audit finding, or regulatory action arising from Provider's acts or omissions that cause it fail to comply with Program requirements. In the event that either Party, its officers, directors, or employees are made a Party to any action or proceeding related to this HSC then the indemnifying Party, upon notice from such Party, shall defend such action or proceeding on behalf of such Party at the indemnifying Party's

sole cost and expense. Each Party shall have the right to designate its own counsel if it reasonably believes the other Party's counsel is not representing the indemnified Party's best interest. Provider's indemnification duties under this HSC shall be at all times limited by the applicable limits provided in the Oregon Tort Claims Act and the Oregon Constitution. This indemnity shall not be limited by reason of any insurance coverage required under this HSC and shall survive termination of this HSC.

H. **Compliance and Licensure**. Provider and CCO shall, at all times during the term of this HSC comply with all applicable federal, state and local laws, rules and regulations, and shall maintain in force any licenses and obtain applicable permits and consents required for performance of services under this HSC; the Parties shall provide to each other copies of such applicable current valid licenses and/or permits upon request. The Parties represent and warrant that, to the best of their knowledge, officers, directors, employees, subcontractors, agents and other representatives are not excluded from participating in any federal health care programs, as defined under 42 U.S.C. 1320-a7b (f), and to their knowledge, there are no pending or threatened governmental investigations that may lead to such exclusion. Each Party agrees to notify the other of the commencement of any such exclusion or investigation with seven (7) business days of first learning of it. The Parties represent that they and their employees are not excluded from Federal healthcare programs and are not included in the Office of Inspector General (OIG) and General Services Administration (GSA) exclusion lists. Additionally, if an employee is identified to be on such lists, that employee will immediately be removed from any work related directly or indirectly to this HSC. The Parties shall have the right to immediately unilaterally terminate this HSC upon learning of any such exclusion and shall keep each other apprised of the status of any such investigation.

I. **Relationship of the Parties**. CCO and Provider are independent entities. No provision of this HSC or the Provider Agreement is intended to create nor shall be construed to create an employment, agency, joint venture, partnership or any other business or corporate relationship between the Parties other than that of independent entities.

J. **No Third-Party Benefit.** This HSC shall not create any rights in any third parties who have not entered into this HSC, nor shall this HSC entitle any such third Party to enforce any rights or obligation that may be possessed by such third Party.

K. **Assignment or Delegation**. Except as otherwise specifically provided for herein, the Parties shall not assign or delegate any or all of their rights or responsibilities under this HSC without the prior written consent of the other Party.

L. Governing Law. This HSC, and all rights, obligations, and disputes arising out of it, shall be governed and construed in accordance with the laws of the State of Oregon and the ordinances of Clackamas County without regard to principles of conflicts of law. Any claim, action, or suit between CCO and Provider that arises out of or relates to the performance of this HSC shall be brought and conducted solely and exclusively within the Circuit Court for Clackamas County, for the State of Oregon. Provided, however, that if any such claim, action, or suit may be brought in a federal forum, it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. In no event shall this section be construed as a waiver by the Provider of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the Eleventh Amendment to the Constitution of the United States or otherwise, from any claim or from the jurisdiction of any court. CCO, by execution of this HSC, hereby consents to the personal jurisdiction of the courts referenced in this section.

M. No Attorney Fees. In the event any arbitration, action or proceeding, including any bankruptcy proceeding, is instituted to enforce any term of this HSC, each party shall be responsible for its own attorneys' fees and expenses.

N. Debt Limitation. County's obligations under this Agreement are subject to the limitations of the Oregon Constitution. Nothing in this Agreement expands or limits the rights, defenses, immunities, or liabilities of the parties under the Oregon Tort Claims Act except as provided by applicable law. To the extent any provision of this Agreement conflicts with applicable law, the provision shall be construed and enforced in a manner consistent with such law.

Agreed to on behalf of County of Clackamas, Oregon:

_____

Signature

Name: _____

Title: _____

Date: _____

Agreed to on behalf of CareOregon, Inc.:

_____

Signature

Name: Dee Cruz

Title: Chief Finance and Strategy Officer

Date: _____

Exhibit A
Description of PCPM Program Components

For the period of this HSC, the following participating clinics are eligible to receive a per member per month (PMPM) incentive payment,

All PMPM payments will be calculated using CCO membership as of the 5th of each calendar month, where membership is defined as members who are assigned to participating clinics that have primary health plan coverage of CCO Oregon Health Plan and members who are assigned secondary health plan coverage of CCO Oregon Health Plan with primary health plan coverage of CCO Medicare Advantage.

For performance evaluation, data submission, and measure specific reporting requirements, please refer to the 2027 PCPM Program Guide_Metro. Provider acknowledges and agrees that CCO may unilaterally amend the PCPM Program Guide from time to time in its sole discretion to comply with regulatory requirements, funding changes, operational needs, or program objectives. Provider's continued participation in the PCPM Program constitutes acceptance of such amendments.

B. QUALITY INCENTIVE REPORTING TERMS

1. If CCO is unable to obtain data for any measure indicated as "EHR/eCQM", Clinics agree to submit member level or aggregate performance data for the Electronic Health Record (EHR)/Electronic Clinical Quality Measure (eCQM). Clinics for which this data is already provided to CCO are not required to submit a duplicate data set.

2. Provider agrees that requests to change clinical quality measures in this HSC will not be granted.

3. Provider agrees that requests to change clinical quality measure specifications in this HSC will not be granted.

4. Provider agrees that any data changes will occur at the administrative data source (e.g., claims or member assignment). Provider agrees that requests to change measure performance in this HSC will not be granted.

5. Participating clinics agree to data submission as further outlined in the 2027 PCPM Program Guide_Metro.

Exhibit B
Payment Terms and Other Conditions of Participation

A. Conditions of Payment:

1. CCO agrees to pay participating clinics a monthly PMPM incentive payment, provided this HSC is fully executed, according to the following timelines:
    a. If this HSC is executed **prior to December 1, 2026**, PMPM will commence on the HSC effective date.
    b. If this HSC is executed **after December 1, 2026**, CCO will advise Provider when the first payment processing month can occur due to system requirements.
    c. Due to system processing requirements at CCO, no retroactive payments will be remitted to Provider due to late HSC execution.
    d. Measure improvement targets will not be adjusted based on the timing of HSC execution.

2. CCO shall deliver the PMPM payments to the same location that fee for service claims payments are paid unless Provider has requested CCO to use an alternate bank for the PMPM payments.

3. EFT/Remittance Advice. If Provider is able to accept payments and remittance advice electronically, CCO will provide the appropriate forms to Provider for requesting PMPM payments be directly deposited to their designated bank account using Electronic Fund Transfers (EFT). Provider shall promptly complete and return the forms to CCO for receiving payments via EFT.

4. Providers participating in an Alternative Payment Model (APM) program at the time of HSC execution will continue to receive APM payments in the same manner and/or bank location unless revised instructions are provided to CCO.

5. CCO will not adjust prior PMPM payments due to membership assignment revisions.

6. CCO may suspend payments to participating clinics that cease to meet eligibility requirements. CCO may subsequently resume payments upon notification of eligibility fulfillment during the HSC period. Provider is encouraged to contact CCO to discuss circumstances in cases where unusual, unforeseen, or extenuating situations exist that inhibit Provider from meeting program requirements.

B. Payment Levels

Initial clinic PMPM payment levels at the time of HSC Execution for participating clinics will be their existing 2026 PMPM rate as listed below. This initial PMPM payment level will be effective from January 1, 2027, through June 30, 2027.

Clinic Name	Clinic Risk Score	PMPM
Beavercreek	2	$4.89
Gladstone Clinic	2	$9.78
Sunnyside Clinic	2	$9.78
Sandy Health Clinic	2	$9.78

Final determination of 2026 Program Performance will occur by May 31, 2027. PMPM payment levels shall be adjusted, effective July 1, 2027, based on clinic system's final performance on the 2026 PCPM measures.

For clinics who are newly participating in the PCPM Program through this Agreement:

If CCO has sufficient historical 2026 performance data to establish a PMPM based on that data, the 2027 PMPM will be set accordingly, based on clinic risk score. If sufficient data is not available, the 2027 PMPM will be set at the midpoint of the potential payment range, based on clinic risk score.

C. Other Conditions of Program Participation:

1. All participating clinics must be recognized by CCO as a primary care provider in order to qualify for payment under the PCPM Program. In the event that a clinic is pending recognition, no payment will be due until such recognition is finalized, at the sole discretion of CCO.

2. To ensure appropriate payment of funds under this HSC, Provider will ensure clinic-specific billing for each participating clinic. Clinic-specific billing requires claims submission using professional claims forms (CMS-1500 or 837P) with a clinic-specific National Provider Identifier (NPI) submitted as the billing provider (CMS-1500 item 33a or 837 loop ID 2010AA).

3. If the State of Oregon or the contracted Coordinated Care Organization changes the requirements for Patient Centered Primary Care Home (PCPCH) Supplemental Payment, this HSC will be re-evaluated.

4. Provider agrees to notify CCO at PaymentModel@careoregon.org and MetroPRS@careoregon.org within thirty (30) days of any changes that may affect any participating clinic's ability to maintain any of the eligibility requirements of the PCPM program.

5. Provider agrees that payments received will be used to support the appropriate participating clinic(s) located in the CCO service area.

6. This HSC may be amended by CCO upon written notice to Provider to reflect immaterial programmatic changes to the CCO PCPM program. Any other changes to this HSC can only be amended by a written agreement signed by the Parties hereto.

7. Provider agrees to work with CCO to coordinate activities with CCO for each deliverable and task as required in the 2027 PCPM Program Guide_Metro.