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**Date:** June 21, 2022

**To:** Coordinated Care Organizations  
Dental Care Organizations

**From:** Dave Inbody, CCO Operations Manager

**Subject:** Applicability of Insurance Code to DCOs

This communication is in response to an inquiry from a dental care organization (DCO) representative regarding the applicability of the Insurance Code to DCOs. The Insurance Code is comprised of multiple chapters in the Oregon Revised Statutes (ORS), which are itemized in ORS [731.004](#), and is administered by the Oregon Department of Consumer & Business Services (DCBS). Specifically, the DCO representative asked whether work performed by a DCO as a Subcontractor (as defined in OAR [410-141-3500](#)) of a coordinated care organization (CCO) is exempt from the Insurance Code.

The Oregon Health Authority (OHA) has in the past communicated to CCOs that work under their Medicaid managed care contracts – and by extension, their associated non-Medicaid managed care contracts – with OHA is exempt from the Insurance Code, based on ORS [414.591\(9\)](#). Although this statute as currently written applies to CCOs, when originally enacted it applied to various types of prepaid managed care health services contracts between OHA and contractors that include DCOs.

OHA has consulted with DCBS on the applicability of the Insurance Code to DCOs. OHA and DCBS concur that a DCO is not subject to the Insurance Code for work performed under a Subcontract with a CCO provided that the work is directly related to the CCO's Medicaid or non-Medicaid managed care contract, or both, with OHA. Additionally, a DCO continues to be exempt from the Insurance Code when performing work under its direct Medicaid managed care contract with OHA.

### Questions?

If you have general questions about this communication, please contact Cheryl Henning, CCO Contracts Administrator and Interim DCO Contracts Administrator, at [Cheryl.L.Henning@dhsosha.state.or.us](mailto:Cheryl.L.Henning@dhsosha.state.or.us).

Thank you for your continued support of the Oregon Health Plan (OHP) and the services you provide to OHP members.