



Provider Reimbursement Notice
SHOPP Update

OHCA PRN 2024-02

April 16, 2024

Dear Hospital Administrators,

SHOPP Update

A reminder of a few key elements of the new SHOPP directed payment arrangement:

- **Program Year:** The first program year will span the initial 15-month managed care contract period, from April 1, 2024, to June 30, 2025.
- **Funding Pool:** The dollar amount of the funding pool is \$1,262,703,035.
- **Initial Payment:** The Oklahoma Health Care Authority is using \$25 million remaining from Senate Bill 32x (2023) to accelerate the inpatient/outpatient hospital managed care directed payments from July 2024 to April 2024.
- **Classes:** The program includes two provider classes: (1) critical access hospitals and (2) all other eligible hospitals.
- **Interim Distribution:** The Oklahoma Health Care Authority (OHCA) will direct the managed care organizations to distribute quarterly interim payments to each hospital based on the hospital's projected Medicaid managed care utilization.
- **Reconciliation:** Following the conclusion of the first program year, OHCA will reconcile interim payments, utilizing actual **in-network utilization** data as the basis. In cases where the average change in interim payments exceeds a 5% threshold for a particular class, OHCA will direct the managed care organizations to make settlement adjustments.



ADDRESS

4345 N. Lincoln Blvd.
Oklahoma City, OK 73105



WEBSITES

okhca.org
mysoonerCare.org



PHONE

Admin: 405-522-7300
Helpline: 800-987-7767



- **Residual Payments:** OHCA will continue to distribute SHOPP payments based on utilization remaining in Fee for Service (FFS).

Beginning with the April 2024 SHOPP payment, allocations will be split based on the populations transitioning to SoonerSelect and those remaining in FFS. For both allocations, please review the Allocation Reports on the OHCA SHOPP website. The Managed Care Allocation Report will be updated quarterly to show the distribution split between the contracted entities (CEs) based on enrollment in the month the payment is made. Hospitals will receive payments from OHCA for the FFS SHOPP allocation and from each of the CEs (Aetna Better Health, Human Healthy Horizons, Oklahoma Complete Health, and Oklahoma Complete Health Children's Specialty Plan). To receive a SHOPP directed payment from a CE, providers must be contracted with that CE.

A new version of the CY 2024 FFS SHOPP Allocation has been posted to the OHCA website. A correction to the 1.4% allocation was made using the pre-managed care pro rata share. The transition of the majority of SoonerCare members to SoonerSelect adds complexity to CY 2024 SHOPP. OHCA continues to review the utilization and payment data that inform SHOPP allocations, to ensure accuracy and appropriateness of total payments and hospital specific allocations. Both Fee for Service and Managed Care allocations are subject to change.

If you have any questions or require additional information, please contact Provider Reimbursement by email at: ProvReimb@okhca.org

Thank you for your continued service to Oklahoma's SoonerCare members.



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