

MIKE FOGARTY
CHIEF EXECUTIVE OFFICER



BRAD HENRY
GOVERNOR

STATE OF OKLAHOMA
OKLAHOMA HEALTH CARE AUTHORITY

I/T/U Public Notice 2009-06

November 13, 2009

RE: Oklahoma Health Care Authority (OHCA) Proposed Rule Changes for State Health Programs

Dear Tribal Representative:

The purpose of this letter is to give you notice of proposed rule changes that will be reviewed at the Medical Advisory Committee (MAC) meeting held on November 19, 2009. The OHCA is committed to active communication with Tribal Governments during the OHCA decision-making and priority-setting process and will therefore keep you apprised of all proposed rule changes.

Enclosed is a summary of the currently proposed rule changes for your review. The summary describes the purpose of the rule change and the anticipated impact on those affected. To view the complete proposal from the November 19th MAC, you can visit www.okhca.org/macagenda.

Please note that these are only proposed rule changes and have not yet taken effect. Before implementation, new rule changes must obtain budget authorization, federal approval (if applicable), OHCA Board approval, and the governor's approval.

OHCA values consultation with Tribal Governments and will provide your representatives a reasonable amount of time to respond to this notification. If you have any questions or comments about the proposed rule changes, please contact Trevlyn Cross, Director of SoonerCare Indian Health Unit. She can be reached at 405-522-7303 or via email at Trevlyn.Cross@okhca.org.

Sincerely,

A handwritten signature in purple ink that reads "Lynn V. Mitchell, M.D., MPH".

Lynn Mitchell, M.D., MPH
State Medicaid Director

**Medical Advisory Committee
Rules Agenda
November 19, 2009**

OHCA Initiated

09-47 Behavioral Health School Aide – EPSDT rules are modified to add a new provider type “Behavior Health School Aide” and service “Therapeutic Behavioral Services”. Currently schools are allowed to include behavioral interventions as a personal care service. This rule change is needed to help better define and separate behavioral interventions that do not appropriately fall within the description of personal care services. **Budget Neutral.**

09-51 Never Events - Agency rules are written to establish policy for serious reportable events in healthcare, also called never events. Rules will non-cover three surgical errors and set billing policy to implement appropriate claims processing. The three surgical errors are (1) wrong surgical or other invasive procedures performed on a member, (2) surgical or other invasive procedures performed on the wrong body part, and (3) surgical or other invasive procedures performed on the wrong member. Rules will also include a related claims review (if appropriate) and the avoidance of SoonerCare to act as a secondary payer for Medicare non-payment of the three surgical errors. **Budget Savings Expected.**

09-52 Laboratory Services - Agency rules are revised to clarify that reimbursement is only made for medically necessary laboratory services. Additional revisions include removing language which calls for OHCA to edit laboratory claims at the specialty/subspecialty level. CMS only allows edits for SoonerCare claims at the CLIA certificate level. Other revisions include general policy cleanup as it relates to these sections. **Budget Neutral.**

09-53 Insure Oklahoma IP Eligibility - Insure Oklahoma/O-EPIC rules are revised to clarify the intent of offering coverage under the Individual Plan (IP) program. Applicants applying for coverage under the IP program should be uninsured individuals without access to Employer Sponsored Insurance (ESI) or other private health insurance. It has never been the intent of Insure Oklahoma IP to be a secondary payer for services rendered under ESI or any other private health insurance policy or plan. Rules clarify IP eligibility requirements and closure criteria. **Budget Neutral.**

09-56 Online Enrollment - SoonerCare eligibility rules are revised to support the use of the web based online application and eligibility determination system. The process will be phased in over a period of time, beginning with families with children, pregnant women, and individuals requesting only family planning services. Eligibility for these groups will no longer be retroactive to the first day of the month of application but rather, the date of application or later. **Budget Neutral.**

09-59 Ambulatory Surgery Centers (ASC) - Rules are revised to allow reimbursement for services not covered as Medicare ASC procedures but otherwise covered under the SoonerCare program. Currently, policy restricts OHCA reimbursement to only those services on the Medicare approved list of covered services. This revision will give OHCA additional flexibility in determining services which are appropriate for the populations we serve. **Budget Impact: Expected budget savings.** *Services provided in ASC's are reimbursed at rates less than services provided in outpatient hospital settings.*

09-60 Outpatient Hospital Rules – Rules are revised to clarify the intent of reimbursement for implantable devices inserted during the course of a surgical procedure. Separate payment will be made for implantable devices, but only when the implantable device is not included in the rate for the procedure to insert the device. Additional revisions include removing all-inclusive reimbursement language for outpatient radiological services and additional clarification in regards to adult therapies performed in an outpatient hospital based setting. **Budget Neutral.**

09-61 Acute Inpatient Psychiatric Services – Inpatient Behavioral Health rules are revised to clarify reimbursement for acute inpatient psychiatric services provided in free-standing psychiatric hospitals. The modification more clearly defines reimbursement for ancillary and professional services outside of the per diem rate paid to the facilities. **Budget Neutral.**

09-66 Pain Management/Anesthesia Rules - Agency rules are revised to add that under certain circumstances, such as a member's limitation to receive pain management before or after the anesthesia session (i.e. age of the member), OHCA will reimburse for pain management procedures in conjunction with anesthesia. This policy revision will allow OHCA to reimburse for pain management performed during the anesthesia session when it is medically necessary, it is submitted with appropriate documentation, and it is submitted with the appropriate modifiers. All claims for this service will be medically reviewed prior to payment. **Budget Impact: Approximately \$225,000 Annually; State Share: \$56,025 Annually.**

09-69 Residential Behavioral Management Services (RBMS) Clarification - For RBMS reimbursement purposes rules are being revised to change the status of the Office of Juvenile Affairs from an Organized Health Care Delivery System to a Foster Care Agency. This change was initiated in order to comply with federal regulations regarding Targeted Case Management. Rules are also revised to limit the number of beds that may be served in an RBMS home to 16 or less in order to comply with the State Plan and avoid classification as an "institution". **Budget Neutral.**

09-70 Immunization Rules – Physician Rules are revised to allow for a separate payment for the administration of the Human Papillomavirus (HPV) vaccine to the population of members who have been approved for its use by the FDA. This revision is to clarify policy to more closely mirror current OHCA practice. **Budget Neutral.**

Federally Initiated

09-55 Deemed Newborns - SoonerCare eligibility rules regarding coverage for deemed newborns are revised to comply with provisions of the Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA), Public Law 111-3. Revisions include: (1) amending the citizenship documentation requirements added by the Deficit Reduction Act of 2005 to provide that children who were initially eligible for SoonerCare as deemed newborns shall be considered to have provided satisfactory documentation of citizenship and identity when their eligibility is renewed on their first birthday; and (2) eliminating the requirement that, in order to receive coverage under SoonerCare, newborns coming home from the hospital must live with the mother, remain a member of the mother's household, and that the mother remain eligible for SoonerCare (or would remain eligible if still pregnant). Further revisions clarify that deemed newborns are to be certified for SoonerCare through the end of the month that the child reaches age one. **Budget Neutral.**

09-70 H1N1 Vaccine Administration - Physician rules are revised to allow for a separate payment to be made to providers for the administration of pandemic virus vaccine to both adults and children. This change was brought about by the CMS mandate that State Medicaid agencies reimburse providers for the administration of the 2009 H1N1 flu vaccine. **Estimated Budget impact: \$212,000 for SFY2010; State share approximately \$53,000.**

OKDHS Initiated

09-65 ADvantage Waiver Rules - Rules are revised to add Case Management and Case Management for Transitioning to the list of services that must be documented utilizing the Interactive Voice Response Authentication (IVRA) system in the ADvantage waiver. The IVRA system provides an accurate electronic accounting of time and attendance for Personal Care, Case Management and other Waiver services delivery as well as elimination of inefficiencies from the former paper based system. **Budget Impact: Budget neutral to OHCA.** OKDHS is providing the state share of funding for implementation and use of the new system.