

- Waiver Objective 2: To provide each member with a medical home;
- Waiver Objective 3: To integrate Indian Health Services (IHS) eligible beneficiaries and IHS and tribal providers into the SoonerCare delivery system;
- Waiver Objective 4: To expand access to affordable health insurance for low income working adults and their spouses; and
- Waiver Objective 5: To optimize quality of care through effective care management

## II. REQUESTED CHANGES FOR THE 2018 DEMONSTRATION

The SoonerCare Choice and Insure Oklahoma § 1115(a) Research and Demonstration Waiver is currently approved through December 31, 2017. Oklahoma is aware that the SoonerCare/Insure Oklahoma Demonstration Waiver will need to be amended in order to include the provision of changes to the program (s) noted within the waiver extension. Oklahoma requests an extension of the program for the period of January 1, 2018 through December 31, 2018. At this time the state is requesting extension of this waiver with the following amended changes:

The State requests amendment to the expenditure authority and special terms and conditions to the waiver for the extension period to add the following program.

### **Work Force Development Supplemental Payments to State Teaching Universities**

The OHCA makes supplemental payments to state teaching universities to grow and improve the healthcare workforce in the state of Oklahoma. These payments offer longitudinal options for training, development and placement of critical healthcare workers that offer flexible components that can be easily adapted to address specific healthcare needs that achieve certain goals. State universities can receive payments for programs that reach defined metrics such as percentage of graduating medical students entering residency programs in Oklahoma, number of medical students in qualified training programs, percentage of registered nurse students with clinical experience to Medicaid patients in a Medicaid contracted hospital/facility and percentage of licensed physical therapist in Oklahoma five (5) years post- graduation. This list of metrics is not exhaustive but serves as an example of required metrics for payments. The federal estimated impact is \$115,000,000.

### **History:**

Oklahoma has poor rankings in many health indicators. According to the Commonwealth Fund (December 2015), Oklahoma ranked in the bottom quartile for Access & Affordability (50<sup>th</sup>), Prevention & Treatment (48<sup>th</sup>), Avoidable Hospital Use & Cost (46<sup>th</sup>), Healthy Living (46<sup>th</sup>) and Equity (49<sup>th</sup>). These statistics are alarming and indicative of the need for a plan of action to improve the overall health within the state which has a 20% Medicaid health insurance coverage of non-elderly 0-64 population (source Kaiser Foundation 2015).

In late 2016, Governor Mary Fallin, appointed a committee to address both workforce development and health improvement through a request to the National Governors Association for a program called "Connecting Medicaid and Health Workforce: How

States Can Use Medicaid Funds to Address Workforce Needs in Rural and Other Underserved Areas." The program was selected for technical assistance support through the National Governors Association Center for Best Practices.

The committee identified the following recommendations for addressing two critically important issues of workforce development and health improvement.

- Improve funding to Training Institutions;
- Improve data collection and analysis related to workforce demand and critical shortages;
- Develop a collaborative program with communities to recruit and retain physicians and other health professionals across the state; and
- Engage in research to identify the critical success factors required to stabilize health care entities, sustain physicians and health care workers in communities, and enable care systems to effectively address the health needs of our citizens.

The committee concluded that the state is currently experiencing a serious physician workforce shortage and it is likely only to get worse without some type of intervention. The fact that Oklahoma is not alone in a physician shortage, as it is a national problem, affects the ability of Oklahoma to retain physicians who are targeted by the recruitment efforts of other states across the country. Stabilizing and improving the physician pipeline is absolutely imperative for both patients' wellbeing and insurers (Medicare and Medicaid) needs for access.

In addition, Oklahoma has high percentages of unfilled health professions as indicated in an excerpt of the Oklahoma's Critical Occupation for Ecosystems table below.

<b>2017 Oklahoma<sup>3</sup> Health Professions</b>			
<b>Description</b>	<b>2016 Jobs</b>	<b>Openings</b>	<b>Percentage of Unfilled Positions</b>
Surgeons	626	265	42%
Physicians (D.O. M.D.) & Surgeons, All Other	3,387	1,301	38%
Physical Therapists	1,795	1,144	64%
Registered Nurses	27,577	10,577	38%
Nurse Practitioners	1,104	625	57%

**Solution:**

The OHCA makes payments, under Section 1115(a) authority, to teaching universities to recruit, train and retain medical professionals to address the healthcare workforce shortage in Oklahoma. Specifically, Oklahoma has two primary physician training institutions, the University of Oklahoma and Oklahoma State University, which provide the vast majority of training to medical students, residents and fellows in both primary care and sub-specialty

<sup>3</sup> Source: Oklahoma Works, 2016.

medical care. These two institutions, as well as other academic institutions, are also working to address the workforce needs of the state with training of health profession workers such as registered nurses, advanced practice registered nurses, and physical therapists.

### **Eligibility Participation:**

To be eligible to participate in the program schools must: (1) be a four year public university, (2) request funding for students enrolled in academic programs that result in licensure eligibility for the following healthcare workers: physician (D.O. & M.D.), registered nurse, advanced practice registered nurse or physical therapist, (3) provide an intergovernmental transfer (IGT) for the non-federal share, and (4) meet or exceed defined metrics for payment. Eligible programs must provide face to face onsite classes resulting in 100% online programs being prohibited from participation.

### **Payment Metrics:**

#### **Workforce Development for Physicians**

- Number of medical students in qualified training programs
- Percentage of graduating medical students entering residency programs in Oklahoma
- Percentage of graduates of Oklahoma post graduate training (residency/fellowship) programs who remain in Oklahoma two years
- Percentage of graduates of Oklahoma post graduate training (residency/fellowship) who remain in Oklahoma 5 years with an active Medicaid contract
- Number of critical specialty graduates of an Oklahoma public universities in an accredited residency/fellowship program including, but not limited to, Psychiatrist, Neurologist, Dermatologist, Rheumatologist, Hepatologist

#### **Workforce Development for Registered Nurses (RN)**

- Total number of full-time enrolled equivalent RN students
- Percentage of RN students with clinical rotation experience in Medicaid contracted facilities
- Percentage of RN graduates from an Oklahoma public university who are licensed RNs in Oklahoma 2 years post-graduation.

#### **Workforce Development for Advanced Practice Registered Nurse (APRN)**

- Total number of full-time enrolled equivalent APRN students
- Percentage of APRN students with clinical rotation experience in Medicaid contracted facilities
- Percentage of graduates from an Oklahoma public university who are licensed APRNs in Oklahoma 2 years post-graduation.
- Percentage of APRN graduates from an Oklahoma public university who have an active Medicaid contract 2 years post-graduation.

#### **Workforce Development for Physical Therapist (PT)**

- Total number of full-time enrolled equivalent PT students
- Percentage of PT students with clinical rotation experience in Medicaid contracted facilities
- Percentage of graduates from an Oklahoma public university who are licensed PT in

Oklahoma 2 years post-graduation.

- Percentage of PT graduates from an Oklahoma public university who have an active Medicaid contract 2 years post-graduation.

#### **Workforce Development for Resident Rural Scholarship**

- Scholarships are paid to enrolled students in an accredited Oklahoma Family Practice/Family Medicine Program and agreement to match with an approved rural community and spend one month during the 3<sup>rd</sup> year of residency on elective rotation in the selected community and return to the community upon completion of residency training, one month for each month the loan was received.

#### **Workforce Development for Nursing Student Assistance Loan Program**

- Loans are made to Registered Nurses and Advanced Practice Registered Nurses who are unconditionally enrolled as a student in a four-year public university program, a legal resident of Oklahoma and a United States citizen. Loans are forgiven if the nurse fulfills work obligation of one year for each year of financial assistance at an approved health institution.

#### **Workforce Development for Physician Loan Program**

- Loans are made to provide financial assistance to the primary care physician in setting up a practice in a selected community in Oklahoma, in exchange for a service obligation to a rural community with a population of 10,000 or less.

#### **Workforce Development for Loan Repayment Program**

- Educational loan repayment assistance is made to Oklahoma licensed primary care physicians who agree to establish a practice in a community located in Oklahoma to provide medical care and services to Oklahoma citizens in rural and underserved areas with special emphasis to Medicaid members as authorized by the Oklahoma Health Care Authority. Participating physicians must agree to a minimum of two years practice in rural or underserved areas.

#### **Workforce Development for Resident Retention**

- Assistance is provided for resident salaries to assist with retention and faculty to promote and support the retention and training of primary care physicians for the state of Oklahoma. Payment assistance is made to pay a portion the salaries of individuals in residency programs in Oklahoma. Qualified expenditures will also include a percentage of the total amount of salary and benefits paid by each qualifying health training program for faculty and support staff and other indirect cost of running the residency program at qualifying employers.

### **III. 2018 WAIVER LIST, EXPENDITURE AUTHORITIES AND COMPLIANCE WITH SPECIAL TERMS AND CONDITIONS**

The State requests the following waiver list and expenditure authorities for the 2018 extension period. Additionally, the State complies with the current Special Terms and Conditions (STCs).

#### **Waiver List**

The State requests the following Waiver List as approved in the 2017 SoonerCare Choice demonstration.

1. *Statewideness/Uniformity Section 902(a)(1)*