



GENTNER DRUMMOND
ATTORNEY GENERAL

October 22, 2025

Via U.S. Mail and Email

Clay Bullard
Director
Oklahoma Health Care Authority
4345 N. Lincoln Blvd.
Oklahoma City, OK 73105
clay.bullard@okhca.org

Dear Director Bullard:

As the newly appointed Director of the Oklahoma Health Care Authority, you must course correct early failures emerging from Oklahoma's latest experiment in managed care. Governor Stitt led the effort to re-establish managed care Medicaid, describing it as a system that promised to reduce costs and strengthen preventive care. Such promise is now on the chopping block due to a growing bureaucracy and out-of-state corporations siphoning money away from the backbone of the children's healthcare delivery system in Oklahoma—small, community-based providers.

Oklahoma-based healthcare providers detail four alarming trends that are straining their limited resources and capacity to provide critical healthcare services to Medicaid-enrolled pediatric patients. These trends include significant reductions in reimbursement for direct pediatric care; the withholding of payments; ballooning administrative costs; and bureaucratic delays. Without immediate correction, these failures will destroy Oklahoma's pediatric network, leaving SoonerCare children across Oklahoma's 77 counties without access to care. According to a May 2025 KFF [Kaiser Family Foundation] Fact Sheet, 49 percent of Oklahoma's Medicaid enrollees are children.¹

The out-of-state, corporate managed care organizations (MCOs) cite ongoing set-up delays to rationalize their withholding of payments to providers. This explanation is wholly inadequate when all MCOs benefitted from a fifteen-month bridge period, permitting payments under the former program to continue while the MCOs developed their systems. That considerable transition period ended in July 2025. Inexplicably, payments have ended, too. Governor Stitt has hyped managed care as the savior for Oklahoma healthcare, stating in April 2024:

This has been a day in the making for years, and I'm excited for Oklahomans to benefit from all that SoonerSelect has to offer. We're putting Oklahomans' health

¹ KFF.org, *Medicaid in Oklahoma* (May 2025), <https://files.kff.org/attachment/fact-sheet-medicaid-state-OK>.

at the top of the priority list. With new incentives and offers, including memberships to local gyms and preventative care, thousands of Oklahomans will see firsthand our renewed commitment to improving health outcomes, while saving their tax dollars.²

Frankly, managed care is an abject, systemic failure that more closely resembles the disastrous rollout of Obamacare than it does a healthcare panacea. Moreover, the reduced funding and stalled reimbursements contravene the prompt reimbursement requirement under title 56, section 4002.7 of the Oklahoma Statutes. Additionally, these out-of-state corporations must comply with contractual and regulatory obligations.

If these trends are thoroughly examined, I am confident that they are not unique to any one provider or provider group. And for that matter, I doubt that this issue is isolated only to pediatric care. As a result, I request true and correct copies of the contracts with any amendments, addendums, and attachments between the Oklahoma Health Care Authority and the following MCOs:

- Aetna Medicaid Administrators LLC (Aetna Better Health of Oklahoma),
- Humana Inc. (Humana Health Horizons of Oklahoma), and
- Centene Corp. (Oklahoma Complete Health).

While my office reviews these contracts, the Authority must contemporaneously review provider reimbursement failures and identify measures permitted under the contracts and in the OHCA's administrative rules to cure the deficiencies described. If the Authority fails to address the decrease in reimbursement and the failure of MCOs to timely reimburse providers, providers will shut their doors to Medicaid patients and, perhaps, all patients. This will decrease Oklahomans' access to quality health care and devastate rural health. We both know that these are not acceptable outcomes. Ignoring the problem is not an option. Taxpaying, hardworking Oklahomans are at risk of seeing their hard-earned money disappear into the fog of waste, fraud, and abuse—a common occurrence during the Stitt Administration—all for nothing. Will you fight for and protect Oklahoma's Medicaid patients and providers?

Please coordinate with Deputy General Counsel Thomas Schneider to fulfill my request for the contracts. He can be reached by phone at (405) 522-4413 or by email at thomas.schneider@oag.ok.gov.

Respectfully,



GENTNER DRUMMOND
Oklahoma Attorney General

² Press Release, Governor J. Kevin Stitt, Governor Stitt Celebrates Successful Launch of SoonerSelect (Apr. 2, 2024), <https://oklahoma.gov/governor/newsroom/newsroom/2024/april2024/governor-stitt-celebrates-successful-launch-of-soonerselect.html>.