



GENTNER DRUMMOND  
ATTORNEY GENERAL

April 24, 2026

Via Email

The Honorable Cindy Byrd  
State Auditor and Inspector  
cbyrd@sai.ok.gov

Dear Auditor Byrd:

The record before my office establishes substantial cause to believe that the Oklahoma Health Care Authority (“OHCA”) has failed to fulfill its oversight obligations regarding its contracted managed care organizations (MCOs).<sup>1</sup> Specifically:

1. Providers across Oklahoma—rural and metropolitan, pediatric, specialty, and hospital—have consistently reported payment delays, administrative barriers to claims processing, and incorrect or inconsistent reimbursement determinations under the managed care system administered by Humana, Aetna, and Oklahoma Complete Health.
2. OHCA has failed to deliver complete, substantive written responses to my office’s formal inquiries, despite repeated requests spanning more than six months. In its only written response, the OHCA backed and the out-of-state corporations and simultaneously acknowledged “issues that need to be fixed.”<sup>2</sup>
3. Out-of-state MCOs continue to receive taxpayer-funded compensation while providers report that those same MCOs are failing to meet their contractual obligations, including denial of claims for medically necessary, life-sustaining equipment.

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<sup>1</sup> Humana, Aetna, and Oklahoma Complete Health are the contracted MCOs.

<sup>2</sup> My office has monitored OHCA’s managed care transition with growing concern. On October 12, 2025, January 16, 2026, and March 26, 2026, I transmitted formal correspondence to OHCA Chief Executive Officer Clay Bullard documenting systemic failures in the program and demanding corrective action. Despite repeated requests for written responses and details of corrective action, the OHCA provided only verbal assurances of improvement and did not otherwise substantively respond. Finally, on April 10, 2026, the OHCA responded, not by identifying corrective action, but instead backing the conglomerate MCOs and touting quick payments and high-percentage claim approvals as “realities.” At the same time, the OHCA acknowledged that “issues need to be fixed” and noted that systems “historically designed for fee-for-service claims” had not been fully transitioned to a managed care environment.

4. The resulting erosion of rural health care infrastructure and the denial of essential Medicaid services to Oklahoma's most vulnerable residents raise serious questions about OHCA's stewardship of public funds and its compliance with applicable state and federal law.

Oklahoma's second experiment with managed care Medicaid is failing to deliver on its promises. Providers are reducing staff. Patients are being denied essential care. Out-of-state corporations are controlling access to critical services without accountability, provider and patient complaints are increasing, and OHCA leadership highlights the MCOs' numbers to deny that these problems persist. Accordingly, pursuant to Title 74, Section 18f of the Oklahoma Statutes, I respectfully request that your office audit the Oklahoma Health Care Authority (OHCA). My office requests that the audit address, at a minimum, the following areas:

1. MCO Contractual Compliance. Whether Humana, Aetna, and Oklahoma Complete Health are meeting their contractual obligations to OHCA with respect to claims processing timelines, prior authorization standards, reimbursement accuracy, and provider network adequacy, and whether OHCA is enforcing those obligations.
2. OHCA Oversight and Accountability. Whether OHCA has implemented adequate internal controls, monitoring mechanisms, and corrective action protocols to identify and address MCO performance failures, and whether those mechanisms have been applied consistently and in compliance with state and federal Medicaid requirements.
3. State-Directed Provider Incentive Program (DPP) Administration. Whether DPP funds have been disbursed to eligible providers in correct amounts and in accordance with OHCA's approved program design, and whether OHCA's eligibility determinations and payment records are consistent and accurate.
4. Denial of Medically Necessary Services. Whether prior authorization and claims adjudication practices have resulted in inappropriate denial of medically necessary services, including life-sustaining equipment, and whether OHCA has taken appropriate remedial action.
5. Improper Claim Approvals. Whether the MCOs and the OHCA have approved claims, and therefore authorized taxpayer payments for, gender affirming care or drugs known to be used for such purposes.
6. Stewardship of Public Funds. Whether MCO compensation has been commensurate with performance, and whether OHCA has exercised adequate financial oversight to ensure that public dollars are being spent in accordance with statutory authority and program objectives.
7. Impact on Provider Participation and Rural Access. Whether OHCA's managed care implementation has adversely affected provider participation, staffing capacity, and patient access to care—particularly in rural Oklahoma—and whether OHCA has documented, assessed, and responded to those impacts.

My office stands ready to fully cooperate with your office, and I am grateful that your office's independent review will serve the interests of Oklahoma's patients, providers, and taxpayers.

Respectfully,

A handwritten signature in blue ink, appearing to read "Gentner Drummond". The signature is stylized and fluid.

Gentner Drummond  
*Attorney General*