

July 14, 2022
1:00 – 3:30 PM

Charles Ed McFall Board Room

AGENDA

Public access via zoom:

<https://okhca.zoom.us/j/86147196961?pwd=R0E2YVY0UzZkN09KWUNPcmMxbVZvdz09>

Password: 069310

Telephone: 1-971-247-1195 **Webinar ID:** 861 4719 6961

***Please note: Since the physical address for the OHCA MAC Meeting has resumed, any livestreaming option provided is provided as a courtesy. Should such livestreaming option fail or have technical issues, the OHCA MAC Meeting will not be suspended or reconvened because of this failure or technical issue.**

- I. Welcome, Roll Call, and Public Comment Instructions: **Chairman, Jason Rhynes, O.D.**
- II. Action Item: Approval of Minutes of the May 12th, 2022: **Medical Advisory Committee Meeting**
- III. Public Comments (2 minute limit)
- IV. MAC Member Comments/Discussion
- V. Legislative Update: **Katelynn Burns, Legislative Liaison**
- VI. Financial Report: **Tasha Black, Senior Director of Financial Services**
- VII. Medicaid Directors Update: **Traylor Rains, State Medicaid Director**
- VIII. Proposed Rule Changes: Presentation, Discussion, and Vote: **Sandra Puebla, Deputy State Medicaid Director**
 - A. **APA WF # 22-15 Removing Provider Panel Limits in the Patient Centered Medical Home (PCMH)**
- IX. New Business: **Chairman, Jason Rhynes, O.D.**
- X. Future Meeting: **Chairman, Jason Rhynes, O.D.**

September 8, 2022
November 10, 2022
- XI. Adjourn **Chairman, Jason Rhynes, O.D.**

Oklahoma Health Care Authority
MEDICAL ADVISORY COMMITTEE
MINUTES of the May 12, 2022 Meeting
4345 N. Lincoln Blvd., Oklahoma City, OK 73105

I. Welcome, Roll Call, and Public Comment Instructions:

Chairman, Dr. Jason Rhynes called the meeting to order at 1:00 PM.

Delegates present were: Mr. Nick Barton, Ms. Joni Bruce, Dr. Steven Crawford, Ms. Janet Cizek, Ms. Wanda Felty, Dr. Arlen Foulks, Ms. Tina Johnson, Ms. Jennifer King, Dr. Daniel Post, Dr. Jason Rhynes, Dr. Eve Switzer and Dr. Whitney Yeates, providing a quorum.

Alternates present were: Mr. Steven Buck

Delegates absent without an alternate were: Dr. Raymond Smith.

II. Approval of the March 12th, 2022 Minutes

Medical Advisory Committee

The motion to approve the minutes was by Dr. Steven Crawford and seconded by Dr. Daniel Post and passed unanimously.

III. Public Comments (2-minute limit):

There were no public comments.

IV. MAC Member Comments/Discussion:

Dr. Eve Switzer requested an update on OHCA's coverage of Modifier 25. Dr. Paula Root stated that OHCA is looking at additional data like utilization, potential financial impact, budget impact and any room for full time inequivalent in addition to our staff to process that.

V. Legislative Update:

Katelynn Burns, Legislative Liaison

Ms. Burns sent the following update via email. We are almost finished with the legislative session this year. Several bills related to OHCA have been signed by the Governor. Those include:

[SB1369](#): Creates the Office of the State Coordinator for Health Information Exchange within the Health Care Authority and requires health care entities to report data to said office; EMERGENCY.

[SB1467](#): Requires the Health Care Authority to conduct an annual review of all medications and forms of treatment for sickle cell disease to determine if such treatments are adequately covered by Medicaid, with a report to the House and Senate.

[SB1134](#): Repeals certain provisions limiting applications for Home and Community Based Medicaid Waiver Services to persons residing in Oklahoma for five-years or more; EMERGENCY. Other bills still moving through the legislative process include:

[SB 1323](#) [Garvin, Jessica \(F\)\(R\)](#)
[McEntire, Marcus\(R\)](#) Allows self-funded and self-insured health care plans which are recognized by the Insurance Dept. and meet certain standards to qualify under the Medicaid Premium Assistance Program.

[SB 1337](#) [McCortney, Greg\(R\)](#)
[McEntire, Marcus\(R\)](#) Removes certain duties and definitions related to the Health Care authority contracting with businesses to establish a state-run health benefits program and requires them to ensure sustainability of the Medicaid delivery system; EMERGENCY.

Bill History:

05-11-22 H Referred to House conference committee House GCCA

[SB 1396](#) [McCortney, Greg\(R\)](#)
[Wallace, Kevin\(R\)](#) Makes several adjustments to the supplemental hospital offset payment program and the Health Care Authority's regulations regarding it.

Bill History:

05-11-22 H Referred to House conference committee House GCCA

[SB 1661](#) [Rosino, Paul\(R\)](#)
[McEntire, Marcus\(R\)](#) Establishes standards for nonstate government owned medical facilities within the Medicaid supplement program; EMERGENCY.

Bill History:

05-12-22 S Emergency Passed (Vote: Y: 38/N: 5)

VI. Financial Report:

Tasha Black, Senior Director of Financial Services

Ms. Black presented the financial report ending in March 2022. OHCA is 1.8% under budget in revenues and 2.3% under budget in expenditures with the result that our budget variance is a positive \$15,846,374. The budget variance is primarily attributed to the following: Medicaid Program Variance is a positive 19.2 million state dollars, and administration is a positive 4.8 million state dollars. For more detailed information, see item 6 in the MAC agenda. For more detailed information, see item 6 in the MAC agenda.

VII. SoonerCare Operations Update:

Amy Bradt, Senior Director of Provider Engagement

Ms. Bradt stated that there is no new update around the Public Health Emergency, we should hear something from CMS today, if not today, then by tomorrow to be able to get the 60-day notification. She also presented the SoonerCare Operations update to the committee. Information is based on data for March 2022. Patient Centered Medical Home enrollment is at 743,910 which is down by 8,754. Sooner Care Traditional has a current enrollment of 422,853 which is 22,645 more than the previous month. SoonerPlan has an enrollment of 9,220 and Insure Oklahoma has a total enrollment of 10,544. In total, SoonerCare enrollment is at 1,228,629. For more detailed information, please see item 7 in the MAC agenda.

VIII. Proposed Rule Changes: Presentation, Discussion, and Vote:

Sandra Puebla, Senior Director of Federal & State Authorities

APA WF 22-03 Clinical Trials Routine Services and Dental Out-of-State Services — The proposed rule revisions will strike outdated language and add new language to the formerly named "Clinical Trials" policy Oklahoma Administrative Code (OAC) 317:30-3-57.1. To comply with new federal guidelines this policy will be renamed "Coverage of routine services in relation to clinical trials" and restructured to address qualifying clinical trials criteria, clinical trials determination standards, routine patient costs, and excluded items. Importantly, new language will be added that states that the Oklahoma Health Care Authority will provide a coverage determination decision for requested and medically necessary routine services within 72-hours for a member participating in a qualifying clinical trial.

Revisions to the out-of-state services policy, at OAC 317:30-3-90, will also add language to assure that clinical trials will be provided in accordance with federal regulations and that clinical trials do not follow all of the OHCA's out-of-state policy requirements. Furthermore, revisions will add a clause regarding the override for prior authorizations that are related to lodging and meals services when they are provided in accordance with an approved clinical trial. Finally, revisions will add language that allows for a SoonerCare member to travel up to one hundred miles (100) from the Oklahoma border to receive dental services.

Budget Impact: The proposed rule changes regarding clinical trial routine services are budget neutral. The clinical trials that have taken place to date involved fully contracted SoonerCare providers; providers which are already reimbursed for routine expenses related to clinical trials.

The proposed rule changes, regarding dental out-of-state services, are budget neutral. These services are already being provided-the new revisions are just eliminating a barrier.

Proposed Rule Timeline:

60-day Tribal Consultation Period: January 4, 2022 - March 5, 2022

Tribal Consultation: January 4, 2022

Emergency Rule Public Comment Period: April 18, 2022 – May 3, 2022

OHCA Board Meeting: June 22, 2022

Emergency Rule Effective Date: Upon Governor's signature or the 45th day post submission of the rules to the Governor (July 5, 2022)

The rule change motion to approve was by Dr. Arlen Foulks and seconded by Dr. Steven Crawford and passed unanimously.

APA WF 22-07 Tribal Residential Substance Use Disorder (SUD) Policy Updates — The proposed revisions will update policy at OAC 317:30-5-1094 to reflect that I/T/U providers will be reimbursed the outpatient OMB rate for rendered residential SUD services. This policy change aligns with the authority in the Oklahoma Medicaid State Plan and with current business practices.

Budget Impact: Budget neutral

Proposed Rule Timeline:

60-day Tribal Consultation Period: February 15, 2022 – April 16, 2022

Tribal Consultation: March 1, 2022

Emergency Rule Public Comment Period: March 28, 2022 – April 12, 2022

OHCA Board Meeting: June 22, 2022

Emergency Rule Effective Date: Upon Governor's signature or the 45th day post submission of the rules to the Governor (July 5, 2022)

The rule change motion to approve was by Dr. Arlen Foulks and seconded by Dr. Steven Crawford and passed unanimously.

APA WF 22-08 Hospice Benefit for Expansion Adults — The proposed rule will add hospice services as a covered benefit for members eligible as expansion adults, described in the Code of Federal Regulations (C.F.R.) Title 42 Section 435.119. The proposed rule will outline hospice coverage, eligibility, reimbursement, provider qualifications/requirements, and prior authorization requirements.

Budget Impact: The proposed rule to add hospice as a covered service for expansion adults may result in an estimated total cost of \$584,135.13, with \$58,413.51 in state share for SFY2022; and a total cost of \$778,846.84, with \$77,884.68 in state share for SFY2023.

Proposed Rule Timeline:

60-day Tribal Consultation Period: April 20, 2021 – June 24, 2021

Tribal Consultation: May 4, 2021

15-Day Emergency Rule Public Comment Period:

- August 18, 2021 – September 2, 2021
- May 3, 2022 – May 17, 2022

OHCA Board Meeting: June 22, 2022

Emergency Rule Effective Date: Upon Governor's signature or the 45th day post submission of the rules to the Governor (July 5, 2022)

The rule change motion to approve was by Dr. Arlen Foulks and seconded by Dr. Steven Crawford and passed unanimously.

APA WF 22-09 Termination of SoonerPlan — The proposed revisions will revoke policy sections specific to the SoonerPlan program. The SoonerPlan program will terminate effective one day after the COVID-19 Public Health Emergency ends.

Budget Impact: Budget neutral.

Proposed Rule Timeline:

Expedited Tribal Consultation Period: April 22, 2022 - May 18, 2022

Tribal consultation: May 3, 2022

Emergency Rule Public Comment Period: May 3, 2022 – May 17, 2022

OHCA Board meeting: June 22, 2022 (This date is subject to change based on when OHCA is informed of the official Public Health Emergency end date.)

Emergency Rule Effective Date: Contingent upon Governor's approval or one day after the COVID-19 Public Health Emergency ends

The rule change motion to approve was by Dr. Arlen Foulks and seconded by Dr. Steven Crawford and passed unanimously.

APA WF 22-10 Long-term Care Facility (LTC) Pay-for-Performance (PFP) Program — Proposed rule revisions will remove outdated language and add new language to the LTC PFP program payment criteria section. These policy revisions will align with the proposed Oklahoma Medicaid State Plan

amendment (OK SPA 22-0017). The overall purpose of the proposed rule revisions will be to maintain compliance with federal requirements and continuity of processes.

Budget Impact: Budget neutral

Proposed Rule Timeline:

60-day Tribal Consultation Period: May 3, 2022 – July 2, 2022

Tribal Consultation: May 3, 2022

Emergency Rule Public Comment Period: May 3, 2022 – May 18, 2022

OHCA Board Meeting: June 22, 2022

Emergency Rule Effective Date: Upon Governor's signature or the 45th day post submission of the rules to the Governor (August 15, 2022)

The rule change motion to approve was by Dr. Arlen Foulks and seconded by Dr. Steven Crawford and passed unanimously.

IX. MAC Meeting Dates for Calendar 2022:

Chairman, Jason Rhynes, O.D.

July 14, 2022

September 8, 2022

November 10, 2022

X. New Business:

Chairman, Jason Rhynes, O.D.

No new business was addressed.

XI. Adjourn:

Chairman, Jason Rhynes, O.D.

Chairman Rhynes asked for a motion to adjourn. Motion was provided by Dr. Steven Crawford and seconded by Dr. Arlen Foulks, there was no dissent and the meeting adjourned at 2:01pm.

OKLAHOMA HEALTH CARE AUTHORITY
SFY-2023 BUDGET WORK PROGRAM
Summary by Program Expenditure

Description	SFY-2022	SFY-2023	Inc / (Dec)	% Change
Medical Program				
Managed Care - Choice / HAN / PACE	60,853,578	57,081,469	(3,772,109)	-6.2%
Hospitals	1,562,633,274	1,679,903,459	117,270,185	7.5%
Behavioral Health	28,106,530	32,248,019	4,141,489	14.7%
Nursing Homes	674,203,352	659,299,452	(14,903,900)	-2.2%
Physicians	546,643,864	587,630,143	40,986,279	7.5%
Dentists	221,589,927	227,771,928	6,182,000	2.8%
Mid-Level Practitioner	1,398,057	1,762,793	364,737	26.1%
Other Practitioners	65,383,078	73,406,235	8,023,157	12.3%
Home Health	34,533,965	33,656,685	(877,280)	-2.5%
Lab & Radiology	46,020,474	49,377,315	3,356,841	7.3%
Medical Supplies	81,333,531	87,361,516	6,027,985	7.4%
Clinic Services	471,176,263	554,835,522	83,659,259	17.8%
Ambulatory Surgery Center	10,603,211	11,199,132	595,921	5.6%
Prescription Drugs	1,140,274,685	1,352,142,043	211,867,358	18.6%
Miscellaneous	940,878	745,080	(195,798)	-20.8%
ICF/IID	68,060,293	69,481,598	1,421,305	2.1%
Transportation	117,636,075	101,261,858	(16,374,217)	-13.9%
Medicare Buy-in (Part A & B)	225,473,340	247,774,111	22,300,771	9.9%
Medicare clawback payment (Part D)	70,236,151	87,749,292	17,513,141	24.9%
SHOPP - Supplemental Hosp Offset Pymt.	658,156,020	692,461,400	34,305,380	5.2%
Money Follows the Person - Enhanced	211,534	519,680	308,146	145.7%
Health Management Program (HMP)	11,476,928	12,560,024	1,083,096	9.4%
Electronic Health Records Incentive Pymts	450,000	200,000	(250,000)	-55.6%
Non-Title XIX Medical	89,382	89,382	-	0.0%
TOTAL OHCA MEDICAL PROGRAM	6,097,484,390	6,620,518,136	523,033,745	8.6%
Insure Oklahoma - Premium Assistance				
Employer Sponsored Insurance - ESI	44,399,703	44,982,334	582,630	1.3%
Individual Plan - IP	18,150,608	200,000	(17,950,608)	-98.9%
TOTAL INSURE OKLAHOMA PROGRAM	62,550,312	45,182,334	(17,367,978)	-27.8%
OHCA Administration				
Operations	63,384,335	62,241,693	(1,142,642)	-1.8%
Contracts	43,348,506	42,848,420	(500,086)	-1.2%
Insure Oklahoma	1,461,283	1,436,421	(24,862)	-1.7%
Business Enterprises	106,827,255	92,567,252	(14,260,003)	-13.3%
Grant Mgmt	4,534,773	4,666,298	131,525	2.9%
TOTAL OHCA ADMIN	219,556,151	203,760,084	(15,796,067)	-7.2%
TOTAL OHCA PROGRAMS	6,379,590,853	6,869,460,553	489,869,701	7.7%
Other State Agency (OSA) Programs				
Department of Human Services (OKDHS)	696,015,270	732,331,041	36,315,770	5.2%
Oklahoma State Dept of Health (OSDH)	7,995,544	7,193,626	(801,918)	-10.0%
The Office of Juvenile Affairs (OJA)	9,401,071	9,540,060	138,989	1.5%
University Hospitals (Medical Education Pymnts)	388,915,399	435,620,424	46,705,025	12.0%
Department of Mental Health (DMHSAS)	556,563,355	586,985,883	30,422,528	5.5%
Department of Education (DOE)	1,928,498	3,040,348	1,111,850	57.7%
Non-Indian Payments	16,589,334	17,614,662	1,025,328	6.2%
Department of Corrections (DOC)	7,513,349	5,911,946	(1,601,403)	-21.3%
JD McCarty	10,689,671	12,540,821	1,851,150	17.3%
OSA Non-Title XIX	119,065,000	119,065,000	-	0.0%
TOTAL OSA PROGRAMS	1,814,676,490	1,929,843,810	115,167,320	6.3%
TOTAL MEDICAID PROGRAM	8,194,267,343	8,799,304,363	605,037,020	7.4%

OKLAHOMA HEALTH CARE AUTHORITY
SFY-2023 BUDGET WORK PROGRAM
Summary by Program Expenditure

Description	SFY-2022	SFY-2023	Inc / (Dec)	% Change
REVENUES				
Federal - Medicaid Traditional	4,720,528,102	4,670,998,512	(49,529,590)	-1.0%
Federal - Medicaid Expansion	1,305,909,844	1,646,232,360	340,322,517	26.1%
Federal - admin	135,542,976	126,515,492	(9,027,484)	-6.7%
Drug Rebates	495,465,438	543,179,093	47,713,655	9.6%
Medical Refunds	43,009,916	36,249,709	(6,760,207)	-15.7%
NF Quality of Care Fee	91,557,663	90,680,437	(877,225)	-1.0%
OSA Refunds & Reimbursements	412,816,938	531,549,285	118,732,347	28.8%
Tobacco Tax	84,466,644	85,487,776	1,021,132	1.2%
Misc Revenue	649,320	632,412	(16,908)	-2.6%
Prior Year Carryover (Fund 200)	25,562,647	16,198,479	(9,364,168)	-36.6%
Other Grants	546,444	576,478	30,034	5.5%
Hospital Provider Fee (SHOPP bill)	203,865,582	244,655,465	40,789,883	20.0%
Insure Oklahoma Fund 245 - Transfer	5,000,000	-	(5,000,000)	-100.0%
State Appropriated - OHCA	1,030,199,249	1,098,603,586	68,404,337	6.6%
TOTAL REVENUES	8,555,120,763	9,091,559,085	536,438,322	6.3%

OKLAHOMA HEALTH CARE AUTHORITY SFY 2023 BUDGET



HISTORY

Fiscal Year	Budget	Increase/Decrease %	Total Appropriation	Increase/Decrease %	FMAP	Percent Appropriation to Budget
2018	\$5,737,712,893	1.0%	\$1,018,713,566	3.3%	58.91%	17.75%
2019	\$5,928,477,640	3.3%	\$1,132,465,946	11.17%	61.43%	19.10%
2020	\$6,163,200,792	4.0%	\$1,000,039,368	-11.69%	65.11%	16.23%
2021	\$6,477,455,224	5.1%	\$1,000,039,368	0.00%	67.50%	15.44%
2022	\$8,194,267,343	26.5%	\$1,194,337,303	19.43%	68.23%	14.58%
2023	\$8,799,304,363	7.4%	\$1,262,741,642	5.73%	67.60%	14.35%

APPROPRIATIONS AND BUDGET

MEDICAL PROGRAM

Total Budget Increase of \$523,033,745 or
8.6%

MEDICAL PROGRAM

Percent Change	Summary of Change	Total Dollar Change
1.6%	FY 23 G/U - Traditional	\$100,493,617
1.4%	FY 23 G/U - Expansion	\$85,970,133
0.9%	PHE - Traditional	\$52,796,299
2.5%	PHE - Expansion	\$154,966,492
1.1%	IHS/Tribal Rate Increases	\$66,546,075
0.6%	SHOPP Payments	\$34,055,380
0.7%	Medicare Parts A, B & D	\$39,813,912
0.1%	Mandated Afghan Refugees Coverage	\$6,913,800
0.1%	Dental Rates	\$6,182,000
-0.2%	Nursing Facility	(\$14,903,900)
-0.2%	NEMT PMPM reduction	(\$9,800,063)
8.6%	SFY 2023 Increase	\$523,033,745

MEDICAL PROGRAM

Percent Change	Summary of Change	Non-Recurring	100% Non-State Funded	Recurring
8.6%	SFY 2023 Expenditure Increase	\$207,762,791	\$100,601,455	\$214,669,499

OHCA PROGRAM ASSUMPTIONS

- Expansion spend was increased based on actual expenditure from the most recent three months
- Nursing Facility Medicaid bed days continued to decrease in FY 22
- Program growth is estimated at 3.0% overall based on historical utilization by category of service
- The adult dental limited benefit program and the alternative pain management treatment programs were implemented in SFY 22
- Rate updates for dental services will be implemented in FY 23
- IHS/Tribal spend in clinic and pharmacies has increased significant, due to both rates and utilization. The expansion population specifically has been high utilizers of IHS and tribal facilities.
- Non-emergency transportation PMPM utilization and cost have decreased

EXPANSION BUDGET GROWTH

- Expansion Total Budget Growth - \$397 million
 - 39% non-recurring growth due to the PHE continuous coverage requirement
 - 32% growth related to SHOPP, funded by provider tax
 - 22% growth projected in 5-year estimates
 - 7% growth due to IHS/Tribal (100% federally funded)

INSURE OKLAHOMA

Total Budget Decrease of \$17,367,978 or 27.8%

INSURE OKLAHOMA

Percent Change	Program	Total Dollar Change
1.3%	Employer Sponsored Insurance (ESI)	\$582,630
-98.9%	Individual Plan (IP)	(\$17,950,608)
-27.8%	SFY 2023 Overall Decrease	(\$17,367,978)

OHCA ADMINISTRATION

Total Budget Decrease of \$15,796,067 or 7.2%

OHCA ADMINISTRATION

Percent Change	Division	Total Dollar Change
-16.8%	Operations (includes IO & Business Enterprises)	(\$15,427,507)
-1.2%	Contracts	(\$500,086)
2.9%	Grants Management	\$131,525
-7.2%	SFY 2023 Overall Decrease	(\$15,796,067)

OHCA ADMINISTRATION ASSUMPTIONS

Operations

- Elimination of 4.5 FTE provided the resources to fund new SFY22 positions that were funded through current year salary savings (Internal Audit team)
- Budgeted vacancy rate – worked with HR to determine anticipated hiring of current vacant positions - \$531K
- Decreased benefit allowance for vacant positions– decrease of \$604K over SFY22
- Met with division directors to classify current year spend as “one-time or recurring” and discuss additional needs for SFY23. Repurposed funds for any additional needs identified for SFY23.

Professional Service Contracts

- Met with agency leadership to discuss current year spend and ensure contract need aligns with Agency goals for SFY23.
- Reduced contract to align with current year spend.
- Removed budget for projects without definitive implementation date – Will assess when need arises to determine if budget revision is necessary.

OTHER STATE AGENCY PROGRAMS

Total Budget Increase of
\$115,167,320 or 6.3%

OTHER STATE AGENCY PROGRAMS

Percent Change	Agency / Program	Total Dollar Change
5.2%	Department of Human Services	\$36,315,770
-10.0%	Department of Health	(\$801,918)
1.5%	Office of Juvenile Affairs	\$138,989
12.0%	University Hospital Authority & Trust	\$46,705,025
5.5%	Department of Mental Health & Substance Abuse	\$30,422,528
57.7%	Department of Education	\$1,111,850
6.2%	Tribal Government	\$1,025,328
-21.3%	Department of Corrections	(\$1,601,403)
17.3%	JD McCarty	\$1,851,150
0.0%	OSA Non-Title XIX	\$0
6.3%	SFY 2023 Overall Decrease	\$115,167,320

OSA PROGRAM ASSUMPTIONS

- Department of Human Services 25% rate increases for Advantage and HCBS providers.
- Increase Tribal government payments to new providers serving non-Tribal Oklahomans.
- Increased supplemental payment for OU Health
- Department of Mental Health rate increases for behavioral health agency services

REVENUE

Total Budget Increase of \$536,438,322 or 6.3%

APPROPRIATION SUMMARY

FY 23 OHCA Appropriation Summary – SB 1040	
Section 74 (FY 22 General Revenue Fund)	\$859,858,065
Section 76 (FY 21 General Revenue Fund)	\$38,585,035
Section 77 (FY 23 Health Care Enhancement Fund)	\$148,825,100
Section 78 (FY 21 Health Care Enhancement Fund)	\$14,362,576
Section 79 (Tobacco Settlement Fund)	\$12,572,152
Section 80 (Rate Preservation Fund)	\$24,400,658
FY 23 Appropriation	\$1,098,603,586
Section 75 (FY 23 General Revenue Fund) – Transfer to Rate Preservation	\$164,138,054

Percent Change	Funding Source	Total Dollar Change
-1.0%	Federal – Medicaid Program Traditional	(\$49,529,590)
26.1%	Federal – Medicaid Program Expansion	\$340,322,517
-6.7%	Federal – Administration	(\$9,027,484)
9.6%	Drug Rebates	\$47,713,655
-15.7%	Medical Refunds	(\$6,760,207)
-1.0%	NF Quality of Care Provider Fee	(\$877,225)
28.8%	Other State Agency Refunds & Reimbursements	\$118,732,347
1.2%	Tobacco Tax	\$1,021,132
-2.6%	Miscellaneous Revenue	(\$16,908)
-36.6%	Prior Year Carryover	(\$9,364,168)
5.5%	Other Grants	\$30,034
20.0%	Hospital Provider Fee (SHOPP)	\$40,789,883
-100.0%	Insure Oklahoma Transfer	(\$5,000,000)
6.6%	State Appropriations	\$68,404,337
6.3%	SFY 2023 Overall Increase	\$536,438,322

REVENUE

Percent Change	Summary of Change	Non-Recurring	Recurring
6.3%	SFY 2023 Revenue Increase	\$292,254,722	\$244,183,600

REVENUE ASSUMPTIONS

- Estimated \$292 million additional federal for FFCRA & ARPA
- Shifted Insure Oklahoma federal revenue to Medicaid expansion, among other shifts of traditional Medicaid to expansion
- Assume similar drug rebate collections for expansion as traditional, and anticipate full 12 months for expansion in FY 23 compared to 6 months in FY 22 due to lag
- Quality of Care collections will decrease due to decreasing nursing facility bed days
- Other State Agency reimbursements increasing due to stimulus phase out and new Medicaid spend including rate increases

BUDGET OVERVIEW

SUMMARY

Percent Increase	Expenditures/Revenue	Increase	Total Dollars
7.4%	Expenditures	\$605,037,020	\$8,799,304,363
6.3%	Revenues	\$536,438,322	\$9,091,559,085
			\$292,254,722

KEY TAKEAWAYS

- Significant FY 23 budget increase mostly attributable to continuous coverage of an additional 200,000+ and program growth. 60 percent of the program growth is non-recurring OR no cost to the state.
- Expecting a surplus of revenue due to enhanced federal funds from the FFCRA and ARP. The FFCRA funds are expected to continue through the end of CY 2022 and ARP funds will be through FY 2023.
- OHCA to again reserve over \$164 million in additional savings to the rate preservation fund and by the end of year will have savings of over \$300 million.



OKLAHOMA
Health Care Authority

GET IN TOUCH

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Oklahoma City, OK 73105

okhca.org
mysoonercare.org

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



STATE MEDICAID DIRECTOR REPORT



DELIVERY SYSTEM REFORM

KEY PROVISIONS

GOALS

- Improve health outcomes for Oklahomans
- Move toward value-based payment and away from payment based volume
- Improve SoonerCare beneficiary satisfaction
- Contain costs through better coordinating services
- Increase cost predictability to the State

PROGRAM DESIGN

PROGRAM DESIGN

The key difference between this year's design and the 2021 contracts is the inclusion and prioritization of Oklahoma provider led entities.

During the RFP process and upon award, you will hear us refer to our new partners and potential partners as "Contracted Entities" as opposed to MCO's.

Contracted Entities can include:

- Accountable care organizations;
- Provider-led entities;
- A commercial plan; and/or
- A dental benefit manager

While SB 1337 requires OHCA to award at least three statewide contracts, the legislation allows OHCA to award an urban-region contract only to a provider-led entity if they otherwise meet all the RFP requirements and agree to expand to statewide coverage within five years.

PROGRAM DESIGN

You will see many similarities between 2021 and this new program design in terms of expectations of Contracted Entities. For example:

- Timely payments to providers
- Timely response on prior authorizations
- Quality metrics related to improved health outcomes
- Submission of health data to the Health Information Exchange

POPULATIONS

POPULATIONS

COVERED:

- SoonerCare children
- Deemed newborns
- Pregnant women
- Parent and caretaker relatives
- Adults, aged 19-64 enrolled through Medicaid expansion
- Children in foster care
- Former foster children up to 25 years of age
- Juvenile-justice involved children
- Children receiving adoption assistance

VOLUNTARY:

- American Indian/Alaska Native

POPULATIONS

EXCLUDED INDIVIDUALS:

- Dual eligible individuals
- Aged, Blind and Disabled (ABD)
- Individuals enrolled in Medicare Savings Program:
 - Qualified Medicare Beneficiaries (QMB)
 - Specified Low Income Medicare Beneficiaries (SLMB)
 - Qualified Disabled Workers (QDW)
 - Qualified Individuals (QI)
- Nursing facility or ICF-IID level of care
 - Exception: members with a pending level of care determination as described in Section 2.6.6: “Nursing Facility and ICF-IF Stays”
- During a period of Presumptive Eligibility
- Infected with tuberculosis eligible for tuberculosis-related services under 42 CFR 435.215

POPULATIONS

EXCLUDED INDIVIDUALS:

- Determined eligible for SoonerCare on the basis of needing treatment for breast or cervical cancer under 42 CFR 435.213
- Enrolled in 1915 (c) Waiver
- Undocumented persons eligible for Emergency Services only in accordance with 42 CFR 435.139
- Insure Oklahoma Employee Sponsored Insurance (ESI) dependent children in accordance with the Oklahoma TXXI State Plan
- Coverage of pregnancy related services under Title XXI for the benefit of unborn children (Soon-to-be-Sooners), as allowed by 42 CFR 457.10

COVERED BENEFITS

COVERED BENEFITS

The Contracted Entities' Responsibilities:

- Develop strategies to address social determinants of health impacting SoonerCare members including:
 - Partnering with community-based organizations or social service providers
 - Employing or partnering with community health workers or other non-traditional health workers
- Furnish physical health, behavioral health and pharmacy benefits to all covered populations.
 - Dental benefits to be provided by Dental Benefits Manager selected through separate RFP process.

COVERED BENEFITS

- Covered benefits will include, but not be limited to, services currently covered under OHCA's approved state plan, waivers and administrative rules.
- The Contracted Entities proposals may offer value-added benefits and services in addition to the capitated benefit package to support:
 - Health
 - Wellness
 - Independence of members to advance the State's objectives for the managed care program
- This may include, but not limited to:
 - Vision
 - Durable medical equipment
 - Transportation
 - Pharmacy
 - Physician services for members in excess of fee-for-service program limits
- Coordinate with providers benefits outside the plan's capitation to promote service integration and the delivery of holistic, person and family-centered care

COVERED BENEFITS

- OHCA will manage the Preferred Drug List utilized by the contracted entities.
- All rebates for pharmaceutical products and diabetic testing supplies will accrue to the OHCA and shall not be kept or shared by or with the contractor of its PBM.
- Ensure covered members have access to non-emergency transportation using timelines standards required by OHCA.

NETWORK ADEQUACY

DELIVERY NETWORK

In developing an adequate network of participating providers, the contracted entities will be required to:

- Meet state standards for timely access to care and services, as specified in this contract, taking in account the urgency of the need for services.
- Ensure its participating providers offer hours of operation that are no less than the hours of operation offered to commercial enrollees or comparable to other SoonerCare populations, if the participating provider serves on SoonerCare beneficiaries.
- Make services included in contract available 24 hours a day, 7 days a week, when medically necessary.
- Establish mechanisms to ensure compliance with timely access requirements by participating providers.
- Monitor participating providers regularly to determine compliance with timely access requirements.
- Take corrective action if the contractor, or its participating providers, fail to comply with the timely access requirements.

QUALITY & POPULATION HEALTH

QUALITY

The contracted entities will be required to do the following:

- Undergo an annual, external independent review (EQR) of the quality, timeliness, and access to the services covered under the contract.
- Establish and implement an ongoing comprehensive Quality Assessment and Performance Improvement (QAPI) program for the services it furnishes.
- Conduct and evaluate both provider and member surveys using the Consumer Assessment of Healthcare Providers and Systems (CAHPS) Survey.

Contractors are required to do the following:

- Conduct at least three Performance Improvement Plans (PIP) annually.
 - **Plan Year One:** One non-clinical, and two clinical PIPs: one that addresses physical health and one that addresses behavioral health.
 - **Subsequent Years:** PIP topics may be identified by CMS, the contractor, or OHCA. All PIPs are subject to final approval by the OHCA.

QUALITY ADVISORY COMMITTEE

- OHCA will establish a Medicaid Delivery System Quality Advisory Committee
 - Power and Duty to make recommendations regarding quality measures used by contracted entities in the capitated care delivery model
 - The committee will be comprised of members appointed by OHCA, consisting of:
 - Providers
 - Representatives of hospitals and integrated health systems
 - Members of the health care community
 - Members of the academic community with subject-matter expertise

FINANCIAL

ACCOUNTABILITY THROUGH CAPITATED PAYMENTS

The contract will utilize a full risk-based delivery reform system by using capitated payment methodology. The amount of the capitated payments will be determined by OHCA's contracted actuarial consultant.

OHCA will reserve the right to adjust the percent of capitation payments withheld in future contract rating periods.

PAYMENT RATES AND TIMELINES

Contracted entities will be responsible to ensure provider rates are reasonable to ensure member access to services based on time and distance.

Rate floors will be in effect for providers until July 1, 2026.

Contracted entities will be required to adhere to state and federal requirements pertaining to prescribed payment methodologies to the following:

- FQHCs
- RHCs
- Pharmacies
- IHCPs
- Emergency services

TIMELINE

TIMELINE

Expected RFP release date early Fall 2022

Anticipated launch date **October 2023**, pending CMS approval

PUBLIC HEALTH EMERGENCY UPDATE

PUBLIC HEALTH EMERGENCY

- The Families First Coronavirus Response Act (2020) included a “continuous coverage” requirement so ineligible individuals would not be at risk of losing health coverage during the PHE.
- States received a 6.2% increase in federal Medicaid matching dollars for maintaining Medicaid coverage for individuals that no longer meet eligibility requirements.
- OHCA has paused disenrolling SoonerCare members who have become ineligible.
- Exceptions:
 - Voluntary disenrollment
 - No longer Oklahoma resident
 - Death of the member

PUBLIC HEALTH EMERGENCY UNWINDING

- More than 212,000 members will be affected.
- Those eligible will have their current coverage extended or moved to a new program the following month.
- Individuals not eligible will be referred to the Federal Marketplace or other community resources.
- Will “phase out” gradually throughout the year, with the most vulnerable members losing coverage last.
- Ineligible members will receive three notices in the mail prior to their end date.
- Currently no identified end date. CMS will provide states 60 day notice prior to expiration.

CONTINUOUS ELIGIBILITY DATA

Members with PHE continuous eligibility by age		
Children Age 0 to 5	40,156	19%
Children Age 6 to 18	52,698	25%
Adults Age 19 to 64	116,874	55%
Adults Age 65 and Over	2,103	1%
No Match	734	0.3%
Total	212,565	

CONTINUOUS ELIGIBILITY DATA

Members with PHE continuous eligibility by aide category		
ABD	149	0.1%
Children/Parent Caretaker	132,910	63%
Expansion	65,967	31%
SoonerPlan	8,572	4%
Insure OK	4,204	2%
OTHER (STBS & Partial Scope Dual)	29	0.01%
No Match	734	0.3%

CONTINUOUS ELIGIBILITY DATA

Members with PHE continuous eligibility by FPL		
0-138%	58,511	28%
139-200%	44,375	21%
201% & Over	108,926	51%
No Poverty Data	19	0.01%
No Match	734	0.3%

EXPANSION UPDATE

EXPANSION ENROLLMENT

- **330,066** - Total enrollment through expansion.
- **209,569** - New members through expansion.
- **120,497** - Members who were previously enrolled in other programs, now eligible for more benefits through expansion.

This data is accurate as of June 20, 2022.

ENROLLMENT AND CLAIMS

Member Served	Total Expansion Enrollment	Total Expansion Served Reimbursement
Total	330,066	238,193 \$1,152,522,670
Sex Code	Total Expansion Enrollment	Total Expansion Served Reimbursement
F	193,572	145,231 \$623,389,014
M	136,494	92,962 \$529,133,656
Client Age As Of Specified Date	Total Expansion Enrollment	Total Expansion Served Reimbursement
24 & Under	75,716	50,044 \$124,399,307
25 to 34	90,955	63,600 \$221,854,488
35 to 44	75,684	54,051 \$254,672,994
45 to 54	48,629	38,169 \$276,867,744
55 and Older	39,082	32,329 \$274,728,137

Race Group	Total Expansion Enrollment	Total Expansion Served Reimbursement
American Indian	45,818	36,029 \$280,500,147
Asian or Pacific Islander	8,021	4,861 \$12,763,185
Black or African American	34,866	25,073 \$97,558,447
White	198,974	141,994 \$619,948,182
Two or More Races	18,897	13,768 \$66,666,224
Declined to Answer	23,490	16,468 \$75,086,486
Urban/Rural	Total Expansion Enrollment	Total Expansion Served Reimbursement
Urban	201,651	144,212 \$678,383,315
Rural	128,415	93,981 \$474,139,356

Top 10 Categories of Service by Spend
Prescribed Drugs Services
Inpatient Services
Outpatient Services
Physician Services
Clinic Services
Adult Behavioral Health Services
Dental Services
Psychiatric Services
Transportation Services
Laboratory Services

SOONERCARE OPERATIONS UPDATE

PROGRAM UPDATES

- Tobacco Free Environment Initiative
 - Outreach to 345 dental providers, 70 of which participated in TA opportunity;
 - Outreach to 98 APRNs, 50 have been assigned to TA opportunity;
 - Referrals to the Oklahoma Tobacco Helpline have increased 95% in first year;
 - Rising trend in nicotine replacement therapies.
- Patient Centered Medical Home Redesign
- Chiropractic Care for Adults
 - 20 Chiropractors enrolled
 - 121 members served
 - Reimbursement to date: \$9,239



OKLAHOMA
Health Care Authority

GET IN TOUCH

4345 N. Lincoln Blvd.
Oklahoma City, OK 73105

okhca.org
mysoonercare.org

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



OHCA Monthly Metrics July 2022 (May 2022 Data)

SOONERCARE ENROLLMENT/EXPENDITURES

Delivery System	Enrollment May 2022	Children May 2022	Adults May 2022	Enrollment Change	Total Expenditures May 2022	PMPM May 2022
SoonerCare Choice Patient-Centered Medical Home	805,105	542,191	262,914	11,271	\$285,748,346	
Children/Parents & Expansion	763,160	528,539	234,621	11,279	\$235,373,289	\$308
Aged/Blind/Disabled & BCC	41,945	13,652	28,293	-8	\$50,375,057	\$1,201
SoonerCare Traditional	432,800	140,562	292,238	3,261	\$267,986,094	
Children/Parents & Expansion	303,605	135,135	168,470	2,724	\$108,448,967	\$357
Aged/Blind/Disabled & BCC	129,195	5,427	123,768	537	\$159,537,127	\$1,235
Insure Oklahoma (ESI)	10,110	420	9,690	-244	\$3,573,555	\$353
SoonerPlan	8,844	41	8,803	-211	\$27,429	\$3
TOTAL (UNDUPLICATED)	1,256,859	683,214	573,645	14,077	\$557,335,424	\$443

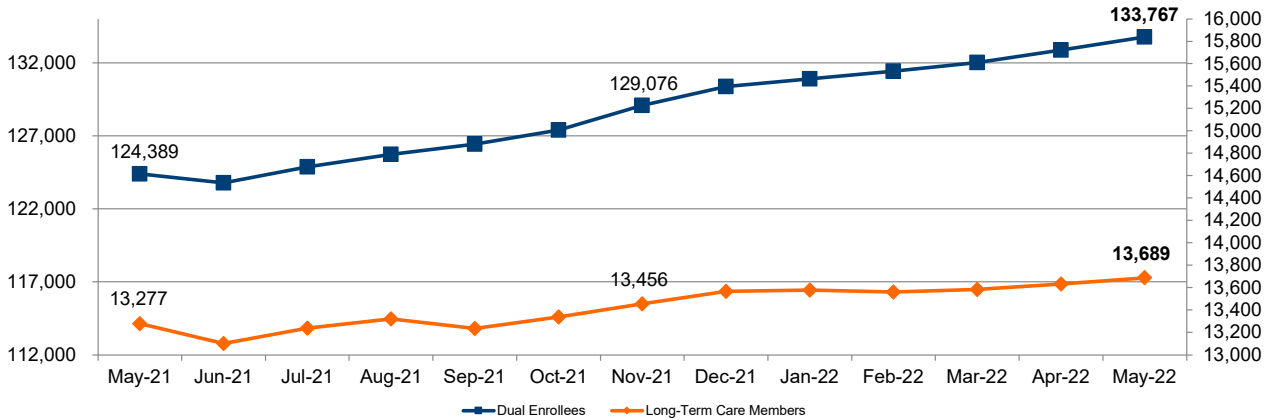
Total Expansion members = 284,332 (60% in PCMH). TEFRA is included with ABD. OTHER is included with Children/Parents. ABD - Traditional includes LTC and HCBS Waiver. Other - Traditional includes Q1 and SLMB.

Enrollment totals include all members enrolled during the report month. Members may not have expenditure data. Children are members aged 0 - 20 or for Insure Oklahoma enrolled as Students or Dependents. Dual Eligibles (Medicare & Medicaid) are in the Traditional delivery system in both the Low Cost (Q1 & SLMB) and High Cost (ABD) groups. OTHER includes DDSD, PKU, Q1, Refugee, SLMB, STBS and TB.

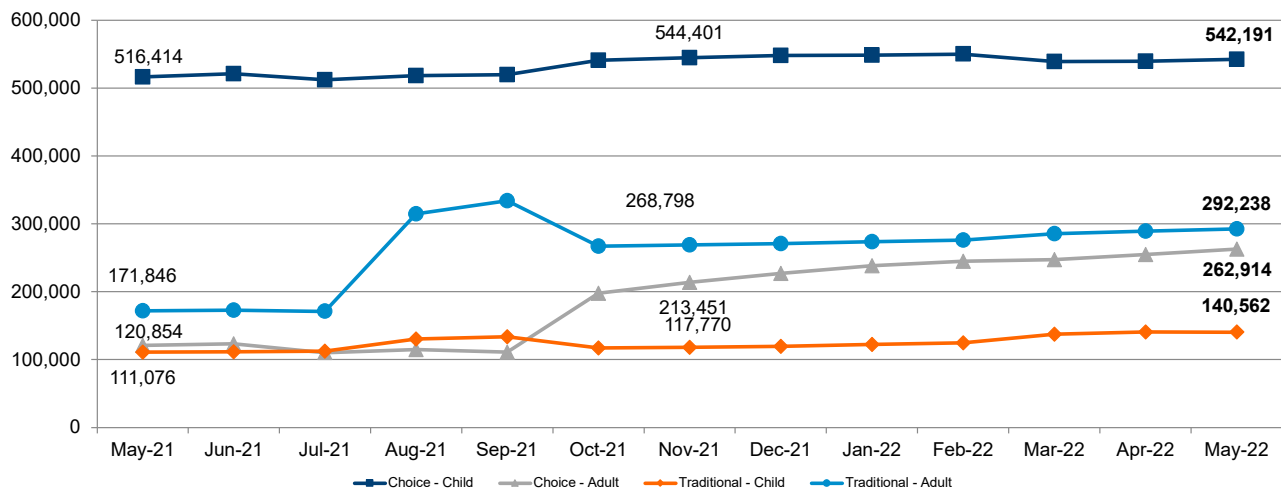
Total In-State Providers: 45,243 (+814)									
(In-State Providers counted multiple times due to multiple locations, programs, types, and specialties)									
Physician	Phys Assist	Pharmacy	Dentist	Hospital/IPF	MH/BH	Optometrist	Ext. Care	Total PCPs*	PCMH
9,564	1,574	930	980	168	11,211	658	440	7,643	2,580

*PCPs consist of all providers contracted as a Certified Registered Nurse Practitioner, Family Practitioner, General Pediatrician, General Practitioner, Internist, General Internist, and Physician Assistant. In general, decreases are due to contract renewal. Decrease during contract renewal period is typical during all renewal periods. Current decrease is due to physicians being in contract renewal.

DUAL ENROLLEES & LONG-TERM CARE MEMBERS

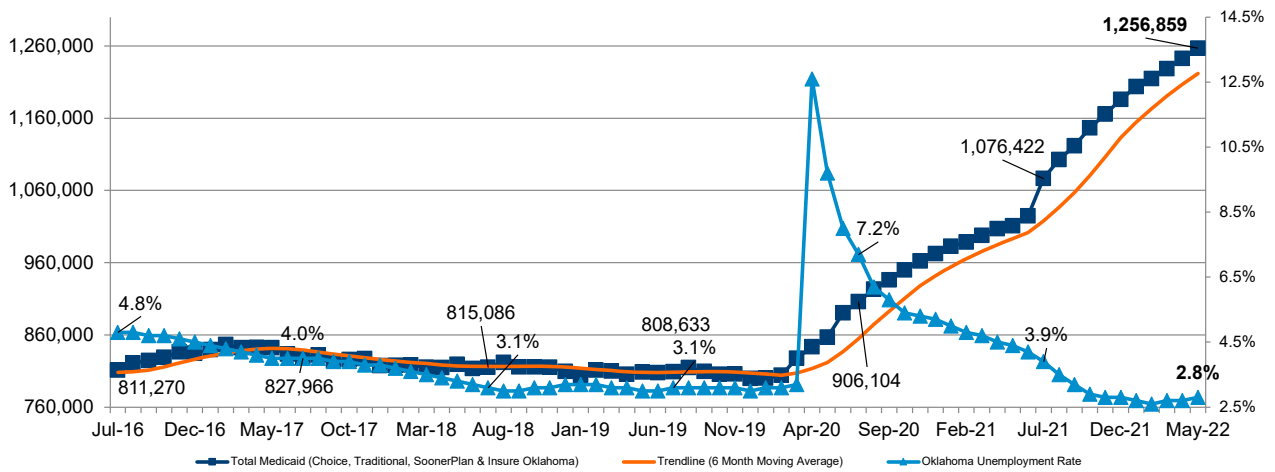
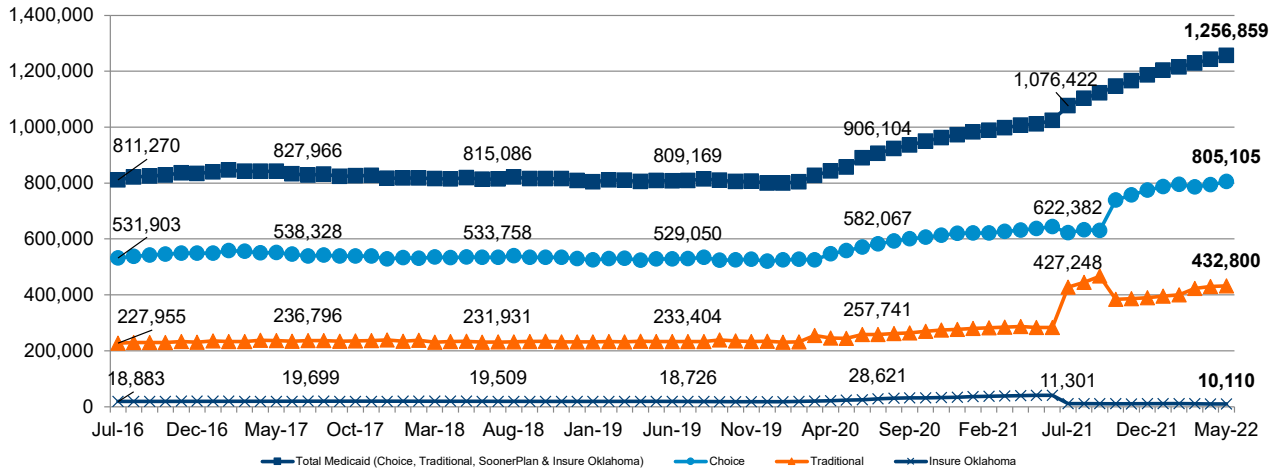


CHILDREN & ADULTS ENROLLMENT



Enrollment increase is due to COVID response to maintain members continuous coverage of care by postponing recertification and due to Expansion (July 2021).

ENROLLMENT BY MONTH



Oklahoma Unemployment Rate is from the Bureau of Labor Statistics 'Local Area Unemployment Statistics' (<https://www.bls.gov/lau/>) and is seasonally adjusted.

In June 2017 there were changes to the passive renewal system criteria that reduced the number of passively renewed members by 2/3rds. Increase in March 2020 due to COVID-19 economic impact and relief measures (Continuity of care by postponing recertifications) **Expansion was effective in July 2021.**

**July MAC
Proposed Rules Amendment Summaries**

The following work folders were posted on the Oklahoma Health Care Authority (OHCA) public website for a public comment period.

APA WF # 22-15 Removing Provider Panel Limits in the Patient Centered Medical Home (PCMH) — The proposed revisions will remove member cap limits for Physicians, Advanced Practice Registered Nurses (APRN), and Physician Assistants (PA) participating in SoonerCare Choice as a Patient Centered Medical Home provider. Currently, policy only allows 2,500 members for each physician, 1,250 members for each APRN, and 1,250 members for each PA. The proposed revisions will allow members easier access to care and will align policy with the current redesign of the PCMH model.

Budget Impact: Budget neutral.

Proposed Rule Timeline:

60-day Tribal Consultation Period: February 19, 2022 – April 16, 2022

Tribal Consultation: March 1, 2022

Public Comment Period: June 27, 2022 – July 14, 2022

OHCA Board Meeting: September 21, 2022

Requested Effective Date: Upon Governor's signature or the 45th day post submission of the rules to the Governor (November 7, 2022)

**TITLE 317. OKLAHOMA HEALTH CARE AUTHORITY
CHAPTER 25. SOONERCARE CHOICE**

SUBCHAPTER 7. SOONERCARE

PART 1. GENERAL PROVISIONS

317:25-7-5. Primary care providers (PCPs)

For provision of health care services, the OHCA contracts with qualified PCPs. All providers serving as PCPs must have a valid SoonerCare Fee-for-Service contract as well as an exercised SoonerCare Choice addendum. Additionally, all PCPs, excluding provider or physician groups must agree to accept a minimum capacity of fifty (50) patients; provided, however, this does not guarantee PCPs a minimum patient volume. PCPs are limited to:

(1) **Physicians.** Any physician licensed to practice medicine in the state in which he or she practices who is engaged in a general practice or in family medicine, general internal medicine or general pediatrics may serve as a PCP. Out-of-state PCPs are required to comply with all access standards imposed on Oklahoma physicians, as well as Oklahoma Administrative Code (OAC) 317:30-3-89 through 317:30-3-92.

~~(A) For physicians serving as SoonerCare Choice PCPs, the State caps the number of members per physician at two thousand, five hundred (2,500). If a physician practices at multiple sites, the capacity at each site is determined based on the number of hours per week the physician holds office hours, not to exceed one (1) FTE. Thus, the physician cannot exceed a maximum total capacity of two thousand, five hundred (2,500) members.~~

~~(B) In areas of the state where cross-state utilization patterns have developed because of limited provider capacity in the state the OHCA may authorize contracts with out of state providers for PCP services. Out of state PCPs are required to comply with all access standards imposed on Oklahoma physicians, as well as Oklahoma Administrative Code (OAC) 317:30-3-89 through 317:30-3-92.~~

(2) **Advanced Practice Registered Nurses (APRNs).** APRNs who have prescriptive authority may serve as PCPs for the Primary Care Case Management delivery system if licensed to practice in the state in which he or she practices. ~~APRNs who have prescriptive authority may serve as PCPs for a maximum number of one thousand, two hundred and fifty (1,250) members.~~

(3) **Physician Assistants (PAs).** PAs may serve as PCPs if licensed to practice in the state in which he or she practices. ~~PAs may serve as PCPs for a maximum number of one thousand, two hundred and fifty (1,250) members.~~

(4) **Indian Health Service (IHS) Facilities and Federally Qualified Health Center (FQHC) provider groups and Rural Health Clinics (RHC).**

(A) IHS facilities whose professional staff meet the general requirements in paragraphs (1) through (3) of this Section and the provider participation requirements at OAC 317:30-5-1088 may serve as PCPs.

(B) FQHCs whose professional staff meet the general requirements in paragraphs (1) through (3) of this Section and the provider participation requirements in OAC 317:30-5-660.2 may serve as PCPs.

(C) RHCs whose professional staff meet the general requirements in paragraphs (1) through (3) of this Section and the provider participation requirements in OAC 317:30-5-355 may serve as PCPs.

(5) Provider or physician group capacity and enrollment.

(A) Provider or physician groups must agree to accept a minimum enrollment capacity and ~~may not exceed two thousand, five hundred (2,500) members per physician participating in the provider group~~ of fifty (50) members.

~~(B) If licensed PAs or APRNs are members of a group, the capacity may be increased by one thousand, two hundred and fifty (1,250) members if the provider is available full-time.~~

~~(C)~~(B) Provider or physician groups must designate a medical director to serve as the primary contact with OHCA.