

OKLAHOMA HEALTH CARE AUTHORITY
SPECIAL BOARD MEETING
August 12, 2024, at 11:00 A.M.
Oklahoma Health Care Authority
4345 N. Lincoln Blvd.
Oklahoma City, OK. 73105

AGENDA

Public access via Zoom:

https://www.zoomgov.com/webinar/register/WN_9Hr7vy2sTsK6MoXqyGBIEw

Telephone: 1-669-216-1590 Webinar ID: 161 624 6739

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

1. Call to Order / Determination of Quorum.....Marc Nuttle, Chair
2. Discussion and Vote on the June 26, 2024, OHCA Board Meeting Minutes.....Marc Nuttle, Chair
3. Discussion of Report from the.....John Christ
Compliance Advisory Committee Member, Compliance Advisory Committee
and Possible Action
 - a) Discussion and Possible Vote to Approve the State Plan Amendment Rate Committee Rates pursuant to 63 O.S. Section 5006 (A)(2) under OAC 317:1-3-4 (Attachment “A”)
 - i. Regular Nursing Facilities Rate Increase
 - b) Discussion and Possible Vote regarding the Authority’s ability to withstand the procurement decision made by the CEO based on the Authority’s budget and available funds pursuant to 63 O.S. Section 5006(A)(2) under OAC 317:10-1-16. (Attachment “B”)
 - i. Care Management Data Analytics Solution Software Subscription Services
4. Adjournment.....Marc Nuttle, Chair

NEXT BOARD MEETING
September 18, 2024, at 2:00PM
Oklahoma Health Care Authority
4345 N. Lincoln Blvd
Oklahoma City, OK 73105

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MINUTES OF REGULAR BOARD MEETING
OF THE HEALTH CARE AUTHORITY BOARD

June 26, 2024

Oklahoma Health Care Authority
4345 N. Lincoln Blvd
Oklahoma City, Oklahoma

Manner and Time of Notice of Meeting: A statutorily required public meeting notice was placed on the front door of the Oklahoma Health Care Authority on June 25, 2024 at 1:50 p.m. Advance public meeting notice was provided to the Oklahoma Secretary of State. In addition to the posting of the statutory public notice, the agency placed its agenda on its website on June 21, 2024 at 3:31 p.m.

Pursuant to a roll call of the members, a quorum was declared to be present, and Chairman Nuttle called the meeting to order at 2:06 p.m.

Due to conflicts in schedule and quorum requirements, the agenda items needed to be taken out of order.

BOARD MEMBERS PRESENT: Chairman Nuttle, Vice-Chairman Yaffe, Member Case, Member Jolley, Member Kennedy

BOARD MEMBERS ABSENT: Member Christ, Member Cruzan, Member Leland

ITEM 2 / PUBLIC COMMENT

Ms. Mary Brinkley provided a public comment.

ITEM 3 / DISCUSSION AND POSSIBLE VOTE ON THE MARCH 20, 2024, OHCA BOARD MEETING MINUTES

Chairman Nuttle, OHCA Board Chairman

MOTION: Member Jolley moved for approval of the March 20, 2024, board meeting minutes, as published. The motion was seconded by Vice-Chairman Yaffe.

FOR THE MOTION: Chairman Nuttle, Vice-Chairman Yaffe, Member Case, Member Jolley, Member Kennedy

BOARD MEMBERS ABSENT: Member Christ, Member Cruzan, Member Leland

ITEM 8 / DISCUSSION OF REPORT FROM THE COMPLIANCE ADVISORY COMMITTEE

Phillip Kennedy, Chair, Compliance Advisory Committee

Member Kennedy presented the following SPARC items.

- a) Discussion and Possible Vote to Approve the State Plan Amendment Rate Committee Rate pursuant to 63 O.S. Section 5006 (A)(2) under OAC 317:1-3-4 (see Attachment "F")
 - i. Regular Nursing Facilities Rate Increase

OHCA advised Committee Chairman Kennedy that item 8a.i needed to be tabled and would be brought back to the board for approval at a later date.

MOTION: Committee Chairman Kennedy moved to table item 8a.i. The motion was seconded by Member Jolley.

FOR THE MOTION: Chairman Nuttle, Vice-Chairman Yaffe, Member Case, Member Jolley, Member Kennedy

BOARD MEMBERS ABSENT: Member Christ, Member Cruzan, Member Leland

- ii. Acquired Immune Deficiency Syndrome (AIDS) Nursing Facilities Rate Increase
- iii. Regular Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IID) Rate Increase

- iv. Acute (16 Bed-or-less) Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IID) Rate Increase

MOTION: Member Jolley moved for approval of item 8a.ii-iv, as published. The motion was seconded by Member Case.

FOR THE MOTION: Chairman Nuttle, Vice-Chairman Yaffe, Member Case, Member Jolley, Member Kennedy

BOARD MEMBERS ABSENT: Member Christ, Member Cruzan, Member Leland

Member Kennedy presented the following Expenditure of Authority Contracts.

- b) Discussion and Possible Vote regarding the Authority’s ability to withstand the procurement decision made by the CEO based on the Authority’s budget and available funds pursuant to 63 O.S. Section 5006(A)(2) under OAC 317:10-1-16. (Attachment “G”)
 - i. Customer Relationship Management (CRM)
 - ii. Technical Consultant for the Medicaid Management Information System (MMIS) Modernization and Implementation of the Transformation Management Office – Phase 2
 - iii. Third Party Liability (TPL) Systems
 - iv. MyHealth

MOTION: Member Case moved for approval of item 8bi-iv, as published. The motion was seconded by Member Jolley.

FOR THE MOTION: Chairman Nuttle, Vice-Chairman Yaffe, Member Case, Member Jolley, Member Kennedy

BOARD MEMBERS ABSENT: Member Christ, Member Cruzan, Member Leland

- c) Presentation of the SFY 2025 Budget Work Program Pursuant to 63 O.S. Section 5008(B)(3) – Aaron Morris, Chief Financial Officer (Attachment “H”).

Mr. Morris presented the FY 2025 Budget Work Program which included information on Background Appropriations and Budget, Medical Program Growth/Initiatives/Mandates, Program Assumptions, Insure Oklahoma, OHCA Administration, Other State Agency Programs, Revenues, Appropriation Summary, Revenue Assumptions, Budget Overview, and Key Takeaways.

For more detailed information, see Attachment “H” in the board packet.

- d) Discussion and Possible Vote on the SFY 2024 Budget Work Program pursuant to 63 O.S. Section 5008(B)(3)

MOTION: Member Jolley moved for approval of item 8c, as published. The motion was seconded by Vice-Chairman Yaffe.

FOR THE MOTION: Chairman Nuttle, Vice-Chairman Yaffe, Member Case, Member Jolley, Member Kennedy

BOARD MEMBERS ABSENT: Member Christ, Member Cruzan, Member Leland

ITEM 7 / DISCUSSION OF REPORT FROM THE PHARMACY ADVISORY COMMITTEE

Tanya Case, Member of the Pharmacy Advisory Committee

Action Item – a) Discussion and Possible Vote Regarding Recommendations Made by the Drug Utilization Review Board Pursuant to 63 O.S. § 5030.3 to Add the Following Drugs to the Utilization and Scope Prior Authorization Program under OAC 317:30-5-77.2(e) (see attachment “E”)

Item:	Drug Name:	Used For:
i.	Alinia®	Giardia Lamblia and Cryptosporidium Parvum Infections
	Xdemvy	Demodex Blepharitis
ii.	Ycanth™	Molluscum Contagiosum

	Zelsuvmi™	
iii.	Vanfkyta®	Acute Myeloid Leukemia
iv.	Columvi™ Epkinly™	Diffuse Large B-Cell Lymphoma
v.	Roctavian™	Hemophilia
vi.	Ryzneuta®	Febrile Neutropenia
vii.	Tyruko®	Multiple Sclerosis
viii.	Aphexda®	Mobilization of Stem Cells

MOTION: Member Jolley moved for approval of item 7a.i-viii, as published. The motion was seconded by Member Kennedy.

FOR THE MOTION: Chairman Nuttle, Vice-Chairman Yaffe, Member Case, Member Jolley, Member Kennedy,

BOARD MEMBERS ABSENT: Member Christ, Member Cruzan, Member Leland

ITEM 10 / DISCUSSION OF REPORT FROM THE ADMINISTRATIVE RULES ADVISORY COMMITTEE AND POSSIBLE ACTION REGARDING AGENCY RULEMAKING

Tanya Case, Chair, Administrative Rules Advisory Committee

- a) Discussion and Possible Vote on Recommended Rulemaking Pursuant to Article I of the Administrative Procedures Act and in accordance with 75 O.S. § 253. OHCA Requests the Adoption of the Following Emergency Rule (see Attachment “I”)
 - i. APA WF 24-15 Third Party Liability (TPL) Prior Authorization

MOTION: Vice-Chairman Yaffe motioned to approve the declaration of a compelling public interest for the promulgation of the emergency rule in item 10a.i. The motion was seconded by Member Jolley.

FOR THE MOTION: Chairman Nuttle, Vice-Chairman Yaffe, Member Case, Member Jolley, Member Kennedy

BOARD MEMBERS ABSENT: Member Christ, Member Cruzan, Member Leland

MOTION: Member Jolley moved to approve the emergency rule listed in item 10a.i as published. The motion was seconded by Vice-Chairman Yaffe.

FOR THE MOTION: Chairman Nuttle, Vice-Chairman Yaffe, Member Case, Member Jolley, Member Kennedy

BOARD MEMBERS ABSENT: Member Christ, Member Cruzan, Member Leland

ITEM 11 / ADJOURNMENT

Marc Nuttle, OHCA Board Chairman

Due to no longer having a quorum, the board was required to adjourn the meeting and continue with the remaining non-actionable items on the agenda.

MOTION: Member Case moved to adjourn. The motion was seconded by Vice-Chairman Yaffe.

FOR THE MOTION: Chairman Nuttle, Vice-Chairman Yaffe, Member Case, Member Jolley, Member Kennedy

BOARD MEMBERS ABSENT: Member Christ, Member Cruzan, Member Leland

Meeting adjourned at 2:32 p.m., 6/26/2024.

ITEM 4 / CHIEF EXECUTIVE OFFICER REPORT

Ellen Buettner, Chief Executive Officer

CEO Buettner invited David Ward to provide a member moment.

CEO Buettner highlighted Tasha Black and her team for their work on the budget, which had recently been approved. She also highlighted Jennifer Lamb-Hornsby, Steve Lightner and their teams to help with the building update. She also provided updates on SoonerSelect, Administrative Initiatives, and Stakeholder Engagement.

Key Initiatives:

- **SoonerSelect:** SoonerSelect is almost 90 days into implementation of Medical and Children's Specialty programs and nearing the end of the continuity of care period. The SoonerSelect team continues to address provider concerns and hosting in person town halls. The team has identified specific issues, including systemic issues and others that may be on the provider education side. There have been few complaints from members, who are excited about the value ads.
- **Administrative Update:** As of Monday, about 100 EGID staff have transitioned under OHCA. CEO Buettner recognized Gary Beebe, Interim EGID Administrator, and Byron Knox, EGID Lead Attorney. CEO Buettner also highlighted Aaron Morris, Traylor Rains, and Christina Foss for their work this legislative session with the budget and the bills related to OHCA and educating them on the OHCA programs. Other broad administrative updates included the resignation of John Suter, State COO and OMES Director. Katie Demuth, formerly Deputy Secretary of State, is serving in an interim role. Several Cabinet nominations did not move forward, including Dr. Finch's nomination. Governor has not named a successor Secretary but will keep the board informed moving forward.
- **Stakeholder Engagement:** OHCA leadership continues to have interagency leadership meetings as well as inter-cabinet leadership meetings to identify common issues we can tackle together. Some primary areas we're looking at are how do we best serve our kids with the most severe needs, preventing out of state placements, as well as administrative in nature like finding efficiencies in call center technology and eligibility processes. OHCA is currently engaged with LOFT, the Legislative Office of Fiscal Transparency. As part of their engagement this year, they are looking into understanding the agency's flow of federal and state funds. OHCA anticipates that the report will come out in August.

ITEM 5 / STATE MEDICAID DIRECTOR REPORT

Traylor Rains, State Medicaid Director

Mr. Rains provided a State Medicaid Director Update, which included information on SoonerSelect Milestones Achieved, Network Adequacy, Implementation Issues and Mitigation Strategies, and CMS Implementation Rules Runway.

Teresa Huggins, Chairperson of the OHCA Quality Advisory Committee (QAC), had an emergency and was not able to attend the board meeting to provide the committee update. Mr. Rains provided the update, which included information on the Committee Overview, QAC Sub-Committee Data & Operational Metrics, QAC Sub-Committee Performance Improvement Projects (PIPS), and QAC Primary Care Spend.

For more detailed information, see attachments "B" and "C" of the board packet.

ITEM 6 / LEGISLATIVE UPDATE

Christina Foss, Chief of Staff

Ms. Foss provided a brief update on communication efforts surrounding SoonerSelect and OHCA's legislative priorities.

Communications – Ms. Foss reminded the board that SoonerSelect resources are available on the OHCA website, as well as provider guides that tackle a lot of the education around submitting prior authorizations, and how that looks for different plans. The team has also been trying to help facilitate all of those resources in one spot for providers.

Legislative Update – As previously mentioned, OHCA has been working with LOFT to better understand the flow of federal and state funds. The meeting is scheduled on August 29th. Ms. Foss also provided updates on a few bills that reduced some of the burdens for some of OHCA's providers. One of the bills presented this session changed some of the requirements for PACE facilities, excluding them from certain licensures that were duplicative. Other bills also provided some streamlining. One of OHCA's request bills SB1703, related to prior authorizations and third-party payers was signed by the Governor. OHCA worked with OHS on a bill that included some additional populations into the Children's Specialty that were previously left out, to provide cohesive care to those families. OHCA's HIE bill, which matches the statute to OHCA's rules, also passed. One of the biggest changes that came out of this legislative session was with SB1675, which

changed the Managed Care rate floor by extending it. The bill also separated the two definitions of provider led entity. Looking ahead, the team will keep the board abreast of any interim studies as they come through. As for next session, there will be some cleanups to do with some of the EGID statutes to ensure everything is how OHCA has operationalized and refers to the correct agency throughout all of the statutes. There will likely be changes to the MAC statute, updating with the CMS rules. OHCA will also continue to work with the legislature on modernizing nursing facility rate methodology.

ITEM 9 / DISCUSSION OF REPORT OF STRATEGIC PLANNING & OPERATIONAL ADVISORY COMMITTEE

Marc Nuttle, Chair, Strategic Planning & Operational Advisory Committee

Chairman Nuttle stated that there had been some press conferences and other complaints about the timing of payments and commended the staff for their professional way of handling it and getting to the bottom of it. Chairman Nuttle stated that the committee also discussed the metrics and database, and everything seems to be progressing nicely.

Member Kennedy provided a brief update on financials for SFY 2024, stating that OHCA revenues were 0.3% under budget while expenditures were 0.1% under budget. OHCA's budget variance is negative \$13.7 million.

ITEM 11 / PROPOSED EXECUTIVE SESSION AS RECOMMENDED BY THE OHCA GENERAL COUNSEL AND AUTHORIZED BY THE OPEN MEETINGS ACT, 25 OKLAHOMA STATUTES §307(B) (4).

Marc Nuttle, OHCA Board Chairman

Due to no longer having a quorum, the remaining board members could not go into Executive Session.

NEXT BOARD MEETING
September 18, 2024
Oklahoma Health Care Authority
4345 N. Lincoln Blvd
Oklahoma City, OK 73105

Martina Ordonez
Board Secretary

Minutes Approved: _____

Initials: _____

Financials – For the period ending January 31, 2024, OHCA's revenues were 1.1% under budget while expenditures were 0.9% under budget. Program expenditures were \$19 million under budget, as we start to see lower expenditures from the PHE Unwind. Drug rebates and medical refunds continue to be over budget thanks to the team's efforts to improve and automate the process. All receivables from sister agencies are current as we continue to focus on timely collection while monitoring cash flow.

Internal Audit: Member Kennedy called upon Amber Smith, Director of Internal Audits, to provide an overview of the Single Audit Findings. Ms. Smith stated that the Auditor's office is finalizing the State Fiscal Year 2022 Single Audit this week. During the Compliance meeting, the Auditor's office presented 10 reportable findings, four of which were material weaknesses in internal controls. The OHCA team has already implemented a corrective action for 6 of the 10 findings, and is currently on target to remediate another before June 30th.

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STATE PLAN AMENDMENT RATE COMMITTEE

REGULAR NURSING FACILITIES RATE INCREASE

1. IS THIS A RATE CHANGE OR A METHOD CHANGE?

Rate Change

2. IS THIS CHANGE AN INCREASE, DECREASE, OR NO IMPACT?

Increase

3. PRESENTATION OF ISSUE – WHY IS THIS CHANGE BEING MADE?

The change is being made to increase the Quality of Care (QOC) fee for Regular Nursing Facilities per 56 O.S. 2011, Section 2002. This change allows the Oklahoma Health Care Authority (OHCA) to collect additional QOC fees from providers and match them with federal funds which provides rate increases to facilities. Additionally, the change allows OHCA to calculate the annual reallocation of the pool for the “Direct Care” and “Other Cost” components of the rate as per the State Plan. This change will also increase the rate for Regular Nursing Facilities as mandated by Senate Bill 1134.

4. CURRENT METHODOLOGY AND/OR RATE STRUCTURE.

The current rate methodology for Regular Nursing Facilities calls for the establishment of a prospective rate that consists of four components. The current components are as follows:

- A. Base Rate Component is \$158.56 per patient day.
- B. A Pay for Performance (PFP) Component defined as the dollars earned under the incentive payment program for Nursing Facilities with an average payment of \$5.00 per patient day.
- C. An “Other Cost” Component which is defined as the per day amount derived from dividing 30% of the pool of funds available after meeting the needs of the Base and PFP Components by the total estimated Medicaid days for the rate period. This component once calculated is the same for each facility.
- D. A “Direct Care” Component which is defined as the per day amount derived from allocating 70% of the pool of funds available after meeting the needs of the Base and PFP Components to the facilities. This component is determined separately and is different for each facility. The method (as approved in the State Plan) allocates the 70% pool of funds to each facility (on a per day basis) based on their relative expenditures for direct care costs.

STATE PLAN AMENDMENT RATE COMMITTEE

The current combined pool amount for “Direct Care” and “Other Cost” components is \$251,077,470. The current Quality of Care (QOC) fee is \$15.65 per patient day.

5. NEW METHODOLOGY OR RATE STRUCTURE.

There is no change in methodology; however, there is a rate change for Regular Nursing Facilities because of the required annual recalculation of the Quality of Care (QOC) fee and reallocation of the pool for “Direct Care” and “Other Cost” components of the rate as per the State Plan. This change will also increase the rate for Regular Nursing Facilities as mandated by Senate Bill 1134. The new Base Rate Component will be \$158.78 per patient day. The new combined pool amount for “Direct Care” and “Other Cost” components will be \$351,403,013. The new Quality of Care (QOC) fee will be \$15.87 per patient day.

6. BUDGET ESTIMATE.

The estimated budget impact for SFY2025 will be an increase in the total amount of \$87,371,108; with \$28,666,460 in state share.

OHCA attests that it has adequate funds to cover the state share of the projected cost of services

7. AGENCY ESTIMATED IMPACT ON ACCESS TO CARE.

The Oklahoma Health Care Authority does not anticipate any negative impact on access to care.

8. RATE OR METHOD CHANGE IN THE FORM OF A MOTION.

The Oklahoma Health Care Authority requests the State Plan Amendment Rate Committee to approve the following for Regular Nursing Facilities:

- An increase to the base rate component from \$158.56 per patient day to \$158.78 per patient day.

An increase to the combined pool amount for “Direct Care” and “Other Cost” Components from \$251,077,470 to \$351,403,013 for the annual reallocation of the Direct Care Cost Component as per the State Plan.

9. EFFECTIVE DATE OF CHANGE.

July 1, 2024, upon approval by CMS

SUBMITTED TO THE C.E.O. AND BOARD ON AUGUST 12, 2024

Discussion and vote regarding the Authority's ability to withstand the procurement decision made by the CEO based on the Authority's budget and available funds

BACKGROUND

Services	Care Management Data Analytics Solution Software Subscription Services
Purpose and Scope	Gray Matter provides value-based care analytics solutions for healthcare payors and providers, designed to help OHCA optimize care delivery, reduce costs and achieve better patient outcomes. Utilization of this tool is for MCE Performance Management and scorecard generation that analyzes MCE quality performance and generate scorecards near real-time.
Mandate	N/A
Procurement Method	Statewide Contract 1050
External Approvals	N/A
Contract Term	Signature of Contract through June 30, 2025 Additional one (1) year options to renew of the subscription contract are upon mutual agreement of both Parties.

BUDGET

Amount requested for Approval	\$ 1,600,000.00 for contract year. Any renewals thereafter will require subsequent Board approval.
Federal Match Percentage(s) within the Total Contract Not-to-Exceed	50%

RECOMMENDATION

The Authority affirms its ability to withstand the procurement decision made by the CEO based on the budget and available funds. Board approval is requested to approve the Gray Matter Analytics contract as described above for an annual not-to-exceed amount of \$1,600,000.00 total dollars.

Additional Information

Contract Term, Including all Optional Renewal Years

(Oklahoma law limits State Agencies from encumbering funds for more than a single State Fiscal Year. As a result, all State of Oklahoma contracts are entered into for an initial year period with subsequent optional renewal years. Every OHCA professional services contract includes standard contract termination language, including immediate, 30 days for cause, 60 days without cause, and non-renewal terminations.)

Total Contract Not-to-Exceed Requested for Approval.

(Actual not-to-exceed amounts are established by the competitive bid process. If the not-to-exceed amount exceeds the amount previously approved by either \$1,000,000.00 or 25%, the contract increase shall require additional Board approval.)

Federal Match Percentage(s)

(CMS authorizes Federal Match based upon specific criteria, for example, a single Information Technology contract may qualify for 50% administrative match, 75% operational match, and 90% implementation match.)