

Rule Impact Statement (2025)

A. Purpose of the proposed rule and legal authority (75 OS § 253(B)(2)(b)(1), 75 OS 303(D)(2)(a))

The purpose of the proposed rule changes is to comply with state law. House Bill 1576 (2025) directed the Oklahoma Health Care Authority to cover rapid whole genome sequencing for members under age 21 who have an unknown complex or acute illness and are receiving intensive care unit services.

The legal authority for this proposed rule is 63 O.S. §5007(C)(2) and 56 O.S. §4005.

B. Brief description of the proposed rule (75 OS 253(B)(2)(b)(3))

The proposed policy changes establish coverage and reimbursement for rapid whole genome sequencing (rWGS) in accordance with House Bill 1576 (2025). Coverage applies to members under age 21 who have an unknown complex or acute illness and are receiving intensive care unit hospital services. The testing may help identify genetic changes and determine the member's condition. When medically necessary, coverage on behalf of the child will include comparator testing of one or both parents. Prior authorization will be required. Rapid whole genome sequencing will be excluded from the Per Discharge Prospective Rate for hospitals and reimbursed separately under the Ambulatory Payment Classification fee schedule. Reimbursement for testing provided in an I/T/U facility will be included in the Inpatient Hospital Per Diem Rate.

C. Classification of proposed rule (75 OS 253(B)(2)(b)(2))

Classification: Major

Justification: Mandated coverage pursuant to House Bill 1576 (2025)

Total annual implementation and compliance costs: \$867,880

Methodology used to calculate costs (75 OS 253(B)(2)(b)(7)): The current fee schedule methodology approved in the Oklahoma Medicaid State Plan was used to calculate costs for the relevant services. Current HCPCS Procedure Codes covered rates are as follows:

81425: \$5,031.20

81426: \$2,709.95

0094U: \$7,582,20

0425U: Manual Pricing (No CMS pricing available)

D. Description of affected classes of persons most likely to be impacted by the proposed rule (75 OS 253(B)(2)(b)(4), 75 OS 303(D)(2)(b))

Certain members under age 21 who experience unknown complex or acute illness will be positively impacted by this rule.

E. Description of classes who will benefit from the proposed rule (75 OS 253(B)(2)(b)(5), 75 OS 303(D)(2)(c))

The proposed policy changes create new coverage that will benefit certain SoonerCare members who require rapid whole genome sequencing. Hospitals that provide these services will benefit from the reimbursement methodology created by the proposed changes.

- F. Comprehensive economic impact analysis** (75 OS 253(B)(2)(b)(6), 75 OS 303(D)(2)(d)): These funds (state funds matched with federal funds) would be paid directly to providers that complete rapid whole genome sequencing. No adverse economic impact to providers.

Methodology used to calculate costs (75 OS 253(B)(2)(b)(7)): The estimated budget impact of the proposed changes is \$867,880 per year. The OHCA Finance team estimated the number of individuals that would meet criteria and estimated would receive these services.

- G. Probable costs and benefits to OHCA and other agencies** (75 OS 253(B)(2)(b)(6), 75 OS 303(D)(2)(e))

The estimated annual cost of the proposed changes to OHCA is \$867,880 per year. Costs related to systems changes, provider education, and prior authorization review will be absorbed by existing agency capacity. OHCA will benefit from expanded access to critical services, which may improve outcomes for members.

There are no anticipated impacts of the proposed rules on other agencies.

- H. Economic impact on political subdivisions and whether their cooperation is required** (75 OS 253(B)(2)(b)(8), 75 OS 303(D)(2)(f))

There is no anticipated economic impact on any political subdivisions, and their cooperation is not required.

- I. Economic impact on small businesses** (75 OS 253(B)(2)(b)(9), 75 OS 303(D)(2)(g))

OHCA does not anticipate any impact on small businesses due to the proposed changes.

- J. Measures taken to minimize compliance costs and assessment of less costly, less intrusive, or nonregulatory alternatives** (75 OS 253(B)(2)(b)(10), 75 OS 303(D)(2)(h))

To minimize compliance costs, only the minimum necessary changes to hospital rules are proposed here. OHCA implemented feedback from public comments to when reasonable and feasible. Early drafts of the proposed rule included language requiring prior authorization; that language was not included in the adopted regulatory text to allow increased flexibility in utilization management.

HB1576 (2025) directs the OHCA to establish coverage and reimbursement for rapid whole genome sequencing. Less costly or nonregulatory alternatives are not compliant with state law.

- K. Effect of the rule on public health, safety, and the environment** (75 OS 253(B)(2)(b)(11), 75 OS 303(D)(2)(i))

The proposed rule changes are anticipated to have a positive effect on public health by increasing access to rapid whole genome sequencing for SoonerCare members.

L. Detrimental effects if the proposed rule is not implemented (75 OS 253(B)(2)(b)(12), 75 OS 303(D)(2)(j))

If the proposed rules are not implemented, SoonerCare members will not have access to rapid whole genome sequencing. Providers treating members under 21 with unknown complex or acute illnesses will have fewer tools to treat those members. OHCA will be out of compliance with state law.

M. Summary of and preliminary comparison to existing or proposed federal regulations (75 OS 303(D)(2)(n))

The proposed changes are aligned with all relevant federal regulations. Current federal regulations allow Medicaid coverage of laboratory and diagnostic testing (42 CFR 440.30) and allow states to establish Medicaid reimbursement methodologies that are reasonable and necessary to meet the cost to provide Medicaid services (42 CFR 440.250). OHCA is not aware of any proposed federal regulations that would impact the proposed changes.

N. Analysis of alternatives to adopting the proposed rule (75 OS 303(D)(2)(l))

HB1576 (2025) directs the OHCA to establish coverage and reimbursement for rapid whole genome sequencing. Any alternative to adopting the proposed rule is not compliant with state law.

O. Estimates of internal OHCA employee time and other resources used to develop the proposed rule (75 OS 303(D)(2)(m))

Policy staff time: 20 hours

Finance staff time: 20 hours

Medical Guidelines staff time: 30 hours

Provider engagement/education and systems staff time: 10 hours

SoonerSelect operations staff time: 5 hours

P. Date statement prepared or modified (75 OS 253(B)(2)(b)(13), 75 OS 303(D)(2)(k))

Prepared: October 24, 2025

Modified: November 5, 2025; November 20, 2025; November 25, 2025