

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 proposed policy revisions implement the mandatory “Four walls” exception for Clinic Services when provided by Indian Health Service (IHS) and Tribal clinics, as required by the 2024 CMS Outpatient Prospective Payment System (OPPS) final rule.

Legal Authority: The Oklahoma Health Care Authority Act, Section 5007 (C)(2) of Title 63 of Oklahoma Statutes; The Oklahoma Health Care Authority Board; 42 CFR 440.90

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

The proposed revisions that IHS and Tribal clinics may bill for off-site services, outside of the “four walls” of the clinic. Off-site services had previously been covered under a temporary exemption to the location requirements for Clinic Services at 42 CFR 440.90. The 2024 OPPS rule made this exemption permanent. Current rules indicate an IHS or Tribal clinic must also be designated as an FQHC to be able to bill for off-site services. This condition is not in the federal regulation.

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

Classification: Major Nonmajor

Justification: (Include estimate of total implementation and compliance costs over 5 years and basis for estimate. If $\geq \$1,000,000$ → classified as major.)

Total annual implementation and compliance costs: No implementation or compliance costs are anticipated.

Methodology used to calculate costs (75 OS 253(B)(2)(b)(7)): Cost estimates were developed by OHCA’s budget and tribal government relations team using current financial reports.

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))

No financial impact is anticipated. The proposed rule affects SoonerCare-contracted I/T/U facilities. Since it is already in effect, there are no additional billing or operational costs for these providers. I/T/Us are exempt from contracting with managed care organizations (MCOs), so there is no effect on MCOs as a result of this rule. There is no change to member cost-sharing.

Feedback gathered from public comments and tribal consultations showed that there were no concerns regarding costs.

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 rule will benefit SoonerCare members by enhancing their access to healthcare, reducing transportation needs, and promoting health equity. Additionally, ITU providers may benefit from

increased flexibility in place of service while still being able to provide care coordination to their members.

F. Comprehensive economic impact analysis (75 OS 253(B)(2)(b)(6), 75 OS 303(D)(2)(d))
Methodology used to calculate costs (75 OS 253(B)(2)(b)(7)):

The rule will not incur any costs for OHCA, SoonerCare members, ITU providers, managed care plans, or any other entities. It is currently in effect, and there is no additional administrative burden on existing staff, nor are any new FTEs required. On a broader scale, the rule is expected to positively impact state finances. Services performed by ITU facilities are covered 100% by federal funds.

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

No costs are expected for OHCA or other state agencies. The rule is expected to have no budget impact on state revenue. Services will be paid at 100 federal match.

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))

This rule does not impact political subdivisions. No cooperation from political subdivisions is required.

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

This rule is not anticipated to affect small businesses, as it applies only to ITU facilities.

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))

No compliance costs are anticipated with this rule. Any step other than rulemaking would result in OHCA being out of compliance with federal regulations.

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))

This rule supports public health by improving access to care in tribal communities and decreasing health disparities among vulnerable populations.

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 rule is not implemented, OHCA will be out of compliance with federal regulations, and it would negatively affect SoonerCare members by placing barriers to access to care.

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

The proposed rule is federally required to implement 42 C.F.R. § 440.90, which governs clinic services, and aligns with guidance in CMS SHO Letter # 16-002. The proposed rule aligns with federal regulations and does not impose additional restrictions beyond federal minimums.

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

Not adopting the proposed rule would result in OHCA being out of compliance with federal regulations, potentially jeopardizing federal funding.

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

Planning for this rule began prior to the requirement to track internal time and resources devoted to developing the rule. Estimated at approximately 100 hours of internal staff time (primarily Tribal Government Relations, and Policy and Program Management).

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

Prepared 12.4.2025

Modified 12.29.2025