

**APA WF# 26-02 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 rule updates telehealth provisions in OAC 317:30-3-27 to add and revise definitions and to clarify reimbursable telehealth codes for originating sites that host members during telehealth visits. The rule also adds a cross-reference for school-based services to reflect the relocation of school-based requirements from the telehealth section to the dedicated school-based services section.

This rule is agency-initiated under the authority of the Oklahoma Health Care Authority Act, 63 O.S. § 5007(C)(2), the Oklahoma Health Care Authority Board

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

The proposed rule updates telehealth definitions and details provider and originating site requirements. It incorporates current operational standards for telehealth delivery and specifies reimbursement parameters for originating site telehealth codes.

**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  $\geq \$1,000,000 \rightarrow$  classified as major.).

**Total annual implementation and compliance costs:**

**Methodology used to calculate costs** *(75 OS 253(B)(2)(b)(7))*:

Fiscal analyses are ongoing, but total costs to the state for the next 5 years are expected to exceed \$2,000,000, classifying this as a major rule. The rule updates definitions, documentation requirements, and reimbursement provisions but does not create any new covered services or major operational mandates.

**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))

The proposed rule affects SoonerCare-contracted health care providers delivering telehealth services, facilities eligible to bill originating site fees, managed care entities and OHCA staff involved in policy implementation, training, and communications.

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

SoonerCare members will benefit from improved access to telehealth services supported by clear standards, appropriate site requirements, and more consistent delivery. Providers and facility-based originating sites will benefit from clarified operational expectations and the ability to receive payment for hosting telehealth encounters, helping offset the costs associated with maintaining telehealth-capable spaces and equipment.

**F. Comprehensive economic impact analysis** (75 OS 253(B)(2)(b)(6), 75 OS 303(D)(2)(d))

No new costs are anticipated for providers, managed care entities, or members. Providers and originating site facilities may incur minor administrative adjustments to align with documentation and billing parameters already in practice. The addition of originating site fee reimbursement may help offset provider costs associated with maintaining telehealth-capable locations. No new fees are created, and no existing fees are increased.

**Methodology used to calculate costs** (75 OS 253(B)(2)(b)(7)):

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

Estimated costs for telehealth site fees for the managed care populations are \$205,649 for state fiscal year 2026 and \$493,558 for state fiscal year 2027. Fiscal analysis is currently in progress through OHCA's internal budget review process. Once completed, the finalized cost estimates will be incorporated into this Rule Impact Statement.

Additional costs to OHCA are limited to routine policy updates, provider communications, and training, all of which can be absorbed within existing resources. No system builds or major operational changes have been identified. OHCA will bear the state share of expenditures associated with originating site codes, but these costs are expected to remain within existing budget assumptions. Other state agencies are not expected to incur new costs.

**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))*

Political subdivisions may continue to use telehealth under existing policy and are not expected to incur new costs because of this rule. Some entities may realize additional reimbursement if they choose to bill the originating site codes or may incur optional costs if they expand or upgrade telehealth-capable settings. No cooperation from political subdivisions is required to implement or enforce the rule.

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

Small health-care practices that serve as telehealth sites may experience minor administrative adjustments to align with clarified documentation and billing requirements. The rule does not introduce new reporting, equipment, or certification obligations. No disproportionate impact on small businesses is anticipated.

**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))*

The rule revisions do not create new obligations for providers. OHCA considered addressing these updates through provider guidance alone but determined rule amendments were necessary to ensure consistency and enforceability. The revisions were kept focused and limited in scope to avoid unnecessary burden.

**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 rule supports public health by reinforcing safe, secure, and compliant telehealth practices and ensuring that members receive medically appropriate services with proper oversight and documentation. Originating site payment may also encourage more sites to make telehealth available when they do not have necessary providers on site. No environmental impact is anticipated.

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

Failure to implement could create confusion for providers and may lead to billing errors, inconsistent application of telehealth policy, and oversight challenges.

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

Telehealth delivery is permitted under federal Medicaid regulations, which give states discretion to define telehealth modalities and reimbursement methodologies. The proposed rule aligns with these federal requirements and does not impose standards beyond federal expectations.

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

Alternatives such as relying solely on provider letters or contract language were considered but rejected due to limited enforceability. Rule amendments are necessary to maintain accurate, codified policy and ensure consistency across managed care and fee-for-service delivery.

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

Approx. 20 hours across Policy, Legal, Finance, Provider Services for drafting, review, coordination, and fiscal analysis

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

Prepared date: 12/1/2025