

**NOTICE OF PUBLIC COMMENT PERIOD FOR ENROLLMENT OF CERTAIN  
MEDICAID MEMBERS UNDER THE DEMONSTRATION AND IMPLEMENTATION  
OF SOONERSELECT MANAGED CARE MODEL**

Pursuant to Section 431.408 and 447.205 of Title 42 of the Code of Federal Regulations, the Oklahoma Health Care Authority (OHCA) is required to provide public notice of its intent to submit an amendment to its 1115(a) demonstration waiver as required by the demonstration's special terms and conditions to the Centers for Medicare & Medicaid Services (CMS). The OHCA currently has an approved 1115(a) waiver for the 2018-2023 demonstration period.

This notice provides details about the waiver amendment submission and serves to open the 30-day public comment period, which closes on February 3, 2021.

Prior to finalizing the proposed waiver amendment, the OHCA will consider all written public comments received. The comments will be summarized and addressed in the final version submitted to CMS.

## **WAIVER AMENDMENT SUMMARY AND OBJECTIVES**

The OHCA seeks modifications to the SoonerCare 1115 Demonstration's Special Terms and Conditions to authorize the following program changes:

- Enroll the Expansion Adult Group under the Demonstration;
- Enroll the Former Foster Care Group under the Demonstration; and
- Enroll qualified individuals on a mandatory basis in SoonerSelect (the State's comprehensive managed care model)

The OHCA seeks an amendment with effective dates of July 1, 2021 through the end of the Demonstration on December 31, 2023.

The proposed amendment will support the following goals:

- Reduce the number of uninsured Oklahomans;
- Improve health outcomes for Oklahomans;
- Transform payment and delivery system reform statewide by moving toward value-based payment and away from payment based on volume;
- Improve SoonerCare Eligibles' access to and satisfaction with necessary services;
- Contain costs through improved service coordination; and
- Increase cost predictability to the State.

### **Inclusion of the Expansion Adult Group under the SoonerCare Demonstration**

The OHCA seeks to add the Expansion Adult Group under the Demonstration to authorize the following:

- *Waive Retroactive Eligibility* - The current SoonerCare Demonstration waives retroactive eligibility for most enrolled adults, with the exception of pregnant women and individuals enrolled in the Aged, Blind and Disabled (ABD) eligibility group. The OHCA seeks authority to waive of retroactive eligibility for the Expansion Adult Group, effective July 1, 2021.
- *Enroll Expansion Adults in SoonerSelect* – Oklahoma intends to enroll the Adult Expansion Group in SoonerSelect on a mandatory basis, with a targeted effective enrollment date of October 1, 2021.

### **Inclusion of the Former Foster Care Eligibility Group under the Demonstration**

The State seeks authority to include the Former Foster Care Group under the Demonstration effective July 1, 2021 and enroll the Group in SoonerSelect with a targeted effective enrollment date of October 1, 2021. Individuals in this group will have the option of enrolling with the SoonerSelect Specialty Children's Plan or a SoonerSelect Plan.

## **SoonerSelect Managed Care Model**

The OHCA seeks to further advance the goals of the Demonstration through implementation of SoonerSelect, a comprehensive Medicaid managed care model. The OHCA intends to contract with managed care organizations (MCOs) and prepaid ambulatory health plans (PAHPs), via a competitive procurement process, with demonstrated success in increasing access to quality care and improving health outcomes through care coordination, prioritization of preventive care and encouraging SoonerCare participants to seek care from the appropriate healthcare provider type.

All participating MCOs and PAHPs must demonstrate compliance with federal Medicaid managed care regulations found at 42 CFR § 438. The OHCA will assure compliance with federal and state statutes, regulations and policies through plan readiness reviews, ongoing monitoring and External Quality Review (EQR) activities.

## **BENEFICIARY IMPACT: ELIGIBILITY AND ENROLLMENT**

### **Eligibility**

On June 30, 2020, the Oklahoma Medicaid Expansion Initiative, State Question 802, passed by a majority vote to expand Medicaid eligibility to adults ages 19-64 whose income is at or below 138% FPL. In accordance with the ballot initiative, the effective date for the expansion is July 1, 2021.

On July 31, 2020, Oklahoma posted formal public notice for submission of three State Plan Amendments (SPAs) to CMS to expand SoonerCare to low-income adults up to 133% of the federal poverty limit.

In alignment with the SPA, the Expansion Adult Group will include individuals who:

- Have attained age 19 but not age 65;
- Are not pregnant;
- Are not entitled to or enrolled for Part A or B Medicare benefits; and
- Are not otherwise eligible for and enrolled for mandatory coverage under the state plan in accordance with 42 CFR 435, subpart B.

The OHCA will use its existing MAGI-based financial eligibility methodologies in calculating household income. The amount of the income standard for this group is 133% FPL. The OHCA estimates average monthly enrollment of 175,623 for the Expansion Adult Group in State Fiscal Year 2022 (July 1, 2021 - June 30, 2022).

### *Transition: Insure Oklahoma to Expansion Adult Group*

The current SoonerCare Demonstration provides authority for the State to operate Insure Oklahoma, which includes two distinct programs:

- Insure Oklahoma Individual Plan (IO IP) - Offers limited coverage for uninsured Oklahomans, Ages 19 to 64 with incomes up to 100% of the Federal Poverty Level (FPL). IO IP is administered by the OHCA and program participants access care through the IO-participating providers. Individuals pay a monthly premium based on income.

- Insure Oklahoma Employer-Sponsored Insurance (IO ESI) – Offers subsidies for coverage provided through qualifying employers on behalf of individuals and their families with incomes up to 200% of the FPL.

On July 31, 2020, the OHCA issued Public Notice regarding the State’s Insure Oklahoma Phase-Out Plan and demonstration amendment request. The Phase-Out Plan describes the process by which individuals currently enrolled in Insure Oklahoma will be transitioned to the Expansion Adult Group. Proposed changes to Insure Oklahoma are further detailed in the Insure Oklahoma Phase-Out Plan as required by the SoonerCare Demonstration’s STCs. The proposed modifications will ensure continuity of care by making the transition of eligible Insure Oklahoma members to the Expansion Adult Group as seamless and effortless as possible. The reforms also will improve access to high-quality, person-centered services that produce positive health outcomes for individuals who were previously under or uninsured.

*Transition: SoonerPlan Members to Adult Expansion Group*

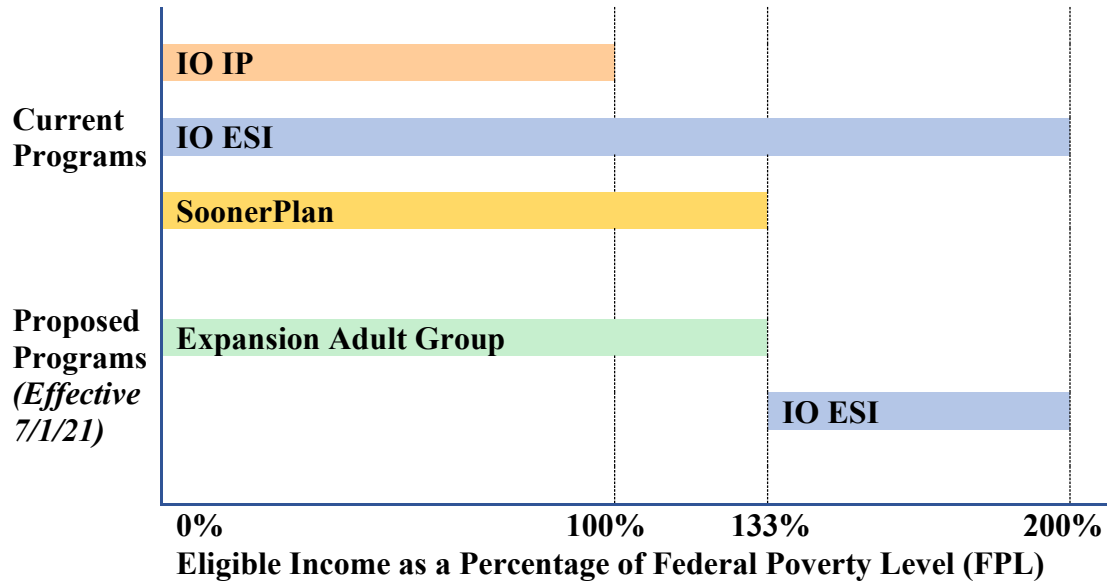
Oklahoma currently operates SoonerPlan, the State’s Medicaid family planning program. SoonerPlan provides family planning benefits for non-pregnant women and men Ages 19 and above with incomes at or below 133% of the FPL. As of October of 2020, 41,037 individuals were enrolled in SoonerPlan.

Effective July 1, 2021, individuals with incomes at or below 133% of the FPL will be eligible for coverage under the Expansion Adult Group and will have access to a comprehensive array of health services, including family planning services.

The OHCA will transition current SoonerPlan members to the Adult Expansion Group. The OHCA will reprocess eligibility automatically for individuals enrolled in SoonerPlan as of June 2021 to enroll members in the Adult Expansion Group. Members will receive notification of the upcoming change to their eligibility and benefits in the spring of 2021. Members will receive follow-up case status notifications in June, 2021.

A summary of the proposed changes to eligibility is presented in the diagram below.

*Summary of Program Eligibility as a Percentage of Federal Poverty Level, Current and Proposed*



**SoonerSelect Enrollment**

The table below provides a summary of State Plan eligibility groups currently enrolled under the SoonerCare Demonstration that will be enrolled in SoonerSelect, effective October 1, 2021.

*SoonerSelect Enrollment: State Plan Groups*

<b>State Plan Group</b>	<b>FPL and/or Other Qualifying Criteria</b>	<b>Demonstration Populations</b>
Pregnant women and infants under age 1 1902(a)(10)(A)(i)(IV)	Up to and including 133 % FPL	1: TANF-Urban 2: TANF-Rural
Children 1-5 1902(a)(10)(A)(i)(VI)	Up to and including 133 % FPL	1: TANF-Urban 2: TANF-Rural
Children 6-18 1902(a)(10)(A)(i)(VII)	Up to and including 133% FPL	1: TANF-Urban 2: TANF-Rural
IV-E Foster Care or Adoption Assistance Children	Automatic Medicaid eligibility	1: TANF-Urban 2: TANF-Rural
Parents and Caretaker Relatives (1931 low income families)	Fixed monthly income limit, per approved State Plan	1: TANF-Urban 2: TANF-Rural
Pickle Amendment	Up to SSI limit	1: TANF-Urban 2: TANF-Rural
Early Widows/Widowers	Up to SSI limit	1: TANF-Urban 2: TANF-Rural
Targeted Low-Income Child	Up to and including 185% FPL	9: CHIP Medicaid Expansion Children
Infants under age 1 through CHIP Medicaid expansion	Above 133% - 185% FPL and for whom the state is claiming title XXI funding.	9: CHIP Medicaid Expansion Children
Children 1-5 through CHIP Medicaid expansion	Above 133% - 185% FPL and for whom the state is claiming title XXI funding.	9: CHIP Medicaid Expansion Children
Children 6-18 through CHIP Medicaid expansion	Above 133% - 185% FPL and for whom the state is claiming title XXI funding.	9: CHIP Medicaid Expansion Children
Non-IV-E foster care children under age 21 in State or Tribal custody	AFDC limits as of 7/16/1996	1: TANF-Urban 2: TANF-Rural

The tables below provide a summary of estimated enrollment in SoonerSelect. The figures reflect average monthly enrollment between September 2019 and August 2020, with the exception of Expansion Adults which reflects projected monthly enrollment. This data includes enrollment increases that were attributed to COVID-19, including requirements to maintain eligibility for otherwise ineligible individuals in accordance with Section 6008 of the Families First Coronavirus Response Act (FFCRA).

*Estimated Enrollment: SoonerSelect Plan and SoonerSelect Dental Plan*

<b>Eligibility Group</b>	<b>Enrollment</b>
Children (Medicaid and Children’s Health Insurance Program [CHIP])	481,584
Deemed Newborns	1,959
Pregnant Women	21,015
Parent and Caretaker Relatives	62,199
Expansion Adults (projected – enrollment to begin 7/1/21)	175,623
<b>TOTAL</b>	<b>742,380</b>

*Estimated Enrollment: SoonerSelect Specialty Children’s Plan and SoonerSelect Dental Plan*

<b>Eligibility Group</b>	<b>Enrollment</b>
Former Foster Children	706
Juvenile Justice Involved	558
Foster Care	9,407
Children Receiving Adoption Assistance	20,743
<b>TOTAL</b>	<b>31,414</b>

*Enrollment: SoonerSelect Specialty Children’s Plan*

The following eligibility groups will be mandatorily enrolled in the SoonerSelect Specialty Children’s Plan upon entering custody of the state:

- Foster Care Children (FC); and
- Certain children in the custody of OJA (JJ).

Former Foster Children, Children Receiving Adoption Assistance and children with an open prevention service case will have the option to enroll in the SoonerSelect Specialty Children’s Plan. During the open enrollment period, these Eligibles (parents/guardians) may choose to enroll in the SoonerSelect Specialty Children’s Plan or a SoonerSelect MCO. Eligibles who do not make a selection will be enrolled automatically with the Specialty Children’s Plan.

*Enrollment: American Indians and Alaska Native (AI/AN) Members*

AI/AN Members who are determined eligible for a SoonerCare population will have the option to voluntarily enroll in the SoonerSelect program through an opt-in process.

**FISCAL PROJECTIONS**

The requested amendment does not change the budget neutrality model for current Demonstration populations. (The impact of changes to the Insure Oklahoma program on the Demonstration’s Budget Neutrality model are addressed in the separately-submitted Insure Oklahoma amendment request.)

## **Expenditures and Enrollment: Expansion Adult Group**

The tables on the following page present the estimated enrollment and expenditures for the Expansion Adult Group with and without the Demonstration.



*Budget Neutrality Summary: Expansion Adult Group*

**Projected Enrollment and Expenditures: Without Waiver**

	<b>DY26/CY21 (Second Half)</b>	<b>DY27/CY22</b>	<b>DY28/CY23</b>
<b>Average Enrollment</b>	173,884	177,361	180,908
<b>Member Months</b>	1,043,305	2,128,332	2,170,896
<b>Per Member Per Month (PMPM)</b>	\$ 606.12	\$ 632.79	\$ 660.63
<b>Total Expenditures</b>	\$ 632,365,282	\$ 1,346,779,893	\$ 1,434,157,228

**Projected Enrollment and Expenditures: With Waiver**

	<b>DY26/CY21 (Second Half)</b>	<b>DY27/CY22</b>	<b>DY28/CY23</b>
<b>Average Enrollment</b>	173,884	177,361	180,908
<b>Member Months</b>	1,043,305	2,128,332	2,170,896
<b>Per Member Per Month (PMPM)</b>	\$ 593.57	\$ 589.73	\$ 607.42
<b>Total Expenditures</b>	\$ 619,271,313	\$ 1,255,144,851	\$ 1,318,653,576

*Annual Surplus (Deficit)*                      \$    13,093,970    \$    91,635,042    \$    115,503,652

*Cumulative Surplus (Deficit)*                \$                    -    \$    104,729,012    \$    220,232,664

**Expenditures and Enrollment: Former Foster Care Group**

The tables on the following page present the estimated enrollment and expenditures for the Former Foster Care Group with and without the Demonstration.

*Budget Neutrality Summary: Former Foster Care Group*

**Projected Enrollment and Expenditures: Without Waiver**

	<b>DY26/CY21 (Second Half)</b>	<b>DY27/CY22</b>	<b>DY28/CY23</b>
<b>Average Enrollment</b>	699	712	726
<b>Member Months</b>	4,194	8,544	8,712
<b>Per Member Per Month (PMPM)</b>	\$ 51.27	\$ 62.33	\$ 73.87
<b>Total Expenditures</b>	\$ 1,053,826	\$ 2,241,312	\$ 2,385,940

**Projected Enrollment and Expenditures: With Waiver**

	<b>DY26/CY21 (Second Half)</b>	<b>DY27/CY22</b>	<b>DY28/CY23</b>
<b>Average Enrollment</b>	699	712	726
<b>Member Months</b>	4,194	8,544	8,712
<b>Per Member Per Month (PMPM)</b>	\$ 245.62	\$ 243.56	\$ 250.87
<b>Total Expenditures</b>	\$ 1,030,109	\$ 2,080,972	\$ 2,185,546

*Annual Surplus (Deficit)*                    \$        23,717    \$        160,341    \$        200,394

*Cumulative Surplus (Deficit)*            \$                -    \$        184,058    \$        384,452

**BENEFITS, COST SHARING AND HEALTH CARE DELIVERY SYSTEM**

**Covered Benefits**

The proposed amendment will preserve and enhance covered services for eligible individuals. All Medicaid-covered benefits as described in the State Plan will be provided by SoonerSelect MCOs and PAHPs. Benefits for Expansion Adults are based on the Alternative Benefit Plan. Covered benefits for the three SoonerSelect programs are described in detail in the SoonerSelect Plan and SoonerSelect Dental Program RFPs.

Contractors will also coordinate with providers of benefits outside of the SoonerSelect capitation to promote service integration and the delivery of holistic, person- and family-centered care.

Contractors may offer Value-Added Benefits and services in addition to the capitated benefit package to support the health, wellness and independence of Health Plan Enrollees and to advance the State’s objectives for the SoonerSelect program. This may include, but is not

limited to vision, DME, transportation, pharmacy and physician services for Health Plan Enrollees in excess of fee-for-service program limits. Value-Added Benefits and Services, if offered, shall not be included in determining the Contractor's Capitation Rates.

In accordance with 42 C.F.R. § 438.3(e), Contractors may provide services or settings that are in lieu of services or settings covered under the State Plan if:

- The Contractor has proposed any in lieu of services or settings in its response to the Solicitation and OHCA determines that the proposal is a medically appropriate and cost-effective substitute for the covered service or setting under the State Plan; and
- The Health Plan Enrollee is not required by the Contractor to use the alternative service or setting.

Examples of in lieu of services include, but are not limited to:

- Applied Behavior Analysis
- Multi Systemic Therapy

### **Cost Sharing**

Health Plans and their network providers (Participating Providers) may charge Health Plan Enrollees only the amounts allowed by the OHCA. The Participating Provider shall accept payment made by the Contractor as payment in full for covered services, and the Participating Provider shall not solicit or accept any surety or guarantee of payment from the Health Plan Enrollee, OHCA or the State.

Any Cost Sharing imposed by the Contractors shall be in accordance with Medicaid FFS requirements as outlined in OHCA State Plan and 42 C.F.R. §§ 447.50 through 447.56.

Contractors shall not impose premiums on any Health Plan Enrollees. In accordance with 42 C.F.R. § 447.56, the Contractor shall not impose Cost Sharing upon any of the following:

- Health Plan Enrollees under age 21;
- Children for whom child welfare services are made available under Part B of title IV of the Act on the basis of being a child in Foster Care and individuals receiving benefits under Part E of that title, without regard to age;
- Pregnant Women for Pregnancy-Related Services during the pregnancy and through the 60-day postpartum period;
- Any Health Plan Enrollee whose medical assistance for services furnished in an institution is reduced by amounts reflecting available income other than required for personal needs;
- Health Plan Enrollees receiving hospice care, as defined in section 1905(o) of the Act;
- An AI/AN Health Plan Enrollee who is eligible to receive or has received an item or service furnished by an IHCP or through referral under purchase and referred care is exempt from premiums. AI/AN Health Plan Enrollees who are currently receiving or have ever received an item or service furnished by an IHCP or through referral under purchase and referred care are exempt from all Cost Sharing; and

- Health Plan Enrollees receiving Medicaid due to a diagnosis of breast or cervical cancer in accordance with 42 C.F.R. § 435.213.

In accordance with 42 C.F.R. § 447.56, Contractors shall implement processes to ensure Cost Sharing is not imposed on any of the following services:

- Emergency Services;
- Family Planning Services and Supplies;
- Preventive Services, which includes, at minimum the services specified at 42 C.F.R. § 457.520 provided to children under 18 years of age regardless of family income, which reflect the well- baby and well child care and immunizations in the Bright Futures guidelines issued by the American Academy of Pediatrics;
- Pregnancy-Related Services; and
- Provider-Preventable Services.

In accordance with 42 C.F.R. § 447.56(f), a Health Plan Enrollee's total Cost Sharing shall not exceed five percent of the Health Plan Enrollee's household income applied on a monthly basis. The Contractor shall report Health Plan Enrollee Cost Sharing to the MMIS according to a process defined by OHCA. The MMIS will aggregate the Contractor's Cost Sharing data with household Cost Sharing and Health Plan Enrollee Cost Sharing incurred for any Excluded Benefits and will notify Contractors when a Health Plan Enrollee has met the five percent aggregate limit. Contractors shall ensure that Copayments are not deducted from Provider claims reimbursement through the end of the month. Contractors shall notify the Health Plan Enrollee and Providers when the aggregate limit has been met and that Cost Sharing will not apply for the remainder of the month.

### **Health Care Delivery System**

The OHCA seeks approval to modify the 1115 Demonstration's Special Terms and Conditions for the current extension period that will be in effect through the end of the Demonstration (December 31, 2023). The OHCA intends to enroll qualified members into the following statewide, coordinated care models, with an effective enrollment date of October 1, 2021:

- SoonerSelect Plan
- SoonerSelect Dental Program
- SoonerSelect Specialty Children's Plan

All participating MCOs and PAHPs must demonstrate compliance with federal Medicaid managed care regulations found at 42 CFR § 438. The OHCA will assure compliance with federal and state statutes, regulations and policies through plan readiness reviews, ongoing monitoring and External Quality Review (EQR) activities.

The table on the following page summarizes the three coordinated care models.

*Summary of SoonerSelect Coordinated Care Models*

<b>Model</b>	<b>SoonerCare Populations Served</b>	<b>Benefits</b>	<b>Contracted Entities</b>
<b>SoonerSelect Plan</b>	Children, Deemed Newborns, Pregnant Women, Parent and Caretaker Relatives, and Expansion Adults	Physical health, behavioral health and pharmacy benefits	MCOs
<b>SoonerSelect Specialty Children’s Plan</b>	Former Foster Care Children, Juvenile Justice Involved Youth, Children in Foster Care and Children Receiving Adoption Assistance and Children receiving prevention services from the Oklahoma Human Services Child Welfare Division	Physical health, behavioral health and pharmacy benefits	Single MCO
<b>SoonerSelect Dental Plan</b>	Populations listed above	Dental benefits	PAHPs

Additional information regarding the SoonerSelect program is detailed in the two Requests for Proposals issued by the OHCA. The RFPs and related information about the procurement is available for review at: <https://okhca.org/about.aspx?id=74>.

**DEMONSTRATION EVALUATION**

The approved evaluation design includes hypotheses related to evaluation of access, quality and cost effectiveness under the Demonstration. The evaluation design will be modified to specifically evaluate SoonerSelect. The evaluator also will include the Adult Group as a distinct segment within the evaluation and will stratify data, as appropriate, to produce findings specific to this population.

The approved evaluation design identifies evaluation activities specific to the Demonstration’s current care coordination models, HANs and HMP. Hypotheses specific to the current care coordination models relate to improved access to care, health quality/outcomes, satisfaction, emergency room utilization and cost-effectiveness. The evaluation design will be modified to also test these hypotheses for individuals enrolled in SoonerSelect.

The approved evaluation design includes hypotheses related to waiving of retroactive eligibility for a portion of the existing SoonerCare population. The OHCA's independent evaluator again will include the Expansion Adult Group as a distinct segment within this portion of the evaluation and will stratify all data to produce findings specific to this population.

Following approval of the amendment request, the OHCA will prepare and submit a revised Evaluation Design for CMS review and approval, in accordance with requirements and timelines specified by CMS.

## **WAIVER AND EXPENDITURE AUTHORITY**

The OHCA seeks to extend currently approved waivers and requests any additional waivers necessary to waive retroactive eligibility for the Expansion Adult Group and operate SoonerSelect, including:

*Comparability Section 1902(a)(10)(B) and 1902(a)(17).* To permit the State to offer a different benefit package to individuals enrolled in SoonerSelect.

*Freedom of Choice Section 1902(a)(23)(A):* To permit the State to restrict Medicaid enrollees to receiving services through participating SoonerSelect Contractors and to permit the State to contract with a single MCO for the SoonerSelect Specialty Children's Plan.

*Retroactive Eligibility Section 1902(a)(34):* To permit the State to waive retroactive eligibility for Demonstration participants, with the exception of pregnant women (and during the 60-day period beginning on the last day of pregnancy), children described in section 1902(l)(4) of the Act, the Tax Equity and Fiscal Responsibility Act (TEFRA) and Aged, Blind, and Disabled populations.

## **ADDITIONAL INFORMATION AND COMMENTS**

Interested persons may visit [www.okhca.org/PolicyBlog](http://www.okhca.org/PolicyBlog) to view a copy of the proposed waiver amendment, public notice(s), a link to provide public comments on the proposal, supplemental information, and updates.

Due to the current public health emergency and the associated social distancing guidelines, persons wishing to present their views in writing or obtain copies of the proposed waiver may do so via mail by writing to: Oklahoma Health Care Authority, Federal Authorities Unit, 4345 N. Lincoln Blvd., Oklahoma City, Oklahoma 73105, or by email at [federal.authorities@okhca.org](mailto:federal.authorities@okhca.org). Written comments or requests for copies of the proposed waiver will be accepted by contacting OHCA as indicated. Comments submitted through the OHCA policy blog will be available for review online at [www.okhca.org/PolicyBlog](http://www.okhca.org/PolicyBlog). Other written comments are available upon request at [federal.authorities@okhca.org](mailto:federal.authorities@okhca.org). Comments will be accepted until February 3, 2021.