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CHIEF EXECUTIVE OFFICER



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GOVERNOR

**STATE OF OKLAHOMA
OKLAHOMA HEALTH CARE AUTHORITY**

**Agenda
SPARC
January 03, 2013
2:00 pm
Ponca Conference Room**

Rate issues to be addressed:

- HIV1-HIV2 Testing Rate Change
- HCBS Self Directed Services Rate Change

SPARC
HIV1/HIV2 Testing

1. Is this a "Rate Change" or a "Method Change"?
Rate Change
- 1b. Is this change an increase, decrease, or no impact?
This change will result in a budget increase
2. Presentation of issue – Why is change being made?
OHCA proposes to add coverage to code 86703 - combination HIV1/HIV2 test – and set the reimbursement rate equal to 61% of Medicare (not including the rate reduction that is currently in place). This is comparable to the rate paid for code 86701 – HIV1 test only. Although it is extremely rare for anyone in the United States to contract HIV2, most lab slips in Oklahoma only allow providers to order the combination test. Adding coverage on for the combination test will allow providers to be reimbursed for HIV tests that are currently denied.
3. Current methodology and/or rate structure.
OHCA uses the Medicare lab fee schedule to set rates. OHCA may not exceed 95% of the Medicare lab fee schedule. In addition, there is currently a 3.25% rate reduction in place.
4. New methodology or rate.
OHCA proposes to pay 61% of the Medicare lab fee schedule prior to the rate reduction or 59% of Medicare inclusive of the rate reduction; \$11.95 / \$11.56 per test.
5. Budget estimate.
Approximately 33,000 HIV1/HIV2 combination test claims are denied each year. At the rate of \$11.56, the budget impact is approximately \$381,480 total dollars. State share would be approximately \$137,000 annually.
6. Agency estimated impact on access to care.
This action will allow providers to be reimbursed for services currently being provided but denied. This could potentially increase access to care if providers were previously not serving Medicaid members due to no coverage of the code.
7. Rate or Method change in the form of a motion.
The agency requests the State Plan Amendment Rate Committee to approve a rate change that authorizes OHCA cover the combination HIV1/HIV2 test (code 86703) at 61% of Medicare.
8. Effective date of change.
February 1, 2013

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

Rate Change

1b. IS THIS CHANGE AN INCREASE, DECREASE OR NO IMPACT?

Increase

2. PRESENTATION OF ISSUE- WHY IS CHANGE BEING MADE?

OHCA home and community-based services waivers and the Living Choice demonstration adopted OKDHS reimbursement methodology for services when OHCA programs were implemented. As OKDHS received funding for specified rate increases, OHCA proposes to do the same for Self-Directed services offered in the Medically Fragile, Sooner Seniors and My Life; My Choice waivers and the Living Choice demonstration. Just as OKDHS wishes to maintain parity between its waiver programs with respect to core in-home service rates, OHCA desires to reimburse its home and community-based self-directed services providers in an equivalent manner.

3. CURRENT METHODOLOGY AND/OR RATE STRUCTURE.

OHCA adopted OKDHS reimbursement methodology from OKDHS programs when implementing its programs on the dates as listed below:

Living Choice Project	November 2009
Medically Fragile Waiver	August 2010
My Life; My Choice Waiver	November 2010
Sooner Seniors	March 2011

For the current fixed and uniform rates under consideration for increases, the information about the actual rates establishment is detailed in the table below.

Service	Code	Service Unit	Current Rate	Date Established
Self-Directed Personal Care	S5125	15 minutes	\$3.14	11/1/2012
Self-Directed Advanced Supportive Restorative (ASR)	S5125-TF	15 minutes	\$3.77	11/1/2012

4. NEW METHODOLOGY OR RATE.

OHCA proposes the following new rates for the designated services in order to reimburse its home and community-based services providers in an equivalent manner as the OKDHS providers of the same services.

Service	Code	Current Rate	New Rate	Increase	% Increase
Self-Directed Personal Care	S5125	\$3.14	\$3.69	\$0.55	17.5%
Self-Directed Advanced Supportive Restorative (ASR)	S5125-TF	\$3.77	\$3.97	\$0.20	5.3%

5. BUDGET ESTIMATE.

As the expenses for Self-Directed Personal Care and Self-Directed Advanced Supportive Restorative (ASR) costs have already been estimated in the approved waiver and in the previous rate increases approved by the Board and became effective November 1, 2012, no budget impact is estimated with this change. Given the current utilization of these services provided by agencies, if all PC and ASR services were self-directed, total dollar impact of the rate increase would be \$18,878.94, with a total state share of \$5,150.09.

6. AGENCY ESTIMATED IMPACT ON ACCESS TO CARE.

With the addition of these Self-Directed services, members will have more options available for access to care.

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

The agency requests the State Plan Amendment Rate Committee to approve the proposed rate increases to be effective February 1, 2013, upon Board approval.

8. EFFECTIVE DATE OF CHANGE.

February 1, 2013, upon Board approval.