



STATE OF OKLAHOMA
OKLAHOMA HEALTH CARE AUTHORITY

I/T/U Public Notice 2014-02

March 12, 2014

RE: Oklahoma Health Care Authority (OHCA) Proposed Rule, Waiver, and State Plan Changes for State Health Programs

Dear Tribal Representative:

The purpose of this letter is to give you notice of proposed rule, waiver, and state plan changes that will be reviewed at the Medical Advisory Committee (MAC) meeting held on March 26, 2014. As you are aware, there was also an in-person tribal consultation at OHCA regarding these rules on January 7, 2014 and March 4, 2014. OHCA is committed to active communication with Tribal Governments during the OHCA decision-making and priority-setting process and therefore keeps you apprised of all proposed rule, waiver, and state plan changes.

Enclosed is a summary of the current proposed rule, waiver, and state plan changes for your review. The summary describes the purpose of each change and the anticipated impact on those affected. To view the complete proposal for the March 26, 2014 MAC, you can visit www.okhca.org/macagenda.

Please note that these are only proposed rule changes and have not yet taken effect. Before implementation, new rule changes must obtain budget authorization, federal approval (if applicable), OHCA Board approval, and the governor's approval. Furthermore, waiver and state plan amendments must obtain OHCA Board and CMS approval upon implementation.

Additionally, OHCA is now posting all proposed rule changes on the Agency's public website www.okhca.org/rule-changes. The proposed rule changes page is designed to give all constituents and stakeholders an opportunity to review and make comments regarding upcoming rule changes. To ensure that you stay apprised of proposed rule changes, you may sign up for web alerts for the page and you will automatically be notified when any new rules are posted for comment.

OHCA values consultation with Tribal Governments and will provide your representatives a reasonable amount of time to respond to this notification. If you have any questions or comments about the proposed rule changes, please use the online comment system found at www.okhca.org/rule-changes. This system allows us to efficiently respond to comments and inquiries regarding our rules.

Sincerely,

A handwritten signature in cursive script that reads "Dana Miller".

Dana Miller
Indian Health Director

March MAC Proposed Rule Changes Summaries

These rules were posted for comment on January 15, 2014 through February 14, 2014.

Face to face tribal consultations regarding the proposed changes were held Tuesday, January 7, 2014 and Tuesday, March 4, 2014 and a public meeting about the rules was hosted on Monday, February 24, 2014 at 1 PM in the Ponca meeting room of the OHCA.

13-11 340B Drug Discount Program — The proposed 340B Drug Discount program rules are implemented to comply with a Federal Mandate. The 340B mandate requires states to include their 340B Drug Discount program rules in their State Plan and Medicaid policy.

Budget Impact: Budget neutral

13-12 Prior authorization for manually-priced items — Policy is revised to remove current Manufacturer's Suggested Retail Price (MSRP) minus 20% reimbursement from the State plan and OHCA policy. The proposed rule change will allow OHCA to reimburse manually-priced DME items at invoice cost plus 20% as opposed to using two separate methodologies.

Budget Impact: Budget neutral

13-13 Long Acting Reversible Contraceptive Devices — Policy is amended to allow reimbursement for Long Acting Reversible Contraceptive (LARC) devices to hospitals outside of the Diagnosis Related Group (DRG) methodology.

Budget Impact: Budget neutral

13-24 ADvantage Address Confidentiality Program — Policy is added to include information on the Address Confidentiality Program (ACP). The ACP provides victims of domestic violence, sexual assault, or stalking with a substitute address and mail forwarding service that can be utilized when victims interact with state and local agencies.

Budget Impact: Budget neutral

13-25 ADvantage Billing Procedures — Policy is amended to include information on rounding of billable time as per the Interactive Voice Response Authentication (IVRA) system. This change in policy will enforce compliance, clarify information for providers, and reflect practices already taking place. Additionally, minor policy revisions are made to the policy.

Budget Impact: Budget neutral

13-26 Genetic Testing — Policy is revised to add language that sets boundaries as to what is deemed approved genetic testing methods. Problems have recently arisen which call for more stringent policy, particularly issues regarding lab billing for expensive methods that lack sufficient evidence for their use.

Budget Impact: Budget neutral

13-27 Infectious Disease Billing — Policy is added to include language that explicitly addresses proper billing in regard to nucleic acid testing of single/multiple infectious organisms in a specimen.

Budget Impact: \$2.9 million total savings; \$1.82 million federal share; \$1.08 million state share

13-30 Audit Appeals — Policy is amended to more accurately reflect each party's responsibilities in an audit and clarify other audit procedures in order to streamline the process.

Budget Impact: Budget neutral

13-34 Policy Change for Tax Equity Fiscal Responsibility Act (TEFRA) Program — Policy is amended to change TEFRA program rules to better match current business practices and federal regulations. Changes include changing all TEFRA language regarding mental retardation or ICF/MR to individuals with intellectual disabilities or ICF/IID to match Public Law 111-256. As well, rules regarding cost effectiveness analyses being posted on MEDATS will be changed to require that the cost effectiveness analyses will be reported annually with no specification as to where that report will reside. Rules regarding TEFRA eligibility for applicants aged three years and older for the ICF/IID level of care will change the IQ requirements from 75 or less to 70 or less to match current DSM-5 and SSA guidelines regarding intellectual disabilities. Additionally, changes also include amending the current criteria to state that applicants can either have an IQ of 70 or less, or have a full-scale adaptive functional assessment indicating a functional age that does not exceed 50% of child's age to match current DSM-5 and SSA guidelines regarding intellectual disabilities. It also removes the rule that requires the assessment be either Battelle or Vineland since SSA does not specify which test is to be used. Finally, another amendment will require that one additional psychological evaluation be administered for all approved TEFRA children once they reach the age of sixteen.
Budget Impact: \$157,563 total budget impact for SFY '15; \$117,846.85 federal share; \$39,716.15 state share

13-35 Electronic Fund Transfer Enrollment — Policy is amended to specify that providers enroll in Electronic Fund Transfers for Medicaid reimbursement via the electronic enrollment process. Language referencing the Provider Relations unit will be removed as this unit no longer exists.
Budget Impact: Budget neutral

13-43 Therapy provider qualifications — OHCA rules for therapy services are revised to add “services may be provided under the direction of a qualified provider.” The purpose of this change is to allow students and other non-qualified providers to participate in the care of SoonerCare members while under the direct supervision and guidance of a qualified provider.
Budget Impact: Budget neutral

13-45 Inpatient Psychiatric Rules — The Agency's inpatient psychiatric hospital rules are revised to establish medical necessity criteria specific for admission and continued stays in community based transitional (CBT) programs as these facilities are a lower level of care than psychiatric residential treatment facilities (PRTF) and acute residential treatment facilities. Changes are also being proposed to the rules regarding "active treatment" requirements for children under the age of 18. The change will allow providers flexibility to better tailor treatment to the individual needs of the child. Additional proposed changes include: revisions to Inspection of Care (IOC) rules, clarifying which types of facilities will be still receive on-site inspections, allowing psychosocial evaluations or admission assessments to substituted for the first therapy session, and allowing the use of mechanical restraints for children 18-20 since they are treated on the adult care unit. Other revisions are also made to make minor "cleanup" changes to terminology, which include changes mandated by the Diagnostic and Statistical Manual (DSM) V.
Budget Impact: Budget neutral

13-46 Outpatient Behavioral Health Services — The Agency's outpatient behavioral health (OBH) rules are revised to remove the behavioral health rehabilitation specialist (BHRS) designation from policy since these services will only be reimbursed if provided by an LBHP, CADC, or Case Manager II (CM II) effective July 1, 2014. Changes are also made to the rules to

clarify that OBH services cannot be separately billable to individuals residing in nursing facilities. Reimbursements for these services are included within the nursing facility rate, as required by federal regulation. Additionally, clarification is made that individual and group psychotherapy services cannot be provided to children ages 0-3 unless medical necessity criteria is met, and partial hospitalization (PHP) and day treatment language is amended to clarify psychosocial rehabilitation is not allowed for children ages 0-3 and prior authorization is required for children ages 4-6. Additional changes include: additional supervision requirements for paraprofessionals by licensed, master level staff that render services to members outside of an agency setting, revising peer recovery support specialist services to include youth ages 16-18 that are transitioning into adulthood, revise behavioral health rehabilitation service documentation requirements, and clarifying when services may be rendered without a treatment plan. Other revisions are also made to make minor "cleanup" changes to terminology, which include changes mandated by the Diagnostic and Statistical Manual (DSM) V.

Budget Impact: Budget neutral

13-47 Bio-Psychosocial Evaluations and Assessments — The Agency's psychologists and licensed behavioral health provider rules are revised to add coverage for bio-psychosocial assessments for adults when required by OHCA as part of a preoperative prior authorization protocol for organ transplant or bariatric surgical procedures. Revisions are also made to clarify that payment for behavioral health services are not separately reimbursable for members residing in a nursing facility.

Budget Impact: Budget neutral

13-48 Providers Under Supervision for Licensure — The Agency's licensed behavioral health provider rules are revised to eliminate reimbursement for services provided by behavioral health professionals under supervision for licensure if they work under the direction of an individually contracted LBHP, outside of an agency setting. The additional oversight requirements imposed upon agencies provide a better training ground for individuals under supervision and afford OHCA and the Oklahoma Department of Mental Health and Substance Abuse Services (ODMHSAS) better opportunity to ensure the quality of services being provided to SoonerCare members.

Budget Impact: Budget neutral

13-49 Transitional Case Management — The Agency's behavioral health case management rules are revised to ensure consistency with changes in case manager provider requirements made in Title 450 of the Oklahoma Administrative Code, by the certifying agency, the Oklahoma Department of Mental Health and Substance Abuse Services (ODMHSAS). Provider qualifications are being revised in order to reflect the legislature's intent, as expressed during the 2013 legislative session. Case management reimbursement rules are also being revised in order to allow reimbursement for transitional case management provided during the last 30 days of an inpatient stay. This change will ensure successful integration back into the community upon discharge from the inpatient facility.

Budget Impact: Budget neutral

13-50 Therapeutic Foster Care — The Agency's therapeutic foster care (TFC) rules are revised to allow for the completion of assessments and treatment plans from 14 days to 30 days. This change aligns with current practice that mandates when provisional diagnosis documentation must be submitted. All documentation will now be due to the OHCA within 30 days of admission to a TFC facility. The Agency is also proposing rule revisions to disallow coverage of Psychosocial Rehabilitation (PSR) services for children below age 6 unless services are medically necessary and required pursuant to Federal Early and Periodic

Screening Diagnostic and Treatment (EPSDT) laws. Additionally, the agency is proposing to add detail language requirements for developing and rendering assessments, service plans, and PSR services. Other revisions are also made to make minor "cleanup" changes to terminology, which include changes mandated by the Diagnostic and Statistical Manual (DSM) V.

Budget Impact: Budget neutral

13-51 Fluoride Varnish — Policy is revised to expand the age for which application of fluoride varnish during course of a well child screening is covered, from ages 12 months to 42 months to ages 6 months to 60 months.

Budget Impact: \$22,485.85 total budget impact; \$14,018.85 federal share; \$8,467 state share

13-52 School Based Services — OHCA rules related to IDEA and School Based services are revised for clarity and consistency. Revisions include removing references to outdated terms and/or policy, and adding guidelines for school-based services and evaluations as it relates to the Individual Education Plan/ Individual Family Service Plan (IEP/IFSP) for clarity and consistency.

Budget Impact: Budget neutral

13-53 Laboratory Payment Rates — Policy is revised to clarify clinical laboratory services will be reimbursed in accordance with methodology approved under the State Plan.

Budget Impact: Budget neutral

**March 2014 MAC
Proposed Waiver and State Plan Amendment Summaries**

Information Only

The following are summaries of proposed waiver and state plan amendments. These proposals are still in the research stage and are not final. As such, some of the proposals you see here may not advance beyond the research stage. OHCA prepared this document to give members of the MAC a preview of waiver and state plan revisions. This document is for informational purposes only.

OKDHS/DDSD WAIVER AMENDMENTS:

The Community Waiver, Homeward Bound Waiver, In-Home Supports Waiver for Adults, and In-Home Supports Waiver for Children are proposed for amendment to include revisions to the quality management strategies, adjustments to the financial sections of the waivers, service definition revisions, elimination of services no longer utilized, revisions to qualifications of individuals who perform reevaluations, adjustments to Prevocational and Supported Service limits, and revisions to the number of individuals served. The amendments are subject to CMS approval and are planned for implementation no later than June of 2014.

STATE PLAN AMENDMENT:

Health Homes — The State is currently exploring options with the Oklahoma Department of Mental Health Substance Abuse Services (OKDMHSAS) to provide coordinated care through a health home for individuals with chronic conditions. This option is afforded under Section 2703 of the Affordable Care Act in accordance with statutory provisions at Section 1945(c)(1) of the Social Security Act. Health Homes service delivery model will enhance integration and coordination of primary, acute, behavioral health (mental health and substance use), and long-term services and supports for persons across the lifespan with chronic illness.