Supplemental Hospital Offset Payment Program (SHOPP)

OHCA PRN 2012-01

February 24, 2012

Hospital Administrators

This letter is to notify you that the assessment and payment methodologies required under the Supplemental Hospital Offset Payment Program (SHOPP) Act have been approved by the Centers for Medicare and Medicaid Services (CMS) and the waiver under 42 C.F.R., Section 433.68 has been granted by CMS.

The Oklahoma Health Care Authority (OHCA) mailed the first notice of assessment January 23, 2012. This assessment covers the last two quarters (July – September and October – December) of calendar year 2011. Hospitals have 30 days from the date of receipt of notice of assessment to review and verify the assessment rate, the hospital’s net patient revenue calculation and the assessment amount. The assessment is due and payable by March 4, 2012.

SHOPP hospital access payments and critical access hospital payments for the last two quarters of 2011 will be distributed by March 14, 2012. These payments will show on the hospital’s weekly remittance advice but payment will be issued in a separate fund transfer.

In order to comply with the schedule dictated in legislation, OHCA plans to mail the calendar year 2012 assessment notice by March 9th. The assessment will cover the first two quarters of calendar year 2012 (January – March and April – June) and will be due by April 15th. SHOPP hospital access payments and critical access hospital payments will be distributed by April 25th.

Timing of the quarterly assessments will then be on schedule and all subsequent quarterly installments will be due and payable by the 15th day of the first month of the applicable quarter (July 15th and October 15th) and payments will be disbursed within 10 days. For calendar year 2013, a new assessment will be calculated and a new letter will be mailed.

For hospital specific assessment and payment information as well as additional information related to SHOPP, please visit the OHCA public website www.okhca.org/SHOPP.

If you have any questions or require additional information please phone or email Kelly Taylor at (405) 522-7108 or Kelly.Taylor@okhca.org.

Thank you for your continued service to Oklahoma’s SoonerCare members.