

SPARC
STATIONARY OXYGEN SYSTEM METHODOLOGY RATE CHANGE
SFY '2016

1. Is this a "Rate Change" or a "Method Change"?
NEW rate methodology and corresponding rates
 - 1a. Is this change an increase, decrease, or no impact?
Decrease
2. Presentation of issue – Why is change being made?
The change is being made to align OHCA payment rates with CMS competitive bid rates established in July 2013 for Oklahoma City for stationary oxygen systems.
3. Current methodology and/or rate structure.
Current rates are based off of discounted CMS rates prior to the CMS competitive bidding process
4. New methodology or rate.
The change is set to allow for matching the competitive bid rate in effect for Oklahoma City. The current budget reduction rates will not be applied to this rate structure.

TABLE 1 – OXYGEN RATE COMPARISON			
	Current Rate Monthly Rental	C-BID Rate Monthly Rental	Rate Reduction
Home			
Stationary	\$ 141.20	\$ 96.48	- \$ 44.72
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Nursing Facility			
Stationary	\$ 120.02	\$ 96.48	- \$ 23.54

5. Budget estimate.
Budget reduction estimate equals (\$ 546,715 State \$) and (\$ 1,413,430 Total \$)
6. Agency estimated impact on access to care.
OHCA has an adequate provider base to provide oxygen equipment for medically qualified members at the proposed rate.
7. Rate or Method change in the form of a motion.
The agency requests the SPARC to approve the new reimbursement methodology and the corresponding rates in Table 1 for stationary oxygen system monthly rental.
8. Effective date of change.
TO BE DETERMINED.