

RESIDENTIAL PSYCHIATRIC SERVICES RATE REDUCTION

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

Rate Change

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

This change represents a decrease in the base rates being made for inpatient/residential psychiatric services.

3. PRESENTATION OF ISSUE – WHY IS THIS CHANGE BEING MADE?

The Oklahoma Department of Mental Health and Substance Abuse Services (ODMHSAS or Agency) proposes to revise the payment rates for Private, in-state Psychiatric Residential Treatment Facilities (PRTF), Private Psychiatric Hospitals (Institutions for Mental Disease) and General Hospitals with Psychiatric Units. Changes are necessary to reduce the Agency's spending to balance the state budget in accordance with Article 10, Section 23 of the Oklahoma Constitution, which prohibits a state agency from spending more money than is allocated.

4. CURRENT METHODOLOGY AND/OR RATE STRUCTURE.

A prospective per diem payment is made based on facility peer group for a comprehensive package of services and room and board. The current base rates for Private, in-state PRTFs with 17 beds or more are:

Peer Group	Base Rate
Special Populations (Developmental Delays, Eating Disorders)	\$400.05
Standard	\$336.57
Extended	\$319.54

The current base rate for private, in state PRTFs with 16 beds or less is a prospective per diem payment of \$220.49.

A prospective per diem payment is made to Private Psychiatric Hospitals (IMDs) and General Hospitals with Psychiatric Units based on a facility peer group. The current base rates are:

Peer Group	Psychiatric Hospital	Hospital Psychiatric Unit
Standard	\$345.05	\$345.05
Specialty 1 – Sexual Offender	\$345.05	\$345.05
Specialty 2 – Eating Disorder, TBI	\$432.26	\$432.26

5. NEW METHODOLOGY OR RATE STRUCTURE.

The proposed rates are 15% less than the current rates in effect.

Private, in-state PRTFs with 17 beds or more:

Peer Group	Base Rate
Special Populations (Developmental Delays, Eating Disorders)	\$340.04
Standard	\$286.08
Extended	\$271.61

The proposed base rate for private, in state PRTFs with 16 beds or less is a prospective per diem payment is \$187.42.

The proposed base per diem rates for Private Psychiatric Hospitals (IMDs) and General Hospitals with Psychiatric Units based on a facility peer group are:

Peer Group	Psychiatric Hospital	Hospital Psychiatric Unit
Standard	\$293.29	\$293.29
Specialty 1 – Sexual Offender	\$293.29	\$293.29
Specialty 2 – Eating Disorder, TBI	\$367.42	\$367.42

6. BUDGET ESTIMATE.

Estimated savings to ODMHSAS for SFY2016 is \$2,243,014 Total; \$875,000 State share. The estimated savings to ODMHSAS for SFY2017 is \$13,329,915 Total; \$5,200,000 State share.

7. AGENCY ESTIMATED IMPACT ON ACCESS TO CARE.

The Agency has determined that the proposed payment rates are sufficient to enlist enough providers so that SoonerCare services are available to the extent that such care and services are available to the general population in the state. In accordance with 42 CFR 447.203(b), an access review plan will be developed, in which the Agency will demonstrate access to care by documenting their consideration of: enrollee needs (experience of care); the availability of care and providers; and the utilization of services as a result of this reduction.

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

The Agency requests the SPARC to approve the proposed reimbursement rates for Private, In State PRTFs, Private Psychiatric Hospitals (IMDs), and General Hospitals with Psychiatric Units by reducing the current rates in effect by 15%.

9. EFFECTIVE DATE OF CHANGE.

May 1, 2016