METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES
INPATIENT HOSPITAL SERVICES

The Oklahoma Title XIX Program reimburses appropriately licensed and certified hospitals for inpatient services as outlined in this plan. Procedures and policies governing state licensure, certification of providers, utilization review, and any other aspect of State regulation of the Title XIX Program not relating to the method of computing payment rates for inpatient services are affected by this plan.

I. PUBLIC PROCESS

The state has in place a public process which complies with the requirements of Section 1902(a)(13)(A) of the Social Security Act.

II. GENERAL REIMBURSEMENT POLICY

The Oklahoma Health Care Authority (hereafter called the OHCA) will reimburse inpatient hospital services rendered on or after October 1, 2005, in the following manner:

A. Covered inpatient services (including organ transplants) provided to eligible Medicaid recipients admitted to in-state acute care hospitals and acute care inpatient units will be reimbursed by the methodology set forth in Section VI of this plan, unless the hospital or unit is classified into one of the categories outlined in subsections C through F below.

B. Covered inpatient services provided to eligible recipients of the Oklahoma Medicaid program, when treated in out-of-state hospitals will be reimbursed in the same manner as in-state hospitals by the methodology set forth in Section VI of this plan, unless the hospital is classified in the category in subsection F below. Reimbursement for inpatient hospital services shall not exceed the rate paid by Medicare.

i. In the event an out-of-state provider will not accept the payment rate established under Section VI of this plan, the state may negotiate a higher reimbursement rate, provided the service is prior authorized and the negotiated rate does not exceed the rate paid by Medicare, unless otherwise specified in the plan. Services that are not covered by Medicare, but are covered by the plan, may be reimbursed as determined by the State.

C. Inpatient services provided in Freestanding Rehabilitation and Freestanding Psychiatric Hospitals will be reimbursed using the per diem system outlined in Section III of this plan. Pediatric, psychiatric, substance abuse, and rehabilitation cases treated in Medicare PPS non-exempt general acute care hospitals or non-PPS exempt units will be included in the DRG PPS in Section VI of this plan. Freestanding Rehabilitation and Freestanding Psychiatric hospitals operated by units of government and Children's Hospitals included in the DRG PPS in Section VI of this plan may receive an additional payment not to exceed 100% of their allowable costs under Medicare payment principles.

D. Long Term Care Hospitals serving children will be reimbursed using the per diem system outlined in Section IV of this plan.

E. Indian Health Services hospitals will be reimbursed using a per diem rate published by the Office of Management and Budget.

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES
OTHER TYPES OF CARE

Effective Dates for Reimbursement Rates for Specified Services:

Reimbursement rates for the services listed on this introduction page are effective for services provided on or after that date with two exceptions:

1. Medicaid reimbursement using Medicare rates are updated ~~and effective on the first of each calendar year~~ annually based on the ~~Medicare rate update from October of the prior calendar year~~ methodology specified in Attachment 4.19-B, Methods and Standards for Establishing Payment Rates.
2. Medicaid reimbursement using Medicare codes are updated and effective on the first of each quarter based on the methodology specified in Attachment 4.19-B, Methods and Standards for Establishing Payment Rates.

Payment methods for each service are defined in Attachment 4.19-B, Methods and Standards for Establishing Payment Rates, as referenced. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of outpatient services. The fee schedule is published on the agency's website at www.okhca.org/feeschedules.

In the event an out-of-state provider will not accept the payment rate established in Attachment 4.19-B, Methods and Standards for Establishing Rates, the state may negotiate a higher reimbursement rate, provided the service is prior authorized and the negotiated rate does not exceed the rate paid by Medicare, unless otherwise specified in the plan. Services that are not covered by Medicare, but are covered by the plan, may be reimbursed as determined by the State.

Service	State Plan Page	Effective Date
Outpatient Hospital Services	Attachment 4.19-B, Page 1	October 1, 2018
A. Emergency Room Services		October 1, 2018
B. Outpatient Surgery	Attachment 4.19-B, Page 1a	October 1, 2018
C. Dialysis Services		October 1, 2018
D. Ancillary Services, Imaging and Other Diagnostic Services		October 1, 2018
E. Therapeutic Services	Attachment 4.19-B, Page 1b	October 1, 2018
F. Clinic Services and Observation/Treatment Room		October 1, 2018
Clinical Laboratory Services	Attachment 4.19-B, Page 2b	October 1, 2018
Physician Services	Attachment 4.19-B, Page 3	October 1, 2018
Home Health Services	Attachment 4.19-B, Page 4	October 1, 2018
Free-Standing Ambulatory Surgery Center-Clinic Services	Attachment 4.19-B, Page 4b	October 1, 2018
Dental Services	Attachment 4.19-B, Page 5	October 1, 2018
Transportation Services	Attachment 4.19-B, Page 6	October 1, 2018
Eyeglasses	Attachment 4.19-B, Page 10.1	October 1, 2018
Nurse Midwife Services	Attachment 4.19-B, Page 12	October 1, 2018
Family Planning Services	Attachment 4.19-B, Page 15	October 1, 2018
Renal Dialysis Facilities	Attachment 4.19-B, Page 19	October 1, 2018
Other Practitioners' Services		
• Anesthesiologists	Attachment 4.19-B, Page 20	October 1, 2018
• Certified Registered Nurse Anesthetists (CRNAs) and Anesthesiologist Assistants	Attachment 4.19-B, Page 20a	October 1, 2018
• Physician Assistants	Attachment 4.19-B, Page 21	October 1, 2018
Nutritional Services	Attachment 4.19-B, Page 21-1	October 1, 2018
4.b. EPSDT		
• Emergency Hospital Services	Attachment 4.19-B, Page 28.1	October 1, 2018
• Speech and Audiologist Therapy Services, Physical Therapy Services, and Occupational Therapy Services	Attachment 4.19-B, Page 28.2	October 1, 2018
• Hospice Services	Attachment 4.19-B, Page 28.4	October 1, 2018