

## ABBREVIATED PUBLIC NOTICE

Pursuant to Section 431.408 and 447.205 of Title 42 of the Code of Federal Regulations, the Oklahoma Health Care Authority (OHCA) is required to provide public notice of its intent to submit an amendment to its 1115(a) demonstration waiver as well as a phase-out plan required by the demonstration's special terms and conditions to the Centers for Medicare & Medicaid Services (CMS). The OHCA currently has an approved 1115(a) waiver for the 2018-2023 demonstration period.

### **Phase-out of the Insure Oklahoma Individual Plan, transition of certain Insure Oklahoma Employer-Sponsored Insurance (IO ESI) members, and establishment of the Federal Poverty Level (FPL) for the IO ESI program; Effective date: July 1, 2021, contingent upon CMS approval.**

With this amendment and phase-out plan request, the OHCA seeks approval of the following modifications to the 1115(a) demonstration Special Terms and Conditions (STCs) for the current extension period that will be in effect through the end of the waiver demonstration on December 31, 2023:

- Phase out the IO IP plan.
- Transition IO IP and IO ESI members with incomes at or below 133% of the FPL to the new expansion adult option, receiving services under the SoonerCare program.
- Clarify that the income threshold for the IO ESI program will be established at 134% - 200% of the FPL, plus any applicable income disregards.
- The waiver amendment and phase-out plan will ensure continuity of care by making the transition of eligible IO members to the new adult expansion population as seamless and effortless as possible and improve access to high-quality, person-centered services that produce positive health outcomes for individuals who were previously under or uninsured.
- The requested effective date of July 1, 2021 will coincide with the State's intent to expand Medicaid to adults ages 19-64, with incomes at or below 133% of the FPL, as per 42 CFR 435.119 and Oklahoma State Question 802.

Proposed changes are further detailed in the Insure Oklahoma phase-out plan required by the STCs of the 1115(a) waiver. The IO phase-out plan can be located on the Agency's website at [www.okhca.org/PolicyBlog](http://www.okhca.org/PolicyBlog) or can be requested as per the information at the end of this notice.

#### *Budget Neutrality Impact: Current Demonstration*

The following Medicaid Eligibility Groups (MEGs) under the currently approved Demonstration are impacted by the proposed changes:<sup>1</sup>

- Non-Disabled Working Adults ESI
- Full-Time College Students ESI

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<sup>1</sup> The currently approved Demonstration includes additional IO MEGs, but these MEGs do not have any enrollment or expenditures and therefore are not included in the Budget Neutrality impact analysis.

- Non-Disabled Working Adults IP
- Full-Time College Students IP

The table on the following page presents projected expenditures under the Demonstration and prior to implementation of the phase-out plan. (Impacted MEGs are highlighted with blue font.)

**Projected "With Waiver" Expenditures**

<b>Calendar Year Demonstration Year</b>	<b>2021 26</b>	<b>2022 27</b>	<b>2023 28</b>
<b><u>Medicaid Per Capita</u></b>			
<i>TANF-Urban</i>	\$1,041,752,175	\$1,111,183,707	\$1,185,242,768
<i>TANF-Rural</i>	\$736,329,206	\$777,532,273	\$821,040,958
<i>ABD-Urban</i>	\$492,959,366	\$507,335,244	\$522,130,357
<i>ABD-Rural</i>	\$384,088,145	\$395,448,243	\$407,144,336
<b><u>Medicaid Aggregate - WW only</u></b>			
<i>Non-Disabled Working Adults ESI</i>	\$65,789,186	\$69,980,698	\$74,439,257
<i>TEFRA Children</i>	\$11,414,642	\$12,728,688	\$14,194,006
<i>Full-Time College Students ESI</i>	\$516,218	\$547,488	\$580,653
<i>Non-Disabled Working Adults IP</i>	\$51,959,648	\$56,876,221	\$62,258,014
<i>Full-Time College Students IP</i>	\$428,088	\$442,676	\$457,760
<i>HAN Expenditures</i>	\$11,405,439	\$11,720,229	\$12,043,707
<i>HMP Expenditures</i>	\$12,679,813	\$13,440,501	\$14,248,007
<b>Total</b>	<b>\$2,809,321,926</b>	<b>\$2,957,235,968</b>	<b>\$3,113,779,823</b>

Effective July 1, 2021 (the second half of Demonstration Year 26), the IO IP plan will be phased out along with the IO ESI plan for individuals with incomes up to 133% of the FPL. The IO ESI plan will continue for individuals eligible with incomes between 134 and 200% of the FPL. Based on current enrollment data, 70.0% of the population enrolled in the Non-Disabled Working Adults ESI MEG and 66.0% of the population enrolled in the Full-Time College Students ESI MEG have incomes between 134 and 200% of the FPL. The table below presents the estimated impact on program expenditures under the approved Demonstration.

**Impact: Insure Oklahoma Phase-Out (Effective 7/1/21)**

<b>Calendar Year Demonstration Year</b>	<b>2021 (1/2) 26 (1/2)</b>	<b>2022 27</b>	<b>2023 28</b>
<i>Non-Disabled Working Adults ESI</i>	-\$9,872,372	-\$21,002,706	-\$22,340,816
<i>Full-Time College Students ESI</i>	-\$87,829	-\$186,298	-\$197,583
<i>Non-Disabled Working Adults IP</i>	-\$25,979,824	-\$56,876,221	-\$62,258,014
<i>Full-Time College Students IP</i>	-\$214,044	-\$442,676	-\$457,760
<b>Total</b>	<b>-\$36,154,069</b>	<b>-\$78,507,901</b>	<b>-\$85,254,173</b>

The table below presents projected expenditures under the approved Demonstration and upon implementation of the Insure Oklahoma phase-out plan.

**Projected "With Waiver" Expenditures, Including Phase-Out of IO IP and Partial Phase-Out of IO ESI**

<b>Calendar Year Demonstration Year</b>	<b>2021 26</b>	<b>2022 27</b>	<b>2023 28</b>
<b><u>Medicaid Per Capita</u></b>			
<i>TANF-Urban</i>	\$1,041,752,175	\$1,111,183,707	\$1,185,242,768
<i>TANF-Rural</i>	\$736,329,206	\$777,532,273	\$821,040,958
<i>ABD-Urban</i>	\$492,959,366	\$507,335,244	\$522,130,357
<i>ABD-Rural</i>	\$384,088,145	\$395,448,243	\$407,144,336
<b><u>Medicaid Aggregate - WW only</u></b>			
<i>Non-Disabled Working Adults ESI</i>	\$55,916,814	\$48,977,992	\$52,098,441
<i>TEFRA Children</i>	\$11,414,642	\$12,728,688	\$14,194,006
<i>Full-Time College Students ESI</i>	\$428,389	\$361,190	\$383,070
<i>Non-Disabled Working Adults IP</i>	\$25,979,824	\$0	\$0
<i>Full-Time College Students IP</i>	\$214,044	\$0	\$0
<i>HAN Expenditures</i>	\$11,405,439	\$11,720,229	\$12,043,707
<i>HMP Expenditures</i>	\$12,679,813	\$13,440,501	\$14,248,007
<b>Total</b>	<b>\$2,773,167,857</b>	<b>\$2,878,728,067</b>	<b>\$3,028,525,650</b>

Interested persons may visit [www.okhca.org/PolicyBlog](http://www.okhca.org/PolicyBlog) to view a copy of the proposed waiver amendment, phase-out plan, public notice, and a link to provide public comments on the proposal. Due to the current public health emergency and the associated social distancing guidelines, persons wishing to present their views in writing or obtain copies of the proposed waiver amendment and phase-out plan may do so via mail by writing to: Oklahoma Health Care Authority, Federal Authorities Unit, 4345 N. Lincoln Blvd., Oklahoma City, Oklahoma 73105, or by email at [federal.authorities@okhca.org](mailto:federal.authorities@okhca.org). Written comments or requests for copies of the proposed waiver will be accepted by contacting OHCA as indicated. Comments submitted will be available for review online at [www.okhca.org/PolicyBlog](http://www.okhca.org/PolicyBlog). Comments will be accepted October 1-31, 2020.