OK SPA 19-0023 Rural Health Clinics Reimbursement Methodologies Comments

05/17/2019	Anonymous	We appreciate OHCA's efforts to revise its payment methodology for Rural Health Centers. We believe the proposal suggested by the Oklahoma Hospital Association to utilize the M series worksheets from each RHC's Medicare Cost Report to be more equitable and an easier to manage methodology. OHCA receives provider cost reports including the M series schedules annually from providers. It would be less efficient and more burdensome for OHCA to receive and manage rate letters when they would already have the necessary information via the Medicare Cost Report. Under the current proposal, how will rates be determined for a pediatric RHC that does not see any Medicare patients? They do not receive a Medicare rate letter. This issue would be resolved by using the Medicare Cost Report M schedule. Normally, CMS performs two rate reviews each year. The first is based upon the most recent filed cost report. Many times these rates are set at a lower rate than cost since they have a second review available later in the year. The second review is based upon interim data

		submitted by the RHCs at CMS's request and often results in a lump sum settlement and rate increase. If CMS feels two rate reviews are warranted, wouldn't it make sense for OHCA to utilize both? We are also concerned about the sentence in the proposal indicating that, if a rate letter is not submitted, the lesser of the RHC's current rate or statewide average will be used. How will this be enforced? The clinics have no control over when CMS will conduct their reviews so how will OHCA know when the rate letters are issued?
05/16/2019	Doug Volinski	We appreciate OHCA's efforts to revise its payment methodology for Rural Health Centers. We believe the proposal suggested by the Oklahoma Hospital Association to utilize the M series worksheets from each RHC's Medicare Cost Report to be more equitable and an easier to manage methodology. OHCA receives provider cost reports including the M series schedules annually from providers. It would be less efficient and more burdensome for OHCA to receive and manage rate letters when they would already have the necessary information via the Medicare Cost Report. Under the current proposal, how will

		rates be determined for a pediatric RHC that does not see any Medicare patients? They do not receive a Medicare rate letter. This issue would be resolved by using the Medicare Cost Report M schedule. Normally, CMS performs two rate reviews each year. The first is based upon the most recent filed cost report. Many times these rates are set at a lower rate than cost since they have a second review available later in the year. The second review is based upon interim data submitted by the RHCs at CMS's request and often results in a lump sum settlement and rate increase. If CMS feels two rate reviews are warranted, wouldn't it make sense for OHCA to utilize both? We are also concerned about the sentence in the proposal indicating that, if a rate letter is not submitted, the lesser of the RHC's current rate or statewide average will be used. How will this be enforced? The clinics have no control over when CMS will conduct their reviews so how will OHCA know when the rate letters are issued?
05/17/2019	Rick Snyder	OHA recommends the use of Worksheet M data from Medicare cost reports as a better source of Medicare RHC payment rate information than interim rate

		letters from the MAC, for several reasons: • The MAC will often set a rate lower than cost on the interim rate letter, since the final payment is subject to cost report settlement. OHCA proposes to make no cost settlement. • The MAC typically does two Medicare RHC rate reviews a year; one based on the as-filed cost report, and one updated with supplementary information the hospital provides. The interim rate is updated based on new information. The timing of these letters in relation to the cost reporting period is unpredictable, and somewhat dependent on backlogs at the Medicare Administrative Contractor. It is unclear from the SPA if OHCA intends to reprocess claims if the MAC issues a new rate letter for the same fiscal period, or what the effective date may be for new SoonerCare rates based on new Medicare rate letters. • Some RHCs serve only non-Medicare individuals, such as pediatric and obstetric RHCs. The MAC does not provide rate letters for these clinics. However, the hospital's cost report will include the Worksheet M series for these non-Medicare RHCs. • Medicare cost reports are public information, published quarterly. Rate letters from

		the MAC are not public information. By using cost report data, OHCA could update RHC rates without relying on the providers to submit information. Thank you for considering these comments.