

Exhibit titled Current Conditions

This document is for informational purposes to convey the current systems, processes, and general conditions of the agency.

1. OHCA Overview

OHCA is the state agency that administers the Oklahoma Medicaid Program known as SoonerCare. Medicaid is a Federal and State entitlement program that provides funding for medical benefits to certain low-income individuals who have inadequate or no health insurance coverage. Medicaid guarantees coverage for basic health and long-term care services based upon income and/or resources. Created by Title XIX of the Social Security Act of 1965, Medicaid is administered at the Federal level by the Centers for Medicare and Medicaid Services (CMS) within the Department of Health and Human Services (HHS). CMS established and monitored certain requirements concerning funding, eligibility standards, scope, and quality of medical services. States have the flexibility to determine some aspects of their own program, such as setting Provider (an individual or entity contracted with OHCA to provide healthcare services to enrolled Members) reimbursement rates and determining the eligibility requirements and benefits offered within certain Federal parameters.

TPL refers to the legal obligations of third parties to pay for part or all of the expenditures for medical assistance furnished by SoonerCare. Medicaid by law is intended to be the payor of last resort; that is, all other available resources must have met their legal obligation to pay claims for services before Medicaid pays for the care of an eligible Member (an individual who receives services through SoonerCare). Examples of other available resources which may be liable to pay for services prior to Medicaid include private health insurance, court judgments or settlements from a liability insurer, Worker's Compensation, first party probate recoveries, long-term care insurance, private health insurance derived by non-custodial parents, and other State or Federal programs (unless specifically excluded by Federal or State statute). The OHCA currently uses these approaches to ensure the application of TPL coverage of SoonerCare Members:

- a. Claims processing edits: The MMIS (Medicaid Management Information System) applies edits that identify the existence of other insurance during claims processing. SoonerCare claims for these Members are denied when available third-party insurance has not been used. These front-end edits prevent inappropriate payment from being made in cases where a third-party carrier should cover part, or all the services provided (cost avoidance).
- b. Post payment review and recovery: SoonerCare or its Contractor will test claims for the existence of third-party payments and perform a post payment review of all paid SoonerCare claims. The availability of third-party insurance for a specific service already paid by SoonerCare is verified. When deemed appropriate, the Contractor will undertake recovery activities (pay and chase method); and
- c. Data matching with third party carriers to update SoonerCare Members TPL policies is performed by the Contractor for the purposes of cost avoidance.

2. System Integrator

Gainwell Technology is currently contracted to provide the OHCA MMIS and to be the System Integrator for all contractors. The OHCA MMIS system currently encompasses claims processing, member enrollment, provider contracting, member and provider files, prior authorization system, data warehouse, etc. Contractor shall be required to coordinate with the System Integrator to complete the scope of work for this contract.

3. Project information

OHCA is tasked with operating the state's Medicaid program, known as SoonerCare. As of July 1st, 2021, Medicaid eligibility expanded in Oklahoma to include adults ages 19-64 whose income is 138% (133% with a 5% disregard) of the federal poverty level or lower. Current enrollment is approximately 1,065,000 individuals and is expected to increase as more eligible individuals enroll into Medicaid.

The goal of this procurement is to ensure that, in accordance with federal and state law, Medicaid is the payer of last resort. This means that responsible third parties must pay medical costs incurred by Medicaid recipients before OHCA or its contracted managed care plan pays claims. "Third party," as defined in 42 C.F.R. § 433.136, means any individual, entity or program that is or may be liable to pay all or part of the expenditures for medical assistance furnished under a state plan. Pursuit and recovery of casualty or tort liability and estate recovery is not included in the scope of this RFP

4. Introduction

The Medicaid TPL Program shall:

- a. Cost avoid claims payment to maximize revenues for OHCA.
- b. Comply with all aspects of 42 CRF 433.135 et. seq., this RFP, and any other applicable State or Federal regulation, rule, or policy.
- c. Lessen the accounting and collection work required of OHCA; and
- d. Accept EFT (electronic funds transfers) from third party insurance carriers

5. Goals

OHCA's goals are to

- a. Maximize revenues to OHCA.
- b. Cost avoid claims before payments are generated.
- c. Lessen the accounting and collection work required of OHCA.
- d. Reduce call volume to onsite TPL staff

6. The goals for the proposed solution are to:

- i. Be expandable in the future for possible additional users and agencies.
- ii. Be flexible to meet State and Federal policy changes; and,
- iii. Be collaborative with OHCA staff.