



STATE OF OKLAHOMA
OKLAHOMA HEALTH CARE AUTHORITY

I/T/U Public Notice 2011-07

September 12, 2011

RE: Oklahoma Health Care Authority (OHCA) Proposed Rule Changes for State Health Programs

Dear Tribal Representative:

The purpose of this letter is to give you notice of proposed rule changes that will be reviewed at the Medical Advisory Committee (MAC) meeting held on September 15th, 2011. As you are aware, there was also an in-person consultation at OHCA regarding these rules on September 6 at 11 am. The OHCA is committed to active communication with Tribal Governments during the OHCA decision-making and priority-setting process and therefore keeps you apprised of all proposed rule changes.

Enclosed is a summary of the currently proposed rule changes for your review. The summary describes the purpose of each rule change and the anticipated impact on those affected. To view the complete proposal for the September 15th MAC, you can visit www.okhca.org/macagenda.

Please note that these are only proposed rule changes and have not yet taken effect. Before implementation, new rule changes must obtain budget authorization, federal approval (if applicable), OHCA Board approval, and the governor's approval.

Additionally, OHCA is now posting all proposed rule changes on the Agency's public website www.okhca.org/rule-changes. The proposed rule changes page is designed to give all constituents and stakeholders an opportunity to review and make comments regarding upcoming rule changes.

To ensure that you stay apprised of proposed rule changes, you may sign up for web alerts for the page and you will automatically be notified when any new rules are posted for comment.

OHCA values consultation with Tribal Governments and will provide your representatives a reasonable amount of time to respond to this notification. If you have any questions or comments about the proposed rule changes, please use the online comment system found at www.okhca.org/rule-changes. This system allows us to efficiently respond to comments and inquiries regarding our rules.

Sincerely,

Garth L. Splinter, M.D.
State Medicaid Director

OHCA Initiated

11-16 Cost Sharing for Pregnant Women – SoonerCare cost-sharing rules are revised to clarify OHCA's current policy that pregnancy-related services are exempt from cost-sharing requirements.

Budget Impact – Budget Neutral

11-17 Prescription Exemption for DME Repairs – SoonerCare provider rules are amended to exempt durable medical equipment repairs with a cost per item of less than \$250.00 from the prescription requirement.

Budget Impact – Budget Neutral

11-18 Supplemental Hospital Offset Payment Program (SHOPP) – OHCA is authorized by 63 Okla. Stat. §§ 3241.1 through 3241.6 to implement the Supplemental Hospital Offset Payment Program (SHOPP). OHCA is required by the SHOPP Act to assess in-state hospitals an assessment fee of 2.5%. Funds derived from the assessment are used to garner federal matching funds to supplemental Medicaid payment and pay participating hospitals a quarterly access payment.

Budget Impact — The assessment is expected to generate approximately \$151 million in state dollars, \$30 million of which is allocated to the Medical Payments Cash Management Improvement Act Program Disbursing Fund and used to maintain SoonerCare provider reimbursement rates. After garnering federal matching dollars, \$336 million will be available to make supplemental payments to participating hospitals in the state of Oklahoma and approximately \$83 million will be available to maintain SoonerCare provider payments.

OKDHS Initiated

11-11 ADvantage Waiver Rules - OHCA rules for the ADvantage Waiver are revised to remove Respiratory Therapy as an allowable service within the waiver and remove Hospice when the member is in a nursing facility receiving ADvantage Facility Based Extended Respite. Both services are removed due to lack of utilization. Additionally, rules are revised to remove language allowing for reimbursement to providers of case management transition services when the member fails to transition into the ADvantage waiver program. The revisions are necessary to align OHCA policy with revised operational procedures as approved by the Centers for Medicare and Medicaid Services.

Budget Impact – The Oklahoma Department of Human Services operates the ADvantage waiver and will benefit from the proposed rule change through realization of lower operational costs. An estimated savings of \$15,000 annually will be realized through implementation of the rule change.