



Ellen M. Buettner | Chief Executive Officer

J. Kevin Stitt | Governor

State Plan Amendment Rate Committee (SPARC)

Agenda

June 17, 2025

1:00 PM

OHCA Board Room
4345 N. Lincoln Blvd
Oklahoma City, OK

I. Welcome and Roll Call: **Chair, Kristine West**

This meeting will occur at the OHCA building at 4345 N. Lincoln Blvd., Oklahoma City, OK 73105. All Committee members will participate in person.

Committee Members:

- Kristine West (Chair, OHCA)
- Kasie McCarty (OHCA)
- Bernard Rhone (OHCA)
- Sally Tucker (OHCA)
- Sharon Butler (OSDH)
- Melissa Miller (ODMHSAS)
- Danielle Durkee (OHS)

Public access via Zoom:

https://www.zoomgov.com/webinar/register/WN_p68kjDxNQr29oCV1VhDokQ

*Please note: Since the physical address for the OHCA SPARC Meeting has resumed, any live-streaming option provided is provided as a courtesy. Should such live-streaming option fail or have technical issues, the OHCA SPARC Meeting will not be suspended or reconvened because of this failure or technical issue.

II. Public Comments (2-minute limit): **Chair, Kristine West**

III. Rate issues to be addressed: Presentation, discussion, and vote

- A. Regular Nursing Facility Rates
(Presented by Fred Mensah, OHCA)
- B. AIDS Rate
(Presented by Fred Mensah, OHCA)
- C. Regular ICF Rate



ADDRESS

4345 N. Lincoln Blvd.
Oklahoma City, OK 73105



WEBSITES

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(Presented by Fred Mensah, OHCA)

D. Acute ICF Rate

(Presented by Fred Mensah, OHCA)

E. Add-On Rate for Nursing Facilities Serving Acute Tracheostomy Residents

(Presented by **Fred Mensah**, OHCA)

F. PHP Rate Increases

(Presented by **Melissa Miller**, ODMHSAS)

G. Reimbursement Rate Increase for T1001 and T1017

(Presented by **Tracy Ellis**, OSDH)

IV. Adjournment: **Chair, Kristine West**

FUTURE SPARC MEETING

September 9, 2025

1:00 pm



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STATE PLAN AMENDMENT RATE COMMITTEE**REGULAR NURSING FACILITIES RATE INCREASE****1. IS THIS A RATE CHANGE OR A METHOD CHANGE?**

Rate Change

2. IS THIS CHANGE AN INCREASE, DECREASE, OR NO IMPACT?

Increase

3. PRESENTATION OF ISSUE – WHY IS THIS CHANGE BEING MADE?

The change is being made to increase the Quality of Care (QOC) fee for Regular Nursing Facilities per 56 O.S. 2011, Section 2002. This change allows the Oklahoma Health Care Authority (OHCA) to collect additional QOC fees from providers and match them with federal funds, which provides rate increases to facilities. Additionally, the change allows OHCA to calculate the annual reallocation of the pool for the “Direct Care” and “Other Cost” components of the rate as per the State Plan.

4. CURRENT METHODOLOGY AND/OR RATE STRUCTURE.

The current rate methodology for Regular Nursing Facilities calls for the establishment of a prospective rate that consists of four components. The current components are as follows:

A. Base Rate Component is \$158.78 per patient day.

B. A Pay for Performance (PFP) Component defined as the dollars earned under the incentive payment program for Nursing Facilities with an average payment of \$5.00 per patient day.

C. An “Other Cost” Component which is defined as the per day amount derived from dividing 30% of the pool of funds available after meeting the needs of the Base and PFP Components by the total estimated Medicaid days for the rate period. This component once calculated is the same for each facility.

D. A “Direct Care” Component which is defined as the per day amount derived from allocating 70% of the pool of funds available after meeting the needs of the Base and PFP Components to the facilities. This component is determined separately and is different for each facility. The method (as approved in the State Plan) allocates the 70% pool of funds to each facility (on a per day basis) based on their relative expenditures for direct care costs. The current combined pool amount for “Direct Care” and “Other Cost” components is \$351,403,013. The current Quality of Care (QOC) fee is \$15.87 per patient day.

STATE PLAN AMENDMENT RATE COMMITTEE

5. NEW METHODOLOGY OR RATE STRUCTURE.

There is no change in methodology; however, there is a rate change for Regular Nursing Facilities because of the required annual recalculation of the Quality of Care (QOC) fee and reallocation of the pool for “Direct Care” and “Other Cost” components of the rate as per the State Plan. The new Base Rate Component will be \$159.56 per patient day. The new combined pool amount for “Direct Care” and “Other Cost” components will be \$369,759,658. The new Quality of Care (QOC) fee will be \$16.65 per patient day.

6. BUDGET ESTIMATE.

The estimated budget impact for SFY 2026 will be an increase in the total amount of \$13,104,612; with \$4,374,319 in state share.

OHCA attests that it has adequate funds to cover the state share of the projected cost of services.

7. AGENCY ESTIMATED IMPACT ON ACCESS TO CARE.

The Oklahoma Health Care Authority does not anticipate any negative impact on access to care.

8. RATE OR METHOD CHANGE IN THE FORM OF A MOTION.

The Oklahoma Health Care Authority requests the State Plan Amendment Rate Committee to approve the following for Regular Nursing Facilities:

- An increase to the base rate component from \$158.78 per patient day to \$159.56 per patient day.
- An increase to the combined pool amount for “Direct Care” and “Other Cost” Components from \$351,403,013 to \$369,759,658 for the annual reallocation of the Direct Care Cost Component as per the State Plan.

9. EFFECTIVE DATE OF CHANGE.

July 1, 2025, upon approval by CMS

STATE PLAN AMENDMENT RATE COMMITTEE**ACQUIRED IMMUNE DEFICIENCY SYNDROME (AIDS) NURSING
FACILITIES RATE INCREASE****1. IS THIS A RATE CHANGE OR A METHOD CHANGE?**

Rate Change

2. IS THIS CHANGE AN INCREASE, DECREASE, OR NO IMPACT?

Increase

3. PRESENTATION OF ISSUE – WHY IS THIS CHANGE BEING MADE?

The change is being made to increase the Quality of Care (QOC) fee for nursing facilities serving residents with AIDS per 56 O.S. 2011, Section 2002. This change allows the Oklahoma Health Care Authority (OHCA) to collect additional QOC fees from providers and match them with federal funds, which provides rate increases to facilities.

4. CURRENT METHODOLOGY AND/OR RATE STRUCTURE.

The current rate methodology for nursing facilities serving residents with AIDS requires the establishment of a prospective rate which is based on the reported allowable cost per day. The current rate for this provider type is \$287.12 per patient day. The Quality of Care (QOC) fee is \$15.87 per patient day.

5. NEW METHODOLOGY OR RATE STRUCTURE.

There is no change in methodology; however, there is a rate change for nursing facilities serving residents with AIDS because of the required annual recalculation of the Quality of Care (QOC) fee. The rate for this provider type will be \$290.07 per patient day. The recalculated Quality of Care (QOC) fee will be \$16.65 per patient day.

6. BUDGET ESTIMATE.

The estimated budget impact for SFY 2026 will be an increase in the total amount of \$16,821; with \$5,615 in state share.

OHCA attests that it has adequate funds to cover the state share of the projected cost of services.

7. AGENCY ESTIMATED IMPACT ON ACCESS TO CARE.

The Oklahoma Health Care Authority does not anticipate any negative impact on access to care.

STATE PLAN AMENDMENT RATE COMMITTEE

8. RATE OR METHOD CHANGE IN THE FORM OF A MOTION.

The Oklahoma Health Care Authority requests the State Plan Amendment Rate Committee to approve the following for nursing facilities serving residents with AIDS:

- An increase to the AIDS rate from \$287.12 per patient day to \$290.07 per patient day.

9. EFFECTIVE DATE OF CHANGE.

July 1, 2025, upon approval by CMS

STATE PLAN AMENDMENT RATE COMMITTEE**REGULAR INTERMEDIATE CARE FACILITIES FOR INDIVIDUALS WITH
INTELLECTUAL DISABILITIES (ICF/IID) RATE INCREASE****1. IS THIS A RATE CHANGE OR A METHOD CHANGE?**

Rate Change

2. IS THIS CHANGE AN INCREASE, DECREASE, OR NO IMPACT?

Increase

3. PRESENTATION OF ISSUE – WHY IS THIS CHANGE BEING MADE?

The change is being made to increase the Quality of Care (QOC) fee for Regular ICF/IID per 56 O.S. 2011, Section 2002. This change allows the Oklahoma Health Care Authority (OHCA) to collect additional QOC fees from providers and match them with federal funds which provide rate increases to facilities.

4. CURRENT METHODOLOGY AND/OR RATE STRUCTURE.

The current rate methodology for Regular ICF/IID facilities requires the establishment of a prospective rate which is based on the reported allowable cost per day.

The current rate for this provider type is \$170.99 per patient day.

The Quality of Care (QOC) fee is \$9.75 per patient day.

5. NEW METHODOLOGY OR RATE STRUCTURE.

There is no change in methodology; however, there is a rate change for Regular ICF/IID facilities because of the required annual recalculation of the Quality of Care (QOC) fee.

The proposed rate for this provider type is \$172.48 per patient day.

The Quality of Care (QOC) fee will be \$10.24 per patient day.

6. BUDGET ESTIMATE.

The estimated budget impact for SFY 2026 will be an increase in the total amount of \$197,700; with \$65,992 in state share.

OHCA attests that it has adequate funds to cover the state share of the projected cost of services.

7. AGENCY ESTIMATED IMPACT ON ACCESS TO CARE.

The Oklahoma Health Care Authority does not anticipate any negative impact on access to care.

STATE PLAN AMENDMENT RATE COMMITTEE

8. RATE OR METHOD CHANGE IN THE FORM OF A MOTION.

The Oklahoma Health Care Authority requests the State Plan Amendment Rate Committee to approve the following for Regular ICF/IID facilities:

- An increase in rate from \$170.99 per patient day to \$172.48 per patient day.

9. EFFECTIVE DATE OF CHANGE.

July 1, 2025, upon approval by CMS

STATE PLAN AMENDMENT RATE COMMITTEE**ACUTE (16 BED-OR-LESS) INTERMEDIATE CARE FACILITIES FOR
INDIVIDUALS WITH INTELLECTUAL DISABILITIES (ICF/IID) RATE
INCREASE****1. IS THIS A RATE CHANGE OR A METHOD CHANGE?**

Rate Change

2. IS THIS CHANGE AN INCREASE, DECREASE, OR NO IMPACT?

Increase

3. PRESENTATION OF ISSUE – WHY IS THIS CHANGE BEING MADE?

The change is being made to increase the Quality of Care (QOC) Fee for Acute ICF/IID Facilities per 56 O.S. 2011, Section 2002. This change allows the Oklahoma Health Care Authority (OHCA) to collect additional QOC fees from providers and match them with federal funds, which provides rate increases to facilities.

4. CURRENT METHODOLOGY AND/OR RATE STRUCTURE.

The current rate methodology for Acute ICF/IID facilities requires the establishment of a prospective rate which is based on the reported allowable cost per day.

The current rate for this provider type is \$206.52 per patient day.

The Quality of Care (QOC) fee is \$11.00 per patient day.

5. NEW METHODOLOGY OR RATE STRUCTURE.

There is no change in methodology; however, there is a rate change for Acute ICF/IID facilities because of the annual recalculation of the Quality of Care (QOC) fee.

The proposed rate for this provider type is \$209.36 per patient day.

The recalculated Quality of Care (QOC) fee is \$11.96 per patient day

6. BUDGET ESTIMATE.

The estimated budget impact for SFY 2026 will be an increase in the total amount of \$982,584; with \$327,986 in state share.

OHCA attests that it has adequate funds to cover the state share of the projected cost of services.

STATE PLAN AMENDMENT RATE COMMITTEE

7. AGENCY ESTIMATED IMPACT ON ACCESS TO CARE.

The Oklahoma Health Care Authority does not anticipate any negative impact on access to care.

8. RATE OR METHOD CHANGE IN THE FORM OF A MOTION.

The Oklahoma Health Care Authority requests the State Plan Amendment Rate Committee to approve the following for Acute ICF/IID facilities:

- An increase in rate from \$206.52 per patient day to \$209.36 per patient day.

9. EFFECTIVE DATE OF CHANGE.

July 1, 2025, upon approval by CMS

STATE PLAN AMENDMENT RATE COMMITTEE**ADD-ON RATE FOR NURSING FACILITIES SERVING ACUTE
TRACHEOSTOMY RESIDENTS****1. IS THIS A RATE CHANGE OR A METHOD CHANGE?**

Rate Change

2. IS THIS CHANGE AN INCREASE, DECREASE, OR NO IMPACT?

Increase

3. PRESENTATION OF ISSUE – WHY IS THIS CHANGE BEING MADE?

The change is being made to increase the add-on rate that was previously approved for nursing facilities that serve acute tracheostomy patients. The increase will help facilities cover additional costs incurred in SFY2025.

4. CURRENT METHODOLOGY AND/OR RATE STRUCTURE.

The add-on rate is the difference between the total cost per patient day for acute tracheostomy care and the average nursing facility rate. The current add-on rate is \$144.79.

5. NEW METHODOLOGY OR RATE STRUCTURE.

There is no change in methodology. From 1/1/2025 to 6/30/2025, the add-on will be \$339.58 per patient day. Starting 7/1/2025, the add-on will be 144.79 per patient day.

6. BUDGET ESTIMATE.

The estimated budget impact for SFY 2025 will be an increase in the total amount of \$2,076,299; with \$664,623 in state share.

The estimated budget impact for SFY 2026 will be an increase in the total amount of \$2,076,299; with \$693,069 in state share.

OHCA attests that it has adequate funds to cover the state share of the projected cost of services.

7. AGENCY ESTIMATED IMPACT ON ACCESS TO CARE.

The Oklahoma Health Care Authority does not anticipate any negative impact on access to care.

STATE PLAN AMENDMENT RATE COMMITTEE

8. RATE OR METHOD CHANGE IN THE FORM OF A MOTION.

The Oklahoma Health Care Authority requests the State Plan Amendment Rate Committee to approve the following for nursing facilities that serve acute tracheostomy patients:

- An increase in add-on rate from \$144.79 per patient day to \$339.58 per patient day from 1/1/2025 to 6/30/2025.
- A decrease in rate from \$339.58 per patient day to \$144.79 per patient day starting 7/1/2025.

9. EFFECTIVE DATE OF CHANGE.

Back dated to January 1, 2025, approved by CMS

STATE PLAN AMENDMENT RATE COMMITTEE

RATE INCREASE FOR PARTIAL HOSPITALIZATION PROGRAM

1. IS THIS A RATE CHANGE OR A METHOD CHANGE?

Rate Change

2. IS THIS CHANGE AN INCREASE, DECREASE, OR NO IMPACT?

Increase

3. PRESENTATION OF ISSUE – WHY IS THIS CHANGE BEING MADE?

ODMHSAS seeks to implement a rate increase for the daily rate for partial hospitalization program to \$180.00 per day from \$160.50 per day. PHP providers have requested a rate increase to support this service based on increased costs. Oklahoma has very few PHP providers who provide critical services to primarily children. This is an increase of 12.15%.

4. CURRENT METHODOLOGY AND/OR RATE STRUCTURE.

The current rate for this service is \$160.50 per day.

PARTIAL HOSPITALIZATION	H0035	HH/HF/HV/HH				160.50
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5. NEW METHODOLOGY OR RATE STRUCTURE.

The proposed rate for this service is \$180 per day.

- Increase amounts were developed through increasing rates by 12.15% to account for increased costs since the last rate update.

6. BUDGET ESTIMATE.

The estimated budget impact for SFY 2026 will be an increase in the total amount of \$1,170,000; with \$390,546 in state share.

ODMHSAS attests that it has adequate funds to cover the state share of the projected cost of services.

7. AGENCY ESTIMATED IMPACT ON ACCESS TO CARE.

ODMHSAS has determined that this change will have a positive impact in that the rate increases support the outpatient behavioral health provider network.

STATE PLAN AMENDMENT RATE COMMITTEE

8. RATE OR METHOD CHANGE IN THE FORM OF A MOTION.

ODMHSAS requests the SPARC to approve the proposed rate increase for partial hospitalization program services.

9. EFFECTIVE DATE OF CHANGE.

July 1, 2025, upon approval by CMS

STATE PLAN AMENDMENT RATE COMMITTEE

REIMBURSEMENT RATE INCREASE FOR T1001 AND T1017

1. IS THIS A RATE CHANGE OR A METHOD CHANGE?

Rate Change

2. IS THIS CHANGE AN INCREASE, DECREASE, OR NO IMPACT?

Increase

3. PRESENTATION OF ISSUE – WHY IS THIS CHANGE BEING MADE?

OSDH is seeking to amend the reimbursement rate for the Nurse Assessment/Evaluation and Targeted Case Management Visits.

4. CURRENT METHODOLOGY AND/OR RATE STRUCTURE.

The current rate structure for the services provided in the proposed rate change is a fixed and uniform rate established through the State Plan Amendment Rate Committee process.

State Plan Service	Code	Unit Type	Current Rate
State Plan Skilled Nursing - Assessment/Evaluation	T1001	per visit	\$67.18

State Plan Service	Code	Unit Type	Current Rate
Targeted Case Management	T1017	per visit	\$13.98

STATE PLAN AMENDMENT RATE COMMITTEE

5. NEW METHODOLOGY OR RATE STRUCTURE.

The new rate structure for the services provided in the proposed rate change is a fixed and uniform rate established through the State Plan Amendment Rate Committee process.

State Plan Service	Code	Unit Type	Current Rate
State Plan Skilled Nursing - Assessment/Evaluation	T1001	per visit	\$95.00

State Plan Service	Code	Unit Type	Current Rate
Targeted Case Management	T1017	per visit	\$18.00

6. BUDGET ESTIMATE.

The estimated budget impact for SFY 2026 will be an increase in the total amount of \$264,908; with \$79,472 in state share.

OSDH attests that it has adequate funds to cover the state share of the projected cost of services.

7. AGENCY ESTIMATED IMPACT ON ACCESS TO CARE.

The rate increase will have a positive impact on care as providers are able to meet increased labor costs.

8. RATE OR METHOD CHANGE IN THE FORM OF A MOTION.

OSDH requests the State Plan Amendment Rate Committee approve the proposed rate increase.

9. EFFECTIVE DATE OF CHANGE.

July 1, 2025, upon approval by CMS