

OKLAHOMA HEALTH CARE AUTHORITY
REGULARLY SCHEDULED BOARD MEETING
February 14, 2013 at 1:00 P.M.
The Oklahoma Health Care Authority
Ponca Conference Room
2401 NW 23rd, Suite 1A
Oklahoma City, Oklahoma

AGENDA

Items to be presented by Ed McFall, Chairman

1. Call to Order / Determination of Quorum
2. Action Item – Approval of January 7, 2013 OHCA Special Board Minutes and January 10, 2013 OHCA Board Minutes
3. Discussion Item – Reports to the Board by Board Committees
 - a) Audit/Finance Committee – Member Miller
 - b) Strategic Planning Committee – Vice Chairman Armstrong
 - c) Legislative Committee – Member Bryant

Item to be presented by Mike Fogarty, Chief Executive Officer

4. Discussion Item – Chief Executive Officer's Report
 - a) Financial Update – Carrie Evans, Chief Financial Officer
 - b) Medicaid Director's Update – Garth Splinter, State Medicaid Director
 - c) Legislative Update – Carter Kimble, Government Affairs Liaison

Item to be presented by Tywanda Cox, Health Policy Director

5. Discussion Item – Preview of Permanent Rules

Item to be presented by Howard Pallotta, Director of Legal Services

6. Announcements of Conflicts of Interest Panel Recommendations for all action items regarding this board meeting.

Item to be presented by Beth VanHorn, Legal Operations Director

7.
 - a) Action Item - Consideration and Vote of Authority for Expenditure of Funds for Information Technology Project Management
 - b) Action Item - Consideration and Vote of Authority for Expenditure of Funds for Rate and Policy Consulting Services
 - c) Action Item – Consideration and Vote of Authority for Expenditure of Funds for Radiology Management Program

Item to be presented by Chairman McFall

8. Discussion Item – Board Comments Recognizing Mike Fogarty's Contributions to the Oklahoma Health Care Authority

Item to be presented by Chairman McFall

9. Discussion Item – Proposed Executive Session as Recommended by the Director of Legal Services and Authorized by the Open Meetings Act, 25 Oklahoma Statutes § 307(B) (1), (4) and (7)
 - a) Discussion of Pending Litigation and Claims
10. New Business
11. ADJOURNMENT

NEXT BOARD MEETING
March 14, 2013
Oklahoma Health Care Authority
Ponca Conference Room

MINUTES OF A SPECIAL BOARD MEETING
OF THE HEALTH CARE AUTHORITY BOARD
January 7, 2013
Held at Oklahoma Health Care Authority
Oklahoma City, Oklahoma

Manner and Time of Notice of Meeting: A statutorily required public meeting notice was placed on the front door of the Oklahoma Health Care Authority on January 3, 2013, 10:00 a.m. Advance public meeting notice is provided to the Oklahoma Secretary of State.

Pursuant to a roll call of the members, a quorum was declared to be present, and Chairman McFall called the meeting to order at 10:10 a.m.

BOARD MEMBERS PRESENT: Chairman McFall, Vice-Chairman Armstrong, Member Miller, Member Bryant, Member McVay, Member Robison, Member Nuttle

ITEM 2 / PROPOSED EXECUTIVE SESSION AS RECOMMENDED BY THE DIRECTOR OF LEGAL SERVICES AND AUTHORIZED BY THE OPEN MEETINGS ACT, 25 OKLAHOMA STATUTES §307(B) (1), (4) AND (7)

Howard Pallotta, General Counsel

Director of Legal Services advised that there was a need for Executive Session for this Board meeting.

MOTION: Vice Chairman Armstrong moved for approval to go into Executive Session. Member McVay seconded.

FOR THE MOTION: Chairman McFall, Member Miller, Member Bryant, Member Robison, Member Nuttle

Discussion Item – Proposed Executive Session as Recommended by the Director of Legal Services and Authorized by the Open Meetings Act, 25 Oklahoma Statutes § 307(B) (1), (4) and (7)

- a) Interviews of candidates for the Oklahoma Health Care Authority Chief Executive Officer position
- b) Discussion regarding the interviews for the Oklahoma Health Care Authority Chief Executive Officer position

ITEM 3 / ADJOURNMENT

MOTION: Member McVay moved for adjournment. Vice Chairman Armstrong seconded.

FOR THE MOTION: Chairman McFall, Member Miller, Member Bryant

ABSENT (left prior to adjournment): Member Robison, Member Nuttle

Meeting adjourned at 2:35 p.m., 1/7/2013

NEXT BOARD MEETING
January 10, 2013
Oklahoma Health Care Authority
Ponca Conference Room
2401 NW 23rd, Suite 1A
Oklahoma City, OK 73107

Lindsey Bateman
Board Secretary

Minutes Approved: _____

Initials: _____

MINUTES OF A REGULARLY SCHEDULED BOARD MEETING
OF THE HEALTH CARE AUTHORITY BOARD
January 10, 2013
Held at Oklahoma Health Care Authority
Oklahoma City, Oklahoma

Manner and Time of Notice of Meeting: A statutorily required public meeting notice was placed on the front door of the Oklahoma Health Care Authority on January 9, 2013, 11:00 a.m. Advance public meeting notice is provided to the Oklahoma Secretary of State. In addition to the posting of the statutory public notice, the agency placed its agenda on its website on January 9, 2013, 12:00 p.m.

Pursuant to a roll call of the members, a quorum was declared to be present, and Chairman McFall called the meeting to order at 1:03 p.m.

BOARD MEMBERS PRESENT: Chairman McFall, Vice-Chairman Armstrong, Member Miller, Member Bryant, Member McVay, Member Robison

BOARD MEMBERS ABSENT: Member Nuttle

OTHERS PRESENT:

Mary Brinkley, Leading Age OK
Charles Brodt, HP
Judy Parker, Chickasaw Nation
Christina Banasty, OPHA
Ray Miller, KIBOIS Community Action
John Giles, OSDH
Chad Sickler, OHCA
Sean Murphy, Assoc. Press
Becky Moore, OAHCP
Graham Brewer, eCapitol
Sharayah Russo, OHCA
Roger Enix, Merck
Tywanda Cox, OHCA
Debbie Speath
Rick Snyder, OHA
Sean Rose, Gov. Mary Fallin

OTHERS PRESENT:

Will Widman, HP
Scott Mack, HP
Phil Woodward, OPHA
Zeke Campfield, Oklahoman
Julie, OSDH
Adolph Maren, OHCA
David Dude, American Cancer Society
Matt Clarke, OU Tulsa
Brent Wilborn, OKPCA
Kasie Wren, OHCA
Lauren Carr, OHCA
KC Moon, OHCA
Sylvia Lopez, OHCA
Shirley Russell, OKDHS
Terry Cothran, DMS

ITEM 9 / PROPOSED EXECUTIVE SESSION AS RECOMMENDED BY THE DIRECTOR OF LEGAL SERVICES AND AUTHORIZED BY THE OPEN MEETINGS ACT, 25 OKLAHOMA STATUTES §307(B) (1), (4) AND (7)

Howard Pallotta, General Counsel

Chairman McFall entertained a motion to go into Executive Session at this time.

MOTION: Member McVay moved for approval to go into Executive Session. Vice-Chairman Armstrong seconded.

FOR THE MOTION: Chairman McFall, Member Miller, Member Bryant, Member Robison

ABSENT: Member Nuttle

9. Discussion Item – Proposed Executive Session as Recommended by the Director of Legal Services and Authorized by the Open Meetings Act, 25 Oklahoma Statutes § 307(B) (1), (4) and (7)
 - a) Discussion of Pending Litigation and Claims
 - b) Selection of the Chief Executive Officer Position

DISCUSSION AND POSSIBLE VOTE ON APPROVAL OF BOARD MINUTES OF THE REGULARLY SCHEDULED BOARD MEETING HELD ON DECEMBER 13, 2012.

The Board routinely reviews and approves a synopsis of all its meetings. The full-length recordings of the meetings of the Board are retained at the Board Offices and may be reviewed upon written request.

MOTION:

Vice-Chairman Armstrong moved for approval of the December 13, 2012 board minutes as published. Member Robison seconded.

FOR THE MOTION:

Chairman McFall, Member Miller, Member McVay, Member Bryant

ABSENT:

Member Nuttle

ITEM 3 / REPORTS TO THE BOARD BY BOARD COMMITTEES

Legislative Committee

Member Ann Bryant stated that the legislative committee met and Nico Gomez discussed deadlines and committee assignments and will have more details next month as the bills are being filed.

Strategic Planning Committee

Vice Chairman Armstrong stated that the strategic planning committee did meet and discussed the Oklahoma Medicaid expansion, the impact of the Affordable Care Act, both in terms of direct and indirect revenues and costs. The committee also discussed the impact of the ACA on healthcare delivery system including hospitals, physicians and other healthcare providers and they will soon begin discussing the details of steps and actions that will be taken.

ITEM 4 / CHIEF EXECUTIVE OFFICER'S REPORT

Mike Fogarty, Chief Executive Officer

4a. FINANCIAL UPDATE

Carrie Evans, Chief Financial Officer

Ms. Evans reported on the financial transactions through the month of November. She stated that we continue to remain under budget \$12.6 million state dollars and continue to be 9% under budget in Medicaid program spending and 12.2% under budget in administration. She noted that we did go over budget in our revenue with 8.3% over budget in our drug rebates and 23% in our medical refunds. Ms. Evans predicted that it appears we will be right on budget maybe about \$1 million approximately or further under for the month of December. Member George Miller asked Ms. Evans to explain any plans for a flu epidemic. She stated that right now the budget doesn't accommodate the flu, but that we do have unbudgeted carry over if needed. For more detailed information, see Item 4a in the board packet.

4b. MEDICAID DIRECTOR'S UPDATE

Garth Splinter, State Medicaid Director

Dr. Splinter reported on the November data and noted that the members increased by about 36,000 in medical homes, with a corresponding decrease in SoonerCare traditional members due to how people are put into the medical home model. He stated that there was a slight decrease in Insure Oklahoma but overall the number of people served by the Medicaid program in November went up 7,643. Dr. Splinter noted that dual enrollees are down slightly about 50 members and long term care nursing home members also just down slightly. He said there is a slight increase in total providers with almost 1,200 dentists enrolled. He state that EHR added 5 hospitals and we continue to add physicians so that we are at 91.5 million federal dollars that have flowed through OHCA to practices and hospitals that have a substantial amount of Medicaid business so that they can obtain electronic health records. For more detailed information, see Item 4b in the board packet.

Mike noted that he attended the advisory committee meeting at the Milbank Trust in New York City this past week and mentioned the great work that they continue to do. Mike said that there was a report in a national publication named Health Affairs that featured a story on Oklahoma for the electronic enrollment system and noted that we are still the only state in the nation that has successfully implemented electronic enrollment.

ITEM 5 / ANNOUNCEMENTS OF CONFLICTS OF INTEREST PANEL RECOMMENDATIONS FOR ALL ACTION ITEMS

Howard Pallotta, General Counsel

Mike Fogarty stated that there were no conflicts.

ITEM 6 / CONSIDERATION AND VOTE OF AUTHORITY FOR EXPENDITURE OF FUNDS

Beth VanHorn, Legal Operations Director

- a) Action Item - Consideration and Vote of Authority for Expenditure of Funds for a Consulting Contract with Leavitt Partners to Analyze and Make Recommendations for Development of "Oklahoma Plan" for Increasing Health Insurance Coverage.

MOTION: Member Bryant moved for approval of item 6a as published. Vice-Chairman Armstrong seconded.

FOR THE MOTION: Chairman McFall, Member Miller, Member McVay, Member Robison

ABSENT: Member Nuttle

- b) Action Item – Consideration and Vote of Authority for Expenditure of Funds to operate SoonerCare's Mandatory Statewide Non-Emergency Transportation Program.

MOTION: Member McVay moved for approval of item 6b as published. Vice-Chairman Armstrong seconded.

FOR THE MOTION: Chairman McFall, Member Miller, Member Robison, Member Bryant

ABSENT: Member Nuttle

- c) Action Item – Consideration and Vote of Authority for Expenditure of Funds to operate SoonerCare's Health Management Program with OHCA.

MOTION: Vice-Chairman Armstrong moved for approval of item 6c as published. Member Robison seconded.

FOR THE MOTION: Chairman McFall, Member Miller, Member McVay, Member Bryant

ABSENT: Member Nuttle

ITEM 7 / CONSIDERATION AND VOTE UPON THE RECOMMENDATIONS OF THE STATE PLAN AMENDMENT RATE COMMITTEE

Cindy Roberts, Deputy CEO

Action Item – Consideration and Vote Upon the recommendations of the State Plan Amendment Rate Committee held in January, 2013:

- a) Consideration and Vote regarding the recommendation that OHCA pay a percentage of the Medicare rate to add payment for "combination testing" for human immunodeficiency virus (HIV) antibodies for HIV-1 and HIV-2 effective February 1, 2013.

MOTION: Member Bryant moved for approval of item 7a as published. Vice-Chairman Armstrong seconded.

FOR THE MOTION: Chairman McFall, Member Miller, Member McVay, Member Robison

ABSENT: Member Nuttle

b) Consideration and Vote Upon the recommendation that in four Medicaid Home and Community Based Waiver programs (Living Choice, Medically Fragile, My Life My Choice, and Sooner Senior) that OHCA increase the rate for the following services on February 1, 2013:

- Self-Directed Personal Care
- Self-Directed Advanced Supportive Restorative (ASR) Services

MOTION: Member McVay moved for approval of item 7b as published. Member Robison seconded.

FOR THE MOTION: Chairman McFall, Vice-Chairman Armstrong, Member Miller, Member Bryant

ABSENT: Member Nuttle

ITEM 8 / CONSIDERATION AND VOTE REGARDING RECOMMENDATIONS MADE BY THE DRUG UTILIZATION REVIEW BOARD UNDER 63 OKLAHOMA STATUTES 5030.3.

Nancy Nesser, Pharmacy Director

Action Item - Consideration and Vote Regarding Recommendations Made by the Drug Utilization Review Board Under 63 Oklahoma Statutes 5030.3.

a) Consideration and Vote to Add Rayos® and Relistor® to the Utilization and Scope Prior Authorization Program Under OAC 317:30-5-77.2(e).

MOTION: Vice-Chairman Armstrong moved for approval of item 8a as published. Member McVay seconded.

FOR THE MOTION: Chairman McFall, Member Robison, Member Bryant, Member Miller

ABSENT: Member Nuttle

ITEM 10 / CONSIDERATION AND VOTE TO APPOINT A CHIEF EXECUTIVE OFFICER FOR THE OKLAHOMA HEALTH CARE AUTHORITY

MOTION: Member Miller moved for approval to appoint Nico Gomez as the Chief Executive Officer of the Oklahoma Health Care Authority effective February 1, 2013 with an annual salary of \$152,000 plus incentives to be voted upon by the board. Vice-Chairman seconded.

FOR THE MOTION: Chairman McFall, Member Robison, Member Bryant, Member Miller

ABSENT: Member Nuttle

ITEM 11 / NEW BUSINESS

There was no new business.

ITEM 12 / ADJOURNMENT

MOTION: Vice-Chairman Armstrong moved for adjournment. Member McVay seconded.

FOR THE MOTION: Chairman McFall, Member Miller, Member Bryant, Member Robison

ABSENT: Member Nuttle

Meeting adjourned at 2:09 p.m., 1/10/2013

NEXT BOARD MEETING
February 14, 2013
Oklahoma Health Care Authority
Ponca Conference Room
2401 NW 23rd, Suite 1A
Oklahoma City, OK 73107

Lindsey Bateman
Board Secretary

Minutes Approved: _____

Initials: _____

DRAFT



FINANCIAL REPORT

For the Six Months Ended December 31, 2013
 Submitted to the CEO & Board
 February 14, 2013

- Revenues for OHCA through December, accounting for receivables, were **\$1,852,559,767** or **(.5%) under** budget.
- Expenditures for OHCA, accounting for encumbrances, were **\$1,797,241,574** or **1.3% under** budget.
- The state dollar budget variance through December is **\$15,436,176 positive**.
- The budget variance is primarily attributable to the following (in millions):

Expenditures:	
Medicaid Program Variance	7.4
Administration	5.0
Revenues:	
Taxes and Fees	(1.1)
Drug Rebate	2.4
Overpayments/Settlements	1.7
Total FY 13 Variance	\$ 15.4

ATTACHMENTS

Summary of Revenue and Expenditures: OHCA	1
Medicaid Program Expenditures by Source of Funds	2
Other State Agencies Medicaid Payments	3
Fund 205: Supplemental Hospital Offset Payment Program Fund	4
Fund 230: Quality of Care Fund Summary	5
Fund 245: Health Employee and Economy Act Revolving Fund	6
Fund 250: Belle Maxine Hilliard Breast and Cervical Cancer Treatment Revolving Fund	7

OKLAHOMA HEALTH CARE AUTHORITY
Summary of Revenues & Expenditures: OHCA
Fiscal Year 2013, For the Six Months Ended December 31, 2012

REVENUES	FY13 Budget YTD	FY13 Actual YTD	Variance	% Over/ (Under)
State Appropriations	\$ 471,866,506	\$ 471,866,506	\$ -	0.0%
Federal Funds	967,531,329	948,496,109	(19,035,221)	(2.0)%
Tobacco Tax Collections	30,928,860	29,805,156	(1,123,704)	(3.6)%
Quality of Care Collections	29,112,112	29,112,112	-	0.0%
Prior Year Carryover	43,075,735	43,075,735	-	0.0%
Federal Deferral - Interest	62,629	62,629	-	0.0%
Drug Rebates	97,433,001	104,202,055	6,769,054	6.9%
Medical Refunds	25,215,470	29,898,924	4,683,454	18.6%
SHOPP	187,180,586	187,180,586	-	0.0%
Other Revenues	8,765,368	8,859,955	94,587	1.1%
TOTAL REVENUES	\$ 1,861,171,596	\$ 1,852,559,767	\$ (8,611,829)	(0.5)%

EXPENDITURES	FY13 Budget YTD	FY13 Actual YTD	Variance	% (Over)/ Under
ADMINISTRATION - OPERATING	\$ 23,285,160	\$ 20,332,081	\$ 2,953,079	12.7%
ADMINISTRATION - CONTRACTS	\$ 59,051,845	\$ 51,783,324	\$ 7,268,521	12.3%
MEDICAID PROGRAMS				
<u>Managed Care:</u>				
SoonerCare Choice	16,733,084	16,495,302	237,782	1.4%
<u>Acute Fee for Service Payments:</u>				
Hospital Services	440,465,863	434,222,743	6,243,121	1.4%
Behavioral Health	10,162,665	9,205,393	957,272	9.4%
Physicians	233,196,565	233,516,620	(320,055)	(0.1)%
Dentists	73,449,003	74,437,566	(988,563)	(1.3)%
Other Practitioners	33,378,181	32,930,604	447,577	1.3%
Home Health Care	11,448,892	10,771,290	677,602	5.9%
Lab & Radiology	29,912,398	29,783,258	129,141	0.4%
Medical Supplies	24,947,775	25,157,769	(209,994)	(0.8)%
Ambulatory/Clinics	55,751,999	55,376,981	375,018	0.7%
Prescription Drugs	197,190,366	191,044,984	6,145,382	3.1%
OHCA TFC	1,769,839	1,281,346	488,493	0.0%
<u>Other Payments:</u>				
Nursing Facilities	261,360,849	262,861,468	(1,500,619)	(0.6)%
ICF-MR Private	28,926,564	28,897,635	28,929	0.1%
Medicare Buy-In	64,697,945	64,088,007	609,937	0.9%
Transportation	31,139,808	31,122,030	17,778	0.1%
MFP-OHCA	800,000	773,418	26,582	0.0%
EHR-Incentive Payments	12,903,965	12,903,965	-	0.0%
Part D Phase-In Contribution	39,059,053	38,687,413	371,640	1.0%
SHOPP payments	171,568,377	171,568,377	-	0.0%
Total OHCA Medical Programs	1,738,863,192	1,725,126,169	13,737,023	0.8%
OHCA Non-Title XIX Medical Payments	89,382	-	89,382	0.0%
TOTAL OHCA	\$ 1,821,289,579	\$ 1,797,241,574	\$ 24,048,005	1.3%

REVENUES OVER/(UNDER) EXPENDITURES	\$ 39,882,017	\$ 55,318,193	\$ 15,436,176	
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OKLAHOMA HEALTH CARE AUTHORITY
Total Medicaid Program Expenditures
by Source of State Funds
Fiscal Year 2013, For the Six Months Ended December 31, 2012

Category of Service	Total	Health Care Authority	Quality of Care Fund	HEEIA	Medicaid Program Fund	BCC Revolving Fund	Other State Agencies
SoonerCare Choice	\$ 16,721,160	\$ 16,485,394	\$ -	\$ 225,858	\$ -	\$ 9,908	\$ -
Inpatient Acute Care	371,128,820	273,242,835	243,343	4,746,557	25,862,232	964,951	66,068,901
Outpatient Acute Care	139,233,960	131,742,700	20,802	5,324,579	-	2,145,878	-
Behavioral Health - Inpatient	11,335,158	5,774,265	-	9,316	-	-	5,551,577
Behavioral Health - Psychiatrist	3,431,129	3,431,129	-	-	-	-	-
Behavioral Health - Outpatient	10,301,801	-	-	-	-	-	10,301,801
Behavioral Health Facility- Rehab	130,745,268	-	-	293,212	-	54,354	130,397,703
Behavioral Health - Case Management	3,863,495	-	-	-	-	-	3,863,495
Behavioral Health - PRTF	50,259,298	-	-	-	-	-	50,259,298
Residential Behavioral Management	9,738,062	-	-	-	-	-	9,738,062
Targeted Case Management	32,361,711	-	-	-	-	-	32,361,711
Therapeutic Foster Care	1,281,346	1,281,346	-	-	-	-	-
Physicians	260,934,834	198,414,221	29,050	7,095,011	31,641,052	3,432,296	20,323,203
Dentists	74,465,000	70,258,062	-	27,434	4,149,954	29,550	-
Mid Level Practitioners	1,980,433	1,929,071	-	48,239	-	3,123	-
Other Practitioners	31,118,045	30,258,579	223,182	119,635	508,246	8,402	-
Home Health Care	10,771,290	10,762,937	-	-	-	8,353	-
Lab & Radiology	31,545,573	29,417,836	-	1,762,316	-	365,422	-
Medical Supplies	25,551,645	23,833,228	1,291,207	393,875	-	33,334	-
Clinic Services	58,953,880	50,182,633	-	803,680	-	141,767	7,825,800
Ambulatory Surgery Centers	5,307,262	5,040,477	-	254,682	-	12,103	-
Personal Care Services	6,206,053	-	-	-	-	-	6,206,053
Nursing Facilities	262,861,468	164,121,305	78,224,005	-	20,513,089	3,068	-
Transportation	30,965,045	28,075,755	1,290,098	-	1,571,954	27,238	-
GME/IME/DME	57,118,699	-	-	-	-	-	57,118,699
ICF/MR Private	28,897,635	23,673,789	4,808,739	-	415,107	-	-
ICF/MR Public	26,906,722	-	-	-	-	-	26,906,722
CMS Payments	102,775,420	101,437,519	1,337,901	-	-	-	-
Prescription Drugs	200,847,766	167,290,505	-	9,802,781	22,864,011	890,469	-
Miscellaneous Medical Payments	157,608	156,666	-	624	-	319	-
Home and Community Based Waiver	80,890,149	-	-	-	-	-	80,890,149
Homeward Bound Waiver	43,958,001	-	-	-	-	-	43,958,001
Money Follows the Person	1,838,772	773,418	-	-	-	-	1,065,354
In-Home Support Waiver	11,414,700	-	-	-	-	-	11,414,700
ADvantage Waiver	88,128,178	-	-	-	-	-	88,128,178
Family Planning/Family Planning Waiver	4,781,725	-	-	-	-	-	4,781,725
Premium Assistance*	25,386,718	-	-	25,386,718	-	-	-
EHR Incentive Payments	12,903,965	12,903,965	-	-	-	-	-
SHOPP Payments**	171,568,377	171,568,377	-	-	-	-	-
Total Medicaid Expenditures	\$ 2,438,636,172	\$ 1,350,487,636	\$ 87,468,328	\$ 56,294,518	\$ 107,525,646	\$ 8,130,536	\$ 657,161,131

* Includes \$25,151,489.2 paid out of Fund 245 and **\$171,568,377 paid out of Fund 205

OKLAHOMA HEALTH CARE AUTHORITY
Summary of Revenues & Expenditures:
Other State Agencies
Fiscal Year 2013, For the Six Months Ended December 31, 2012

REVENUE	FY13 Actual YTD
Revenues from Other State Agencies	\$ 269,257,017
Federal Funds	421,649,397
TOTAL REVENUES	\$ 690,906,414
EXPENDITURES	Actual YTD
Department of Human Services	
Home and Community Based Waiver	\$ 80,890,149
Money Follows the Person	1,065,354
Homeward Bound Waiver	43,958,001
In-Home Support Waivers	11,414,700
ADvantage Waiver	88,128,178
ICF/MR Public	26,906,722
Personal Care	6,206,053
Residential Behavioral Management	7,902,697
Targeted Case Management	23,983,878
Total Department of Human Services	290,455,732
State Employees Physician Payment	
Physician Payments	20,323,203
Total State Employees Physician Payment	20,323,203
Education Payments	
Graduate Medical Education	16,661,111
Graduate Medical Education - PMTC	1,902,474
Indirect Medical Education	30,449,271
Direct Medical Education	8,105,843
Total Education Payments	57,118,699
Office of Juvenile Affairs	
Targeted Case Management	1,640,332
Residential Behavioral Management - Foster Care	-
Residential Behavioral Management	1,835,364
Total Office of Juvenile Affairs	3,475,697
Department of Mental Health	
Case Management	3,863,495
Inpatient Psych FS	5,551,577
Outpatient	10,301,801
PRTF	50,259,298
Rehab	130,397,703
Total Department of Mental Health	200,373,874
State Department of Health	
Children's First	1,080,651
Sooner Start	1,093,758
Early Intervention	3,204,075
EPSDT Clinic	1,219,047
Family Planning	33,067
Family Planning Waiver	4,731,778
Maternity Clinic	26,684
Total Department of Health	11,389,061
County Health Departments	
EPSDT Clinic	401,205
Family Planning Waiver	16,880
Total County Health Departments	418,085
State Department of Education	
Public Schools	49,188
Medicare DRG Limit	2,403,586
Native American Tribal Agreements	63,175,546
Department of Corrections	5,085,106
JD McCarty	805,424
	2,087,931
Total OSA Medicaid Programs	\$ 657,161,131
OSA Non-Medicaid Programs	\$ 39,111,823
Accounts Receivable from OSA	\$ 5,366,540

OKLAHOMA HEALTH CARE AUTHORITY
SUMMARY OF REVENUES & EXPENDITURES:
Fund 205: Supplemental Hospital Offset Payment Program Fund
Fiscal Year 2013, For the Six Months Ended December 31, 2012

REVENUES	FY 13 Revenue
SHOPP Assessment Fee	\$ 77,463,904
Federal Draws	109,700,608
Interest	218
Penalties	15,856
State Appropriations	(15,000,000)
TOTAL REVENUES	\$ 172,180,586

EXPENDITURES	Quarter	Quarter	FY 13 Expenditures
	7/1/12 - 9/30/12	10/1/12 - 12/31/12	
Program Costs:			
Hospital - Inpatient Care	76,857,805	76,538,280	\$ 153,396,085
Hospital -Outpatient Care	3,224,900	3,217,022	\$ 6,441,922
Psychiatric Facilities-Inpatient	5,660,381	5,636,765	\$ 11,297,146
Rehabilitation Facilities-Inpatient	217,066	216,157	\$ 433,223
Total OHCA Program Costs	85,960,153	85,608,224	\$ 171,568,377
Total Expenditures			\$ 171,568,377

CASH BALANCE	\$ 612,209
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OKLAHOMA HEALTH CARE AUTHORITY
SUMMARY OF REVENUES & EXPENDITURES:
Fund 230: Nursing Facility Quality of Care Fund
Fiscal Year 2013, For the Six Months Ended December 31, 2012

REVENUES	Total Revenue	State Share
Quality of Care Assessment	\$ 29,343,604	\$ 29,343,604
Interest Earned	17,167	17,167
TOTAL REVENUES	\$ 29,360,771	\$ 29,360,771

EXPENDITURES	FY 13 Total \$ YTD	FY 13 State \$ YTD	Total State \$ Cost
Program Costs			
NF Rate Adjustment	\$ 76,300,453	\$ 27,491,053	
Eyeglasses and Dentures	145,092	52,277	
Personal Allowance Increase	1,778,460	640,779	
Coverage for DME and supplies	1,291,207	465,222	
Coverage of QMB's	516,378	186,051	
Part D Phase-In	1,337,901	1,337,901	
ICF/MR Rate Adjustment	2,425,445	873,888	
Acute/MR Adjustments	2,383,294	858,701	
NET - Soonerride	1,290,098	464,822	
Total Program Costs	\$ 87,468,328	\$ 32,370,694	\$ 32,370,694
Administration			
OHCA Administration Costs	\$ 277,325	\$ 138,662	
DHS - 10 Regional Ombudsman	-	-	
OSDH-NF Inspectors	-	-	
Mike Fine, CPA	-	-	
Total Administration Costs	\$ 277,325	\$ 138,662	\$ 138,662
Total Quality of Care Fee Costs	\$ 87,745,653	\$ 32,509,356	
TOTAL STATE SHARE OF COSTS			\$ 32,509,356

Note: Expenditure amounts are for informational purposes only. Actual payments are made from Fund 340. Revenues deposited into the fund are transferred to Fund 340 to support the costs, not to exceed the calculated state share amount.

OKLAHOMA HEALTH CARE AUTHORITY
SUMMARY OF REVENUES & EXPENDITURES:
Fund 245: Health Employee and Economy Improvement Act Revolving Fund
Fiscal Year 2013, For the Six Months Ended December 31, 2012

REVENUES	FY 12 Carryover	FY 13 Revenue	Total Revenue
Prior Year Balance	\$ 27,390,790	\$ -	\$ 19,706,527
State Appropriations			\$ (21,500,000)
Tobacco Tax Collections	-	24,513,656	24,513,656
Interest Income	-	389,041	389,041
Federal Draws	684,936	17,078,047	17,078,047
All Kids Act	(7,137,203)	145,318	145,318
TOTAL REVENUES	\$ 20,938,523	\$ 42,126,061	\$ 40,187,271

EXPENDITURES	FY 12 Expenditures	FY 13 Expenditures	Total \$ YTD
Program Costs:			
Employer Sponsored Insurance		\$ 24,885,347	\$ 24,885,347
College Students		184,935	184,935
All Kids Act		316,436	316,436
Individual Plan			
SoonerCare Choice		\$ 217,635	\$ 78,414
Inpatient Hospital		4,710,148	1,697,066
Outpatient Hospital		5,269,136	1,898,470
BH - Inpatient Services-DRG		283,069	101,990
BH -Psychiatrist		-	-
Physicians		7,029,081	2,532,578
Dentists		17,432	6,281
Mid Level Practitioner		47,215	17,012
Other Practitioners		117,089	42,187
Home Health		-	-
Lab and Radiology		1,740,708	627,177
Medical Supplies		380,983	137,268
Clinic Services		790,135	284,686
Ambulatory Surgery Center		252,758	91,069
Prescription Drugs		9,626,485	3,468,422
Miscellaneous Medical		624	624
Premiums Collected		-	(1,177,878)
Total Individual Plan		\$ 30,482,500	\$ 9,805,366
College Students-Service Costs		\$ 338,412	\$ 121,930
All Kids Act- Service Costs		\$ 86,889	\$ 31,306
Total OHCA Program Costs		\$ 56,294,518	\$ 35,345,320
Administrative Costs			
Salaries	\$ 30,032	\$ 773,799	\$ 803,831
Operating Costs	48,746	137,089	185,835
Health Dept-Postponing	-	-	-
Contract - HP	1,153,217	1,264,921	2,418,138
Total Administrative Costs	\$ 1,231,995	\$ 2,175,809	\$ 3,407,804
Total Expenditures			\$ 38,753,124
NET CASH BALANCE	\$ 19,706,527	\$	1,434,146

*State Appropriations include \$20,000,000 from SFY 2012 and \$1,500,000 from SFY 2013

**OKLAHOMA HEALTH CARE AUTHORITY
SUMMARY OF REVENUES & EXPENDITURES:**

**Fund 250: Belle Maxine Hilliard Breast and Cervical Cancer Treatment Revolving Fund
Fiscal Year 2013, For the Six Months Ended December 31, 2012**

REVENUES	FY 13 Revenue	State Share
Tobacco Tax Collections	\$ 489,244	\$ 489,244
TOTAL REVENUES	\$ 489,244	\$ 489,244

EXPENDITURES	FY 13 Total \$ YTD	FY 13 State \$ YTD	Total State \$ Cost
Program Costs			
SoonerCare Choice	\$ 9,908	\$ 2,499	
Inpatient Hospital	964,951	243,361	
Outpatient Hospital	2,145,878	541,191	
Inpatient Services-DRG	-	-	
Psychiatrist	0	-	
TFC-OHCA	0	-	
Nursing Facility	3,068	774	
Physicians	3,432,296	865,625	
Dentists	29,550	7,453	
Mid-level Practitioner	3,123	788	
Other Practitioners	8,402	2,119	
Home Health	8,353	2,107	
Lab & Radiology	365,422	92,159	
Medical Supplies	33,334	8,407	
Clinic Services	141,767	35,754	
Amulatory Surgery Center	12,103	3,052	
Prescription Drugs	890,469	224,576	
Transportation	27,238	6,869	
Miscellaneous Medical	319	80	
Total OHCA Program Costs	\$ 8,076,182	\$ 2,036,813	
OSA DMHSAS Rehab	\$ 54,354	\$ 13,708	
Total Medicaid Program Costs	\$ 8,130,536	\$ 2,050,521	
TOTAL STATE SHARE OF COSTS			\$ 2,050,521

Note: Expenditure amounts are for informational purposes only. Actual payments are made from Fund 340. Revenues deposited into the fund are transferred to Fund 340 to support the costs, not to exceed the calculated state share amount.

SoonerCare Programs

December 2012 Data for February 2013 Board Meeting

SOONERCARE ENROLLMENT/EXPENDITURES

Delivery System	Monthly Enrollment Average SFY2012	Enrollment December 2012	Total Expenditures December 2012	Average Dollars Per Member Per Month December 2012
SoonerCare Choice Patient-Centered Medical Home	468,268	539,243	\$137,978,328	
<i>Lower Cost</i> (Children/Parents/Other)		493,217	\$100,254,371	\$203
<i>Higher Cost</i> (Aged, Blind or Disabled; TEFRA; BCC)		46,026	\$37,723,957	\$820
SoonerCare Traditional	241,278	198,183	\$165,053,104	
<i>Lower Cost</i> (Children/Parents/Other)		90,809	\$36,977,777	\$407
<i>Higher Cost</i> (Aged, Blind or Disabled; TEFRA; BCC & HCBS Waiver)		107,374	\$128,075,327	\$1,193
SoonerPlan	41,378	49,034	\$799,863	\$16
Insure Oklahoma	31,502	30,693	\$8,794,291	
<i>Employer-Sponsored Insurance</i>	17,728	16,620	\$4,099,737	\$247
<i>Individual Plan</i>	13,773	14,073	\$4,694,554	\$334
TOTAL	782,425	817,153	\$312,625,586	

The enrollment totals above include all members enrolled during the report month; therefore, some members may not have expenditure data. Custody expenditures are excluded. Non-member specific expenditures of \$202,489,825 are excluded.

Net Enrollee Count Change from Previous Month Total	1,386
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New Enrollees	16,590
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Opportunities for Living Life (OLL) (subset of data above)

Qualifying Group	Age Group	Enrollment
Aged/Blind/Disabled	Child	19,541
Aged/Blind/Disabled	Adult	132,517
Other	Child	159
Other	Adult	20,812
PACE	Adult	120
TEFRA	Child	440
Living Choice	Adult	94
OLL Enrollment		173,683

The "Other" category includes DDS/D State, PKU, Q1, Q2, Refugee, S/M, Soon-to-be-Sooner (S/TB) and TB members.

Medicare and SoonerCare	Monthly Average SFY2012	Enrolled December 2012
Dual Enrollees	107,504	108,457

	Monthly Average SFY2012	Enrolled December 2012
Long-Term Care Members	15,770	15,779
Child	87	67
Adult	15,683	15,712

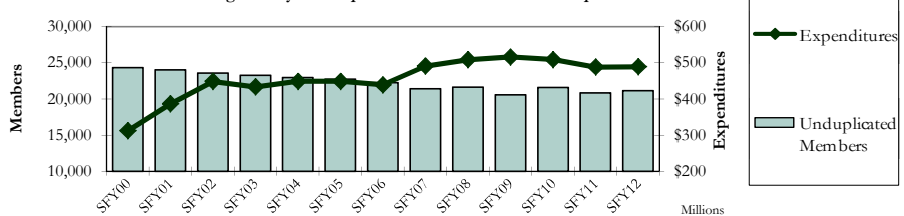
FACILITY PER MEMBER PER MONTH
\$3,470

SFY2012 Long-Term Care

Statewide LTC Occupancy Rate - 71.7%
SoonerCare funded LTC Bed Days 67.2%

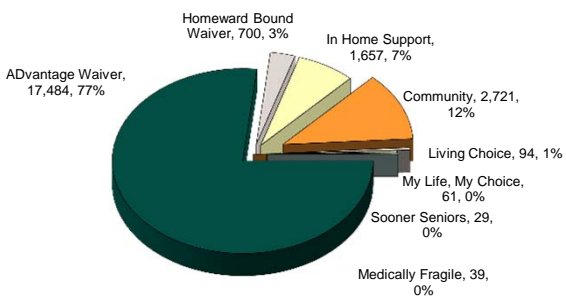
Data as of September 2012

Standard SoonerCare Nursing Facility - Unduplicated Members and Total Expenditure Trends



Data as of Nov. 19, 2012. Figures do not include intermediate care facilities for the intellectually disabled (ICF/ID).

Waiver Enrollment Breakdown Percent



- Advantage Waiver** - Serves frail elderly individuals age 65 or older and adults age 21 and older with physical disabilities who would otherwise require placement in a nursing facility.
- Community** - serves individuals 3 years of age and older who have intellectual disabilities and certain persons with related conditions who would otherwise require placement in an intermediate care facility for the intellectually disabled (ICF/ID).
- Homeward Bound Waiver** - Designed to serve the needs of individuals with intellectual disabilities or "related conditions" who are also members of the Plaintiff Class in *Homeward Bound et al. v. The Hissom Memorial Center, et al.* who would otherwise qualify for placement in an ICF/ID.
- In Home Support** - Serves the needs of individuals 3 years of age and older with intellectual disabilities who would otherwise require placement in an ICF/ID.
- Living Choice** - Promotes community living for people of all ages who have disabilities or long-term illnesses.
- Medically Fragile** - This program serves qualifying individuals who meet hospital or skilled nursing facility level of care.
- My Life, My Choice** - This program is for adults with physical disabilities who transitioned to the community under the Living Choice program.
- Sooner Seniors** - This program is for adults 65 and older with long term illnesses who transitioned to community-based services in the Living Choice program.

SoonerCare Programs

SOONERCARE CONTRACTED PROVIDER INFORMATION

Provider Counts	Monthly Average SFY2012	Enrolled December 2012*
Total Providers	29,723	35,476
<i>In-State</i>	20,881	27,946
<i>Out-of-State</i>	8,842	7,530

*Effective July 2012, the methodology for counting providers has changed to count provider network. Previous counts include group practice and its members; the current count will include members only. Provider Network is providers who are contracted to provide health care services by locations, programs, types, and specialties. Providers are being counted multiple times if they have multiple locations, programs, types,

Program	% of Capacity Used
SoonerCare Choice	45%
SoonerCare Choice I/T/U	14%
Insure Oklahoma IP	3%

Select Provider Type Counts	In-State		Totals	
	Monthly Average SFY2012	Enrolled December 2012*	Monthly Average SFY2012	Enrolled December 2012
Physician***	7,497	7,379	13,790	10,986
Pharmacy	874	900	1,153	1,205
Mental Health Provider**	3,395	5,781	3,449	5,851
Dentist	986	1,202	1,124	1,375
Hospital	194	198	934	1,088
Optometrist	550	605	587	643
Extended Care Facility	375	362	375	362

Above counts are for specific provider types and are not all-inclusive.

Total Primary Care Providers***	4,915	4,812	6,955	6,147
Patient-Centered Medical Home	1,711	1,889	1,739	1,932

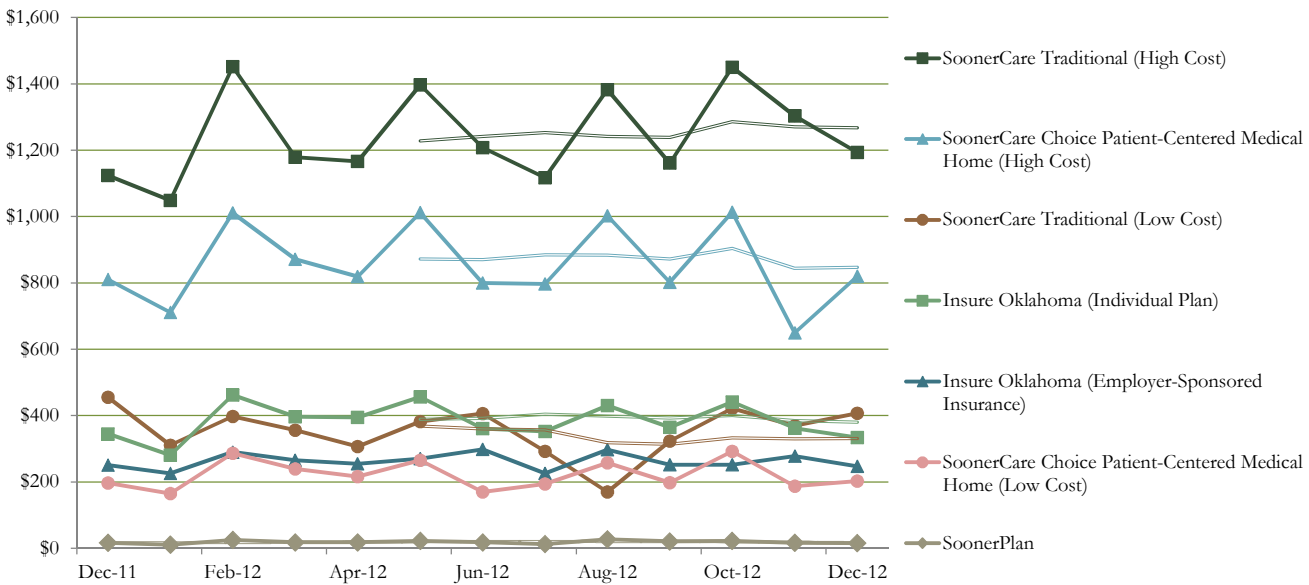
Including Physicians, Physician Assistants and Advance Nurse Practitioners.

*Items shaded above represent a 10% or more increase (green) or decrease (red) from the previous fiscal year's average.

**Due to federal regulations, OHCA must have an approved agreement on file for all providers providing care to our members. To meet this requirement OHCA is directly contracting with providers that had previously billed through a group or agency. This contributed to the increase in the provider counts for Mental Health Providers.

***Decrease in current month's count is due to contract renewal period which is typical during all renewal periods.

SOONERCARE PER MEMBER PER MONTH (PMPM) TRENDS



In November and December 2012, there was a large increase in Patient-Centered Medical Home enrollment and related decrease in Traditional enrollment due to system changes.

ELECTRONIC HEALTH RECORDS (EHR) INCENTIVE STATISTICS

The Electronic Health Records Incentive Program is a federal program that offers major financial support to assist certain providers to adopt (acquire and install), implement (train staff, deploy tools, exchange data), upgrade (expand functionality or interoperability) or meaningfully use certified EHR technology.

As Of 2/4/2013	January 2013		Since Inception	
	Number of Payments	Payment Amount	Total Number of Payments	Total Payment Amount
Eligible Professionals	38	\$527,000	1,528	\$33,644,417
Eligible Hospitals	11*	\$6,739,201	86	\$68,228,236
Totals	49	\$7,266,201	1,614	\$101,872,652

*Current Eligible Hospitals Paid

BAILEY MEDICAL CENTER LLC	LAWTON IND HSP
CHICKASAW NATION MEDICAL CENTER	MCCURTAIN MEM HSP
CLAREMORE IND HSP	OKLAHOMA STATE UNIVERSITY MEDICAL CENTER
CUSHING REGIONAL HOSPITAL	SEQUOYAH COUNTY CITY OF SALLISAW HOSPITAL AUTHORIT
HENRYETTA MEDICAL CENTER	
HILLCREST MEDICAL CENTER	
HOLDENVILLE GEN HSP	
KINGFISHER REG HOSP	



OHCA BOARD MEETING

FEBRUARY 14TH, 2013 OHCA BOARD MEETING

The Governor's State of the State address and the 2013 legislative session began Monday, February 4th at noon. There are a total of 24 freshman legislators which include 8 new Senate members and 16 new House members. This session there are 72 Republicans and 29 Democrats in the House and 32 Republicans and 16 Democrats in the Senate. We also have a new Speaker of the House, Representative T.W. Shannon and Senator Brian Bingman was re-elected as President Pro Tempore of the Senate.

OHCA REQUEST BILL:

- SB 254 – Senator Kimberly David – Allows OHCA to utilize Internal Revenue Service records to verify an individual's income for Medicaid eligibility.

As of February 6, 2013, the Oklahoma Legislature is tracking a total of 2,510 legislative bills for the upcoming session. OHCA is currently tracking 164 bills. They are broken down as follows.

- OHCA Request 01
- Direct Impact 54
- Agency Interest 40
- Employee Interest 69

The following are the Senate and House deadlines for 2013:

SENATE AND HOUSE DEADLINES

January 17, 2013	Deadline at 4:00 p.m. for Introduction of Bills (House/Senate)
February 4, 2013	First Session of the 54th Legislature Convenes at Noon
February 18, 2013	Deadline for Reporting Double Assigned Senate Bills from 1st Committee
February 25, 2013	Deadline for Reporting Single-Assigned Senate Bills from Senate Committees
February 28, 2013	Deadline for Reporting Double-Assigned Senate Bills from 2 nd Committee
March 14, 2013	Deadline for Third Reading of Bills in the House of Origin (House/Senate)
March 28, 2013	Deadline for Double-Assigned House Bills from 1st Senate Committee
April 4, 2013	Deadline for Reporting Single Assigned House Bills from Senate Committees
April 11, 2013	Deadline for Reporting Double-Assigned House Bills from 2 nd Senate Committee
April 25, 2013	Deadline for Third Reading of Bills from Opposite Chamber
May 31, 2013	Sine Die Adjournment, No later than 5:00 p.m.

February 2013 OHCA Board Proposed Rule Changes Summaries

Information Only

The Policy Unit prepared the below summaries to give members of the Board a preview of proposed policy revisions currently under consideration at OHCA. As a part of the permanent rulemaking process, the Agency welcomes public comment on the proposed changes for thirty calendar days. The comment period is Feb. 1-March 3. Please be advised that all of these summaries, except one denoted below, represent new changes. Previously approved emergency rules are not contained in this informational document.

Since Feb. 1, the actual proposed language has been available at www.okhca.org/proposed-changes

A feedback form accompanies each proposed rule, so that questions and input about the rules can be collected and considered.

A public meeting about the rules will be hosted at 1 p.m., Monday, March 4, in the Ponca meeting room of the OHCA.

ADMINISTRATIVE

- 1. 12-03 Rural Health Clinics Update**— Rural Health Clinics policy is revised to allow RHCs to bill lab services separately, as they can under Medicare. RHC policy is also updated to eliminate language that is inapplicable to OHCA's current operational practices.
Budget Impact: Budget neutral
- 2. 12-13 ICD-9 Removal**— Agency policy is revised to remove references to the ICD-9 International Classification of Diseases diagnosis coding, which is being replaced by a new system of coding, ICD-10.
Budget Impact: Budget neutral
- 3. 12-34 State Plan Personal Care**
Rules for State Plan Personal Care are revised to clarify compliance with the Long Term Care Security Act regarding background checks for providers of direct patient access for long term care services. The Long Term Care Security Act includes a listing of mandatory registry checks and requirements for background investigations and fingerprinting. The Act also requires that all background checks are to be administered through the Oklahoma State Department of Health (OSDH).
Budget Impact: Budget neutral
- 4. 12-38 Electronic Health Records Updates**— Policy on the Oklahoma Electronic Health Records Incentive Program will be updated to account for changes in federal rules on the program. Changes include adding additional options for patient volume calculation, expanding the definition of a Children's Hospital, adding an exception to the hospital-based eligible professional criteria, and allowing CMS to take over administrative appeals for cases in which they are the auditor on meaningful use provisions.

Budget Impact: Budget neutral

5. **12-20 Telemedicine** - OHCA rules for Telemedicine are being revised to include specific provider responsibilities to assure compliance with HIPAA guidelines. Current policy is silent to the appropriate HIPAA compliant applications, guidelines, devices, and/or safeguards concerning telemedicine services. The proposed revisions include additional conditions that apply to services rendered via telemedicine, provider responsibilities, and additional network standards as they relate to assuring HIPAA compliance during telemedicine related transmissions.

Budget Impact: Budget neutral

BEHAVIORAL HEALTH

1. 12-19 Outpatient Behavioral Health* –

1. ODMHSAS is proposing rule revisions to disallow coverage of Psychosocial Rehabilitation (PSR) services for children below age 6 unless services are medically necessary and required pursuant to Federal Early and Periodic Screening Diagnosis and Treatment (EPSDT) laws.
2. The Agency is also proposing rule revisions which will control utilization of Rehabilitation services by imposing limits on the number of units that qualified providers will be reimbursed. The utilization limits will be prior authorized by OHCA or its designated agent and will be directly correlated to the individual member's level of need.
3. Utilization parameters will be increased for Medication Training and Support.
4. Revised rules also change the provider qualifications for Behavioral Health Rehabilitation Specialists including specific degree, certification & training requirements. Proposed revisions to Behavioral Health Case Management rules change provider qualifications for Case Managers including specific degree and training requirements as well as remove documentation submission requirements as a condition of payment for the provision of case management services.
5. Revisions are also proposed to clearly state that services must be conducted in a setting that protects and assures confidentiality, and must be provided as a direct face-to-face service with the member in order to be compensable.
6. Licensed Behavioral Health Provider rules are revised to correct references to the Agency's behavioral health provider manual.

Budget Impact: \$1.2 million in state savings (ODMHSAS), \$4 million in federal savings

*** Portions of this rule have been previously seen by the MAC and OHCA Board as an Emergency Rule. Since then, new revisions were added.**

2. 12-40 Inpatient Behavioral Health –

1. Agency Inpatient Psychiatric Hospital rules are being revised to clarify the medical necessity criteria required for admission and continued stays in psychiatric residential treatment facility (PRTF) and acute levels of care.
2. Changes are also being proposed to the rules regarding Individual Plans of Care to ensure early parent/guardian involvement in the treatment of children under the age of 18 receiving inpatient psychiatric services as well as
3. to revise the "active treatment" requirements for individuals 18-21 years of age receiving services in an acute psychiatric hospital by making the requirements less proscriptive for this age group since they typically do not receive services in children's psychiatric units, so providers should not be held to the same requirements.
4. Active treatment requirements for children under 18 are further revised to provide more clarity in areas that have been identified as causing provider confusion.
5. Proposed revisions will also revise Inspection of Care (IOC) rules to provide the pro-rating timeline used when reviewing clinical documentation for compliance with active treatment requirements as well as to clarify that certain "critical documents" cannot be substituted with other evaluations/assessments.

Budget Impact: Budget neutral

DENTAL

1. **12-25 Dental clarification changes** – SoonerCare dental rules are revised to update pulp cap language to align with current practice and language contained in OAC 317:30-5-699. In addition, OAC 317:30-5-700 (C) Orthodontic rules are revised to align OHCA current verification of continuing education policy with the Oklahoma Board of Dentistry prerequisite licensing requirement. The amendment change to OHCA policy will require all General and Pediatric dentists providing orthodontic care to complete 60 hours of continuing education hours and at least 20 hours of continuing education in the field of orthodontics every (3) three year cycle.

Budget Impact: Budget neutral

ELIGIBILITY

1. **12-41 A and B Kinship Guardianship Assistance Recipients** - Eligibility rules are amended to add the mandatory eligibility group of children receiving Kinship Guardianship Assistance. Once the State has established a kinship guardianship assistance program, SoonerCare eligibility is mandated by federal laws and regulations. These amendments will provide eligibility coverage whether the child receives the assistance through the program established by OKDHS or through kinship guardianship programs that may be established by tribes in the future.

Budget Impact: Budget neutral

- 2. 12-41 A and B Compliance with ACA Eligibility Rules** - Eligibility rules are amended to provide that eligibility for children, pregnant women, and parents and caretaker relatives is determined using the Modified Adjusted Gross Income (MAGI) methodology, as mandated by ACA. Rules are amended to add two eligibility groups mandated by the ACA: Former foster care children aged 19-26, and CHIP children who would lose eligibility as a result of the MAGI method. Rules regarding eligibility determination procedures are amended to establish the passive renewal process mandated by ACA, as well as the ACA rule that medical verification of pregnancy can only be required when the individual's declaration that she is pregnant is not reasonably compatible with other information available to the agency.

Budget Impact: Budget impact yet to be determined

- 3. 12-41 A and B Elimination of Presumptive Eligibility for Pregnant Women** - Eligibility rules are amended to eliminate presumptive eligibility (PE) for pregnant women. Under the PE program, certain qualified SoonerCare providers used to determine pregnant women presumptively eligible for SoonerCare; the women then had 30 days to apply and be fully determined eligible or ineligible. The purpose of PE was to give pregnant women access to care quickly. PE is no longer used because pregnant women can now have their eligibility fully determined in real-time through Online Enrollment.

Budget Impact: Budget neutral

GENETIC TESTING AND COUNSELING

- 1. 12-15 Genetic Testing** — Policy will be amended to define the circumstances under which genetic testing will be covered by OHCA. Both the volume and cost of genetic testing are growing, and the growth rates are expected to rise significantly going forward. Currently, OHCA has no written policy addressing the medical necessity of genetic testing, although claims are being paid through nonspecific laboratory codes.

Policy will set medical necessity criteria similar to other Medicaid states and private insurance, which requires the member to undergo a genetic risk assessment or display clinical evidence indicating a chance of a genetic abnormality AND that those results change treatment, change health monitoring, provide prognosis, or provide information needed for genetic counseling for the patient.

Budget Impact: Budget neutral

- 2. 12-37 Genetic Counseling**—Policy is amended to expand genetic counseling services to all members that are eligible for medically necessary genetic testing. Currently, we only cover genetic counseling for members with a pregnancy at high risk of genetic abnormalities.

Budget Impact: \$125,000 state and federal

HOSPITALS

1. **12-33 SHOPP overpayment and recoupment procedures** - SHOPP rules are revised to clarify overpayment and recoupment procedures, if it is determined due to appeal, penalty, or other reason that additional allocation/ recoupment is necessary.
Budget Impact: Budget impact yet to be determined.

INSURE OKLAHOMA

1. **12-24 Insure Oklahoma** – OHCA rules are revised to align policy with state and federal requirements; additionally rules are revised to align adult outpatient behavioral health services with children outpatient behavioral health services in the Individual Plan.
Budget Impact: Budget impact yet to be determined

NURSING FACILITIES AND LONG TERM CARE

1. **12-43 Nursing Facility Policy Clean-up**
The proposed rule change adds language clarifying that all program requirements set out in State Statute and Oklahoma Health Care Authority policy regarding wage enhancements for certain nursing facility employees have been met. The proposed rule change also clarifies that the Quality of Care fee assessed by the Oklahoma Health Care Authority is authorized through the Medicaid State Plan and clarifies that part of the fee structure is based on a waiver of uniformity as approved by the Centers for Medicare and Medicaid Services (CMS). Finally, proposed revisions include the removal of language incorrectly stating that rates for public ICF's/MR are set through a public rate setting process rather than the current practice of reimbursement based on cost reports. Other minor policy clarifications are also included as a part of the proposed rule change.
Budget Impact: Budget neutral
2. **12-42 – Long Term Care Sub-Acute Hospital Reimbursement Methodology**
OHCA proposes to amend Long Term Care (LTC) Sub-Acute Hospital policy to update reimbursement language from a prospective per diem methodology to a cost based methodology. This proposed change is to bring policy in alignment with the approved State Plan LTC reimbursement methodology.
Budget Impact: Budget neutral

PREGNANCY-RELATED

1. **12-14 Certified Nurse Midwife-** OHCA rules for Nurse Midwives and Birthing Center services are being revised to align with current obstetric policy. Proposed changes include clarification concerning the type of nurse midwife approved to provide SoonerCare services, and the services the nurse midwife can provide to eligible members. Additionally, proposed revisions include clean-up to remove language that references outdated practices concerning enrollment, and format changes for consistency and clarity purposes.
Budget Impact: Budget neutral

PRIVATE DUTY NURSING

1. **12-36 Private Duty Nursing Eligible Providers** — Policy will be amended to define eligible private duty nursing providers and require physicians to submit orders in addition to the treatment plan to verify medical need of treatments. OHCA will require a non-custodial caregiver to be the paid employee taking care of the child.
Budget Impact: Budget neutral

TRANSPORTATION

1. **12-23 SoonerRide-** OHCA rules are revised to move meal and lodging related services to general provider policies as these services are not considered SoonerRide services. Additional revisions include clean-up to outdated Code of Federal Regulation references, and clarification concerning approved escorts.
Budget Impact: Budget neutral
2. **12-22 Transportation** – OHCA rules are revised define emergency and urgent as it relates to ambulance transports; rules are also to revised to clarify that out of state transports require a prior authorization. Additional revisions include clean-up to remove obsolete language to align with current practices.
Budget Impact: Budget neutral

VACCINES

1. **12-35 Vaccine Administration** — Agency policy is amended with respect to vaccine administration as follows:
 - a. Adults. The change will allow for reimbursement of a separately payable administration fee for vaccines given to adults.
 - b. Children. Separately, the policy clarifies Vaccine for Children Program administration fee rules to state VFC providers may not charge multiple administration fees per shot.**Budget Impact:** \$60,000 state share, \$170,000 total

WAIVER SERVICES

1. **12-29 Community Spouse Allowance** – Rules are amended to clarify that a member receiving Home and Community Based Services (HCBS) (such as ADvantage) is considered a community spouse for the purpose of calculating the community spouse allowance when his/her spouse is in a nursing facility. This amendment brings the rules into compliance with Federal law and regulation and the State Plan. It allows the spouse in the nursing facility to deem income to the spouse who remains at home, regardless of whether that spouse is receiving HCBS, before the vendor payment owed to the nursing facility is calculated.
Budget Impact: \$500,000 state share, \$1.3 million total
2. **12-30 Medically Fragile Waiver Services** - Rules are revised to add Institutional Transition Services and Self-Directed Goods and Services to the Medically Fragile

Waiver Program. Additional revisions include removing language that does not align with program practices, for consistency and clarity purposes.

Budget Impact: Budget neutral

3. **12-31 My Life; My Choice Waiver Services** - Rules are revised to add Institutional Transition Services, Assisted Living Services and Self-Directed Goods and Services to the My Life; My Choice Waiver Program. (If a member is approved for the Assisted Living Services bundle, the member is responsible for payment of room and board charges.) Additional revisions include removing language that does not align with program practices, for consistency and clarity purposes.

Budget Impact: Budget neutral

4. **12-32 Sooner Seniors Waiver Services** - Rules are revised to add Institutional Transition Services, Assisted Living Services and Self-Directed Goods and Services to the Sooner Seniors Waiver Program. (If a member is approved for the Assisted Living Services bundle, the member is responsible for payment of room and board charges.) Additional revisions include removing language that does not align with program practices, for consistency and clarity purposes.

Budget Impact: Budget neutral

5. **12-04 ADvantage Waiver Services** - Rules are revised to :(1) establish a maximum annual reimbursement cap for hospice services for members who exceed the waiver cost limit (2) disallow an active Power of attorney from being a paid caregiver for members self-directing their services (3) increase the maximum hours of Adult Day Health services to six hours (4) Advantage Waiver members receiving Assisted Living Services will be transitioned to a new waiver for Assisted Living before removal of Advantage Assisted Living services benefits (5) clarify the member/ provider dispute resolution process.

Budget Impact: Federal share of \$344,404, and State share of \$193,539

6. **12-05 Living Choice Demonstration Services** - Living Choice demonstration program rules are revised to include clarification for billing of Institutional Case Management Transition services and the inclusion of additional services for persons with physical disabilities and long term illnesses.

Budget Impact: Budget neutral

Submitted to the C.E.O. and Board on February 14, 2013

**AUTHORITY FOR EXPENDITURE OF FUNDS
Information Technology Project Management Services**

BACKGROUND

OHCA is seeking a vendor to provide project management services for enhancements to the Medicaid Management Information System (MMIS) and other information technology projects with an estimated value of \$40 to \$75 million each year. This contract replaces a portion of the work done under an existing contract with Cognosante which expires June 30, 2013.

SCOPE OF WORK

- Provide project management for OHCA information technology projects, employing an industry-standard approach, which uses best practice to ensure efficiency, effectiveness, and appropriate governance;
- Develop a standard project management tool set to be used by OHCA staff;
- Support efforts to meet the Center for Medicare and Medicaid Services (CMS) Seven Standards and Conditions to meet CMS requirements for obtaining enhanced federal funding

CONTRACT TERM

Date of award through June 30, 2018

CONTRACT AMOUNT AND PROCUREMENT METHOD

- Will be awarded through competitive bidding conducted by OHCA
- Federal matching percentage is 90% for projects with CMS-approved Advance Planning Documents; 75% otherwise
- Not to exceed \$3 million in SFY14; not-to-exceed \$17 million for the total five year contract

RECOMMENDATION

- Board approval to procure the services discussed above
- Board approval is contingent on approval by the Oklahoma Office of Management and Enterprise Services (OMES) and CMS

Submitted to the C.E.O. and Board on February 14, 2013

**AUTHORITY FOR EXPENDITURE OF FUNDS
Consulting Services**

BACKGROUND

OHCA maintains contracts with contractors to provide consulting services on various policy and rate-setting issues. The current contract with Pacific Health Policy Group expires on June 30, 2013. OHCA is seeking one or more contractors to continue this work.

SCOPE OF WORK

- Analyze policy impacts on cost, access and quality of services
- Development state plan amendments or waivers as needed
- Evaluate the success of OHCA programs and recommend improvements
- Provide financial analysis services including budget neutrality calculations, cost impacts, program feasibility, return on investment, and rate setting for new or existing services
- Assess data vulnerability and provide gap analysis of available data versus needed data
- Provide reports and presentations as necessary on the above issues

CONTRACT PERIOD

July 1, 2013 through June 30, 2019.

CONTRACT AMOUNT AND PROCUREMENT METHOD

- Will be awarded through competitive bidding conducted by OHCA
- Federal matching percentage is 50%
- Not-to-exceed \$400,000 for SFY14 and not-to-exceed \$3.5 million for the total six-year contract

RECOMMENDATION

- Board approval to procure the services discussed above.

Submitted to the C.E.O. and Board on February 14, 2013
AUTHORITY FOR EXPENDITURE OF FUNDS

Radiology Management Program

BACKGROUND

In July of 2010, OHCA awarded a contract to MedSolutions for utilization management of outpatient radiology and advanced imaging services. The Radiology Management Program, which includes pre-authorization of services and provider education, is estimated to save about \$1 million state dollars each year. The Medsolutions contract ends on June 30, 2013, so this new contract would continue the program.

SCOPE OF WORK

- Reduce costs and improve health care outcomes by ensuring members receive the most clinically appropriate advanced imaging service
- Educate providers about the appropriate use of radiology services
- Recommend changes to OHCA's imaging services and benefits
- Provide retrospective review of some radiology claims
- May also provide management of other services such as sleep studies

CONTRACT PERIOD

July 1, 2013 through June 30, 2018

CONTRACT AMOUNT AND PROCUREMENT METHOD

- Awarded through competitive bidding conducted by OHCA
- Anticipated federal match is 75%
- Not to exceed \$2.5 million total for SFY14; not to exceed \$20 million total over the five-year contract

RECOMMENDATION

- Board approval to expend funds for the services discussed above