

OKLAHOMA HEALTH CARE AUTHORITY  
REGULARLY SCHEDULED BOARD MEETING  
November 13, 2014 at 1:00 P.M.  
Oklahoma Health Care Authority  
Charles Ed McFall Boardroom  
4345 N. Lincoln Blvd.  
Oklahoma City, OK

**AGENDA**

**Items to be presented by Ed McFall, Chairman**

1. Call to Order / Determination of Quorum
2. Action Item – Approval of the October 9, 2014 OHCA Board Meeting Minutes
3. Introduction of new Board Member, Tanya Case

**Item to be presented by Nico Gomez, 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) Proposed OHCA 2015 Board Meeting Dates and Locations

**Item to be presented by Jennifer Wynn, Program Coordinator, Provider Rates & Analysis**

5. Discussion Item – Focus On Excellence Update

**Item to be presented by Dana Miller, Tribal Relations Director**

6. Discussion Item – Annual Tribal Consultation Update

**Item to be presented by Nicole Nantois, Chief of Legal Services**

7. Announcements of Conflicts of Interest Panel Recommendations for All Action Items Regarding This Board Meeting.

**Item to be presented by Burl Beasley, Clinical Pharmacist**

8. 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 **Grastek® (Timothy Grass Pollen Allergen Extract) and Raqwitek™ (Short Ragweed Pollen Allergen Extract)** to the Utilization and Scope Prior Authorization Program Under OAC 317:30-5-77.2(e).

**Item to be presented by Cindy Roberts, Chairperson of State Plan Amendment Rate Committee**

9. Action Item – Consideration and Vote Upon the Recommendations of the State Plan Amendment Rate Committee.
  - a) Consideration and Vote to Approve a Method Change for selected Durable Medical Equipment, Prosthetics, Orthotics and Supply Manually Priced Items – Priced at Fair Market Value.

**Item to be presented by Chairman McFall**

10. Discussion Item – Proposed Executive Session as Recommended by the Chief of Legal Services and Authorized by the Open Meetings Act, 25 Oklahoma Statutes § 307(B) (1), (4), (7) and (9).
  - a) Discussion of Pending Litigation, Investigations and Claims  
  
Association of Direct Care Trainers vs. OHCA  
Gragert v. OHCA  
Peterson v. OHCA  
Franz v. OHCA  
Melvin v. OHCA
  - b) 2014 CEO Evaluation
11. New Business
12. ADJOURNMENT

NEXT BOARD MEETING  
December 11, 2014  
Oklahoma Health Care Authority  
Charles Ed McFall Boardroom  
4345 N. Lincoln Blvd.  
Oklahoma City, OK

MINUTES OF A REGULARLY SCHEDULED BOARD MEETING  
OF THE HEALTH CARE AUTHORITY BOARD  
October 9, 2014  
Held at the 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 October 8, 2014, 11:00 a.m. Advance public meeting notice was 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 October 2, 2014, 10:00 a.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 1:00 p.m.

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

OTHERS PRESENT: Mike Fogarty  
Nelson Miller, Daily Living Centers  
Laura Dempsey-Polan, PCA  
Rick Snyder, OHA  
Bekcy Miller  
Bob Miller  
Christie Southern, eCap  
Marty Wafford, Chickasaw Nation

Margie Merkey  
Dean Gandy, UHAT  
Mary Brinkley, LeadingAge OK  
Charles Brodt, HP  
Anne Roberts, Integris  
John Miller  
Robert Dorrell, BCBSOK  
Emily, JRLR  
Traylor Rains, ODMHSAS

**DISCUSSION AND POSSIBLE VOTE ON APPROVAL OF BOARD MINUTES OF THE REGULARLY SCHEDULED BOARD MEETING HELD SEPTEMBER 11, 2014.**

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 September 11, 2014 board meeting minutes as published. The motion was seconded by Member Bryant.

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

**ITEM 3 / RECOGNITION OF GEORGE MILLER FOR OUSTANDING SERVICE AND COMMITMENT TO OHCA**

Garth Splinter, Mike Fogarty, Nico Gomez, Ed McFall

Mr. Miller was recognized for his service to the Oklahoma Health Care Authority and the board with a video along with comments from colleagues. Chairman McFall presented Mr. Miller with the 2014 TJ Brickner Defender of Health Care award.

Chairman McFall called for a 15 minute recess.

MOTION: Vice-Chairman Armstrong moved for a recess. The motion was seconded by Member Nuttle.

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

**ITEM 4 / CHIEF EXECUTIVE OFFICER'S REPORT**

Nico Gomez, Chief Executive Officer

**4a. ALL STARS INTRODUCTION**

Nico Gomez, Chief Executive Officer

Mr. Gomez introduced the OHCA Employee All-Star for August 2014 through his direct report.

Nicole Nantois presented the August All Star – Jennifer Merkey, Contracts Specialist II, Provider Contracting

**4b. FINANCIAL UPDATE**

Carrie Evans, Chief Financial Officer

Ms. Evans reported on the financial transactions through the month of August with a \$5.6 million positive state variance and the agency is under budget in program expenditures by \$2.9 million and administration by \$.5 million. She stated that the agency is running over budget in some revenues such as drug rebate by \$.4 million and tobacco tax by \$1.1 million. Looking ahead for September, Ms. Evans predicts the agency will be slightly under budget. For more detailed information, see Item 4b in the board packet.

**4b1. STATE FISCAL YEAR 2016 BUDGET REQUEST DETAIL**

Ms. Kersey presented and reviewed the SFY16 budget request detail for information. For more detailed information, see Item 4b1 in the board packet.

**4c. MEDICAID DIRECTOR'S UPDATE**

Garth Splinter, State Medicaid Director

Dr. Splinter provided an update for August that included a report on the number of enrollees in the Medicaid program. He also reported on the per member per month trends with 4 years of data in different subcategories. Dr. Splinter noted from the American Academy of Pediatrics recommendations on teen pregnancy prevention and that the recommendation for adolescents who choose not to be abstinent is a Long Acting Reversible Contraceptive (LARC). For more detailed information, see Item 4c in the board packet.

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

Nicole Nantois, Chief of Legal Services

There were no recommendations regarding conflicts.

**ITEM 6 / CONSIDERATION AND VOTE REGARDING RECOMMENDATIONS MADE BY THE DRUG UTILIZATION REVIEW BOARD UNDER 63 OKLAHOMA STATUTES 5030.3.**

Nancy Nesser, Pharmacy Director

- a) Consideration and vote to add **Zontivity™ (Vorapaxar)** to the utilization and scope prior authorization program under OAC 317:30-5-77.2(e).

MOTION:

Member McVay moved for Item 6 as published. The motion was seconded by Member Bryant.

FOR THE MOTION:

Chairman McFall, Vice-Chairman Armstrong, Member Nuttle, Member Robison

**ITEM 7 / CONSIDERATION AND VOTE OF AGENCY RECOMMENDED RULEMAKING PURSUANT TO ARTICLE I OF THE ADMINISTRATIVE PROCEDURES ACT.**

Cindy Roberts, Deputy CEO – Planning, Policy & Integrity Division

- A. Adding Agency rules at OAC 317:30-5-250, OAC 317:30-5-251, OAC 317:30-5-252, OAC 317:30-5-253, and OAC 317:30-5-254 to create coverage guidelines for Health Homes. Health Homes are created to promote enhanced integration and coordination of primary, acute, behavioral health, and long-term services and supports for persons across the lifespan with chronic illness.  
**ODHMSAS Budget Savings: \$1,900,000 total; \$716,300 state; \$1,183,700 federal.**

**(Reference APA WF # 14-16**

MOTION: Member Nuttle moved for the declaration of emergency for Item 7A as published. The motion was seconded by Member Robison.

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

MOTION: Member Nuttle moved for approval of Item 7A as published. The motion was seconded by Member McVay.

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

**ITEM 8 / PROPOSED EXECUTIVE SESSION AS RECOMMENDED BY THE CHIEF OF LEGAL SERVICES AND AUTHORIZED BY THE OPEN MEETINGS ACT, 25 OKLAHOMA STATUTES §307(B) (1), (4), (7) AND (9).**

Nicole Nantois, Chief of Legal Services

Chairman McFall noted that there was not a need for executive session.

**ITEM 9 / ELECTION OF THE OKLAHOMA HEALTH CARE AUTHORITY 2014-2015 BOARD OFFICERS**

MOTION: Member McVay moved for Ed McFall as OHCA Board Chair and Tony Armstrong as Vice-Chair. The motion was seconded by Member Bryant.

FOR THE MOTION: Chairman McFall, Vice-Chairman Armstrong, Member Nuttle, Member Robison

**ITEM 10 / NEW BUSINESS**

There was no new business.

**ITEM 11 / ADJOURNMENT**

MOTION: Member Robison moved for adjournment. The motion was seconded by Vice-Chairman Armstrong.

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

Meeting adjourned at 2:24 p.m., 10/9/2014

NEXT BOARD MEETING  
November 13, 2014  
Oklahoma Health Care Authority  
Charles Ed McFall Boardroom  
4345 N. Lincoln Blvd.  
OKC, OK

*Lindsey Bateman*  
*Board Secretary*

Minutes Approved: \_\_\_\_\_

Initials: \_\_\_\_\_



## FINANCIAL REPORT

For the Three Months Ended September 30, 2014  
Submitted to the CEO & Board

- Revenues for OHCA through September, accounting for receivables, were **\$1,098,495,300** or **.5% under** budget.
- Expenditures for OHCA, accounting for encumbrances, were **\$963,033,542** or **1.3% under** budget.
- The state dollar budget variance through September is a **positive \$7,095,343**.
- The budget variance is primarily attributable to the following (in millions):

<b>Expenditures:</b>		
Medicaid Program Variance	3.5	
Administration	.8	
<b>Revenues:</b>		
Drug Rebate	.9	
Taxes and Fees	.7	
Overpayments/Settlements	1.2	
<b>Total FY 15 Variance</b>	<b>\$ 7.1</b>	

### 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 2015, For the Three Months Ended September 30, 2014**

REVENUES	FY15 Budget YTD	FY15 Actual YTD	Variance	% Over/ (Under)
State Appropriations	\$ 310,130,349	\$ 310,130,349	\$ -	0.0%
Federal Funds	577,722,420	567,139,704	(10,582,715)	(1.8)%
Tobacco Tax Collections	11,222,905	12,623,825	1,400,920	12.5%
Quality of Care Collections	19,441,211	19,251,599	(189,612)	(1.0)%
Prior Year Carryover	61,029,661	61,029,661	-	0.0%
Federal Deferral - Interest	56,791	56,791	-	0.0%
Drug Rebates	58,788,252	61,159,854	2,371,602	4.0%
Medical Refunds	11,306,524	13,137,194	1,830,670	16.2%
Supplemental Hospital Offset Payment Program	49,905,864	49,905,864	-	0.0%
Other Revenues	4,043,555	4,060,460	16,906	0.4%
<b>TOTAL REVENUES</b>	<b>\$ 1,103,647,531</b>	<b>\$ 1,098,495,300</b>	<b>\$ (5,152,230)</b>	<b>(0.5)%</b>
EXPENDITURES	FY15 Budget YTD	FY15 Actual YTD	Variance	% (Over)/ Under
<b>ADMINISTRATION - OPERATING</b>	<b>\$ 14,046,155</b>	<b>\$ 12,603,014</b>	<b>\$ 1,443,141</b>	<b>10.3%</b>
<b>ADMINISTRATION - CONTRACTS</b>	<b>\$ 29,731,485</b>	<b>\$ 28,556,824</b>	<b>\$ 1,174,661</b>	<b>4.0%</b>
<b>MEDICAID PROGRAMS</b>				
<u>Managed Care:</u>				
SoonerCare Choice	9,500,789	9,325,095	175,694	1.8%
<u>Acute Fee for Service Payments:</u>				
Hospital Services	222,960,358	221,057,012	1,903,346	0.9%
Behavioral Health	5,137,828	4,878,253	259,575	5.1%
Physicians	120,534,481	118,619,068	1,915,413	1.6%
Dentists	34,172,405	33,792,469	379,936	1.1%
Other Practitioners	10,570,983	10,370,511	200,472	1.9%
Home Health Care	5,099,183	5,107,803	(8,620)	(0.2)%
Lab & Radiology	19,757,220	19,611,141	146,079	0.7%
Medical Supplies	9,629,308	9,546,412	82,896	0.9%
Ambulatory/Clinics	30,516,508	30,510,461	6,047	0.0%
Prescription Drugs	112,471,556	109,930,483	2,541,073	2.3%
OHCA Therapeutic Foster Care	504,848	499,992	4,855	0.0%
<u>Other Payments:</u>				
Nursing Facilities	142,991,231	142,798,999	192,232	0.1%
Intermediate Care Facilities for Individuals with Intellectual Disabilities Private	15,094,386	14,902,504	191,882	1.3%
Medicare Buy-In	33,801,880	32,357,616	1,444,264	4.3%
Transportation	18,123,691	18,106,881	16,810	0.1%
Money Follows the Person-OHCA	255,674	176,675	78,998	0.0%
Electronic Health Records-Incentive Payments	6,606,208	6,606,208	-	0.0%
Part D Phase-In Contribution	18,567,667	18,558,230	9,437	0.1%
Supplemental Hospital Offset Payment Program	115,117,891	115,117,891	-	0.0%
<b>Total OHCA Medical Programs</b>	<b>931,414,093</b>	<b>921,873,704</b>	<b>9,540,389</b>	<b>1.0%</b>
OHCA Non-Title XIX Medical Payments	89,382	-	89,382	0.0%
<b>TOTAL OHCA</b>	<b>\$ 975,281,115</b>	<b>\$ 963,033,542</b>	<b>\$ 12,247,573</b>	<b>1.3%</b>
<b>REVENUES OVER/(UNDER) EXPENDITURES</b>	<b>\$ 128,366,415</b>	<b>\$ 135,461,758</b>	<b>\$ 7,095,343</b>	

**OKLAHOMA HEALTH CARE AUTHORITY**  
**Total Medicaid Program Expenditures**  
**by Source of State Funds**  
**Fiscal Year 2015, For the Three Months Ended September 30, 2014**

Category of Service	Total	Health Care Authority	Quality of Care Fund	HEEIA	SHOPP Fund	BCC Revolving Fund	Other State Agencies
SoonerCare Choice	\$ 9,363,075	\$ 9,321,259	\$ -	\$ 37,980	\$ -	\$ 3,836	\$ -
Inpatient Acute Care	252,707,519	154,498,232	121,672	1,024,929	92,872,986	297,219	3,892,482
Outpatient Acute Care	82,234,505	65,095,557	10,401	1,041,798	15,052,817	1,033,932	-
Behavioral Health - Inpatient	12,921,690	2,990,843	-	69,384	6,919,304	-	2,942,159
Behavioral Health - Psychiatrist	2,160,194	1,887,410	-	-	272,784	-	-
Behavioral Health - Outpatient	7,306,578	-	-	-	-	-	7,306,578
Behavioral Health Facility- Rehab	57,739,270	-	-	-	-	26,145	57,713,125
Behavioral Health - Case Management	4,323,631	-	-	-	-	-	4,323,631
Behavioral Health - PRTF	21,577,854	-	-	-	-	-	21,577,854
Residential Behavioral Management	5,518,094	-	-	-	-	-	5,518,094
Targeted Case Management	15,306,739	-	-	-	-	-	15,306,739
Therapeutic Foster Care	499,992	499,992	-	-	-	-	-
Physicians	132,973,884	117,098,115	14,525	1,502,299	-	1,506,428	12,852,517
Dentists	33,797,299	33,788,371	-	4,830	-	4,097	-
Mid Level Practitioners	714,568	708,249	-	5,948	-	372	-
Other Practitioners	9,687,199	9,549,194	111,591	25,309	-	1,105	-
Home Health Care	5,111,771	5,101,363	-	3,969	-	6,440	-
Lab & Radiology	20,065,480	19,466,393	-	454,339	-	144,748	-
Medical Supplies	9,611,669	8,842,991	677,884	65,257	-	25,537	-
Clinic Services	30,163,676	28,096,476	-	167,900	-	53,807	1,845,493
Ambulatory Surgery Centers	2,404,809	2,353,850	-	44,631	-	6,328	-
Personal Care Services	3,249,133	-	-	-	-	-	3,249,133
Nursing Facilities	142,798,999	89,514,268	53,282,749	-	-	1,982	-
Transportation	18,024,359	17,345,190	659,387	-	-	19,782	-
GME/IME/DME	36,514,483	-	-	-	-	-	36,514,483
ICF/IID Private	14,902,504	12,200,380	2,702,124	-	-	-	-
ICF/IID Public	7,634,906	-	-	-	-	-	7,634,906
CMS Payments	50,915,846	50,757,505	158,342	-	-	-	-
Prescription Drugs	112,165,035	109,421,152	-	2,234,552	-	509,331	-
Miscellaneous Medical Payments	82,521	80,758	-	-	-	1,764	-
Home and Community Based Waiver	44,852,877	-	-	-	-	-	44,852,877
Homeward Bound Waiver	21,739,067	-	-	-	-	-	21,739,067
Money Follows the Person	3,945,467	176,675	-	-	-	-	3,768,792
In-Home Support Waiver	6,225,950	-	-	-	-	-	6,225,950
ADvantage Waiver	42,928,968	-	-	-	-	-	42,928,968
Family Planning/Family Planning Waiver	1,977,046	-	-	-	-	-	1,977,046
Premium Assistance*	10,479,709	-	-	10,479,709	-	-	-
Electronic Health Records Incentive Payments	6,606,208	6,606,208	-	-	-	-	-
<b>Total Medicaid Expenditures</b>	<b>\$ 1,241,232,575</b>	<b>\$ 745,400,431</b>	<b>\$ 57,738,674</b>	<b>\$ 17,162,833</b>	<b>\$ 115,117,891</b>	<b>\$ 3,642,853</b>	<b>\$ 302,169,892</b>

\* Includes \$10,392,797.34 paid out of Fund 245



**OKLAHOMA HEALTH CARE AUTHORITY**  
**Summary of Revenues & Expenditures:**  
**Other State Agencies**  
**Fiscal Year 2015, For the Three Months Ended September 30, 2014**

<b>REVENUE</b>	<b>FY15 Actual YTD</b>
Revenues from Other State Agencies	\$ 126,392,578
Federal Funds	191,682,922
<b>TOTAL REVENUES</b>	<b>\$ 318,075,500</b>
<b>EXPENDITURES</b>	<b>Actual YTD</b>
<b>Department of Human Services</b>	
Home and Community Based Waiver	\$ 44,852,877
Money Follows the Person	3,768,792
Homeward Bound Waiver	21,739,067
In-Home Support Waivers	6,225,950
ADvantage Waiver	42,928,968
Intermediate Care Facilities for Individuals with Intellectual Disabilities Public	7,634,906
Personal Care	3,249,133
Residential Behavioral Management	4,190,158
Targeted Case Management	12,549,807
<b>Total Department of Human Services</b>	<b>147,139,657</b>
<b>State Employees Physician Payment</b>	
Physician Payments	12,852,517
<b>Total State Employees Physician Payment</b>	<b>12,852,517</b>
<b>Education Payments</b>	
Graduate Medical Education	-
Graduate Medical Education - Physicians Manpower Training Commission	1,294,874
Indirect Medical Education	31,865,924
Direct Medical Education	3,353,685
<b>Total Education Payments</b>	<b>36,514,483</b>
<b>Office of Juvenile Affairs</b>	
Targeted Case Management	653,079
Residential Behavioral Management	1,327,936
<b>Total Office of Juvenile Affairs</b>	<b>1,981,014</b>
<b>Department of Mental Health</b>	
Case Management	4,323,631
Inpatient Psychiatric Free-standing	2,942,159
Outpatient	7,306,578
Psychiatric Residential Treatment Facility	21,577,854
Rehabilitation Centers	57,713,125
<b>Total Department of Mental Health</b>	<b>93,863,346</b>
<b>State Department of Health</b>	
Children's First	522,614
Sooner Start	640,375
Early Intervention	1,032,998
Early and Periodic Screening, Diagnosis, and Treatment Clinic	444,893
Family Planning	(26,349)
Family Planning Waiver	1,991,241
Maternity Clinic	7,727
<b>Total Department of Health</b>	<b>4,613,499</b>
<b>County Health Departments</b>	
EPSDT Clinic	232,774
Family Planning Waiver	12,154
<b>Total County Health Departments</b>	<b>244,929</b>
<b>State Department of Education</b>	<b>49,511</b>
<b>Public Schools</b>	<b>498,729</b>
<b>Medicare DRG Limit</b>	<b>2,250,000</b>
<b>Native American Tribal Agreements</b>	<b>519,724</b>
<b>Department of Corrections</b>	<b>613,325</b>
<b>JD McCarty</b>	<b>1,029,157</b>
<b>Total OSA Medicaid Programs</b>	<b>\$ 302,169,892</b>
<b>OSA Non-Medicaid Programs</b>	<b>\$ 20,160,645</b>
<b>Accounts Receivable from OSA</b>	<b>\$ 4,255,037</b>

**OKLAHOMA HEALTH CARE AUTHORITY**  
**SUMMARY OF REVENUES & EXPENDITURES:**  
**Fund 205: Supplemental Hospital Offset Payment Program Fund**  
**Fiscal Year 2015, For the Three Months Ended September 30, 2014**

REVENUES	FY 15 Revenue
SHOPP Assessment Fee	\$ 49,854,993
Federal Draws	73,698,590
Interest	26,533
Penalties	24,337
State Appropriations	(7,700,000)
<b>TOTAL REVENUES</b>	<b>\$ 115,904,454</b>

EXPENDITURES	Quarter	FY 15 Expenditures
<b>Program Costs:</b>	<b>7/1/14 - 9/30/14</b>	
Hospital - Inpatient Care	92,872,986	\$ 92,872,986
Hospital -Outpatient Care	15,052,817	\$ 15,052,817
Psychiatric Facilities-Inpatient	6,919,304	\$ 6,919,304
Rehabilitation Facilities-Inpatient	272,784	\$ 272,784
<b>Total OHCA Program Costs</b>	<b>115,117,891</b>	<b>\$ 115,117,891</b>
<b>Total Expenditures</b>		<b>\$ 115,117,891</b>

<b>CASH BALANCE</b>	<b>\$ 786,563</b>
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**OKLAHOMA HEALTH CARE AUTHORITY**  
**SUMMARY OF REVENUES & EXPENDITURES:**  
**Fund 230: Nursing Facility Quality of Care Fund**  
**Fiscal Year 2015, For the Three Months Ended September 30, 2014**

REVENUES	Total Revenue	State Share
Quality of Care Assessment	\$ 19,241,884	\$ 19,241,884
Interest Earned	9,714	9,714
<b>TOTAL REVENUES</b>	<b>\$ 19,251,599</b>	<b>\$ 19,251,599</b>

EXPENDITURES	FY 15 Total \$ YTD	FY 15 State \$ YTD	Total State \$ Cost
<b>Program Costs</b>			
Nursing Facility Rate Adjustment	\$ 52,375,095	\$ 18,844,559	
Eyeglasses and Dentures	68,614	24,691	
Personal Allowance Increase	839,040	301,887	
Coverage for Durable Medical Equipment and Supplies	677,884	243,903	
Coverage of Qualified Medicare Beneficiary	258,189	92,896	
Part D Phase-In	158,342	158,342	
ICF/IID Rate Adjustment	1,343,204	483,285	
Acute Services ICF/IID	1,358,919	488,939	
Non-emergency Transportation - Soonerride	659,387	237,248	
<b>Total Program Costs</b>	<b>\$ 57,738,674</b>	<b>\$ 20,875,749</b>	<b>\$ 20,875,749</b>
<b>Administration</b>			
OHCA Administration Costs	\$ 123,126	\$ 61,563	
PHBV - Quality of Care Expense	-	-	
OSDH-Nursing Facility Inspectors	-	-	
Mike Fine, CPA	-	-	
<b>Total Administration Costs</b>	<b>\$ 123,126</b>	<b>\$ 61,563</b>	<b>\$ 61,563</b>
<b>Total Quality of Care Fee Costs</b>	<b>\$ 57,861,800</b>	<b>\$ 20,937,312</b>	
<b>TOTAL STATE SHARE OF COSTS</b>			<b>\$ 20,937,312</b>

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 2015, For the Three Months Ended September 30, 2014

REVENUES	FY 14 Carryover	FY 15 Revenue	Total Revenue
Prior Year Balance	\$ 13,950,701	\$ -	\$ 7,154,427
State Appropriations	-	-	-
Tobacco Tax Collections	-	10,382,971	10,382,971
Interest Income	-	74,031	74,031
Federal Draws	160,262	6,853,759	6,853,759
All Kids Act	(6,720,041)	25,086	25,086
<b>TOTAL REVENUES</b>	<b>\$ 7,390,922</b>	<b>\$ 17,335,847</b>	<b>\$ 24,465,188</b>

EXPENDITURES	FY 14 Expenditures	FY 15 Expenditures	Total \$ YTD
<b>Program Costs:</b>			
Employer Sponsored Insurance		\$ 10,323,169	\$ 10,323,169
College Students		86,911	31,271
All Kids Act		69,628	69,628
<b>Individual Plan</b>			
SoonerCare Choice		\$ 36,636	\$ 13,182
Inpatient Hospital		1,006,924	362,291
Outpatient Hospital		1,033,314	371,786
BH - Inpatient Services-DRG		67,079	24,135
BH -Psychiatrist		-	-
Physicians		1,503,875	541,094
Dentists		4,454	1,603
Mid Level Practitioner		5,498	1,978
Other Practitioners		25,091	9,028
Home Health		3,969	1,428
Lab and Radiology		450,609	162,129
Medical Supplies		59,933	21,564
Clinic Services		166,887	60,046
Ambulatory Surgery Center		38,900	13,996
Prescription Drugs		2,204,091	793,032
Miscellaneous Medical		-	-
Premiums Collected		-	(131,669)
<b>Total Individual Plan</b>		<b>\$ 6,607,259</b>	<b>\$ 2,245,623</b>
<b>College Students-Service Costs</b>		<b>\$ 75,773</b>	<b>\$ 27,263</b>
<b>All Kids Act- Service Costs</b>		<b>\$ 93</b>	<b>\$ 34</b>
<b>Total OHCA Program Costs</b>		<b>\$ 17,162,833</b>	<b>\$ 12,696,987</b>
<b>Administrative Costs</b>			
Salaries	\$ 30,565	\$ 304,222	\$ 334,786
Operating Costs	109,709	138,037	247,745
Health Dept-Postponing	-	-	-
Contract - HP	96,221	170,138	266,359
<b>Total Administrative Costs</b>	<b>\$ 236,495</b>	<b>\$ 612,396</b>	<b>\$ 848,891</b>
<b>Total Expenditures</b>			<b>\$ 13,545,878</b>
<b>NET CASH BALANCE</b>	<b>\$ 7,154,427</b>		<b>\$ 10,919,310</b>

## OKLAHOMA HEALTH CARE AUTHORITY

### SUMMARY OF REVENUES & EXPENDITURES:

**Fund 250: Belle Maxine Hilliard Breast and Cervical Cancer Treatment Revolving Fund  
Fiscal Year 2015, For the Three Months Ended September 30, 2014**

REVENUES	FY 15 Revenue	State Share
Tobacco Tax Collections	\$ 207,164	\$ 207,164
<b>TOTAL REVENUES</b>	<b>\$ 207,164</b>	<b>\$ 207,164</b>

EXPENDITURES	FY 15 Total \$ YTD	FY 15 State \$ YTD	Total State \$ Cost
<b>Program Costs</b>			
SoonerCare Choice	\$ 4,744	\$ 1,195	
Inpatient Hospital	297,219	74,869	
Outpatient Hospital	1,033,932	260,447	
Inpatient Services-DRG	-	-	
Psychiatrist	-	-	
TFC-OHCA	-	-	
Nursing Facility	1,982	499	
Physicians	1,506,428	379,469	
Dentists	4,097	1,032	
Mid-level Practitioner	372	94	
Other Practitioners	1,105	278	
Home Health	6,440	1,622	
Lab & Radiology	144,748	36,462	
Medical Supplies	25,537	6,433	
Clinic Services	53,807	13,554	
Ambulatory Surgery Center	6,328	1,594	
Prescription Drugs	509,331	128,300	
Transportation	19,782	4,983	
Miscellaneous Medical	856	216	
<b>Total OHCA Program Costs</b>	<b>\$ 3,616,708</b>	<b>\$ 911,049</b>	
<b>OSA DMHSAS Rehab</b>	<b>\$ 26,145</b>	<b>\$ 6,586</b>	
<b>Total Medicaid Program Costs</b>	<b>\$ 3,642,853</b>	<b>\$ 917,635</b>	
<b>TOTAL STATE SHARE OF COSTS</b>			<b>\$ 917,635</b>

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

## September 2014 Data for November 2014 Board Meeting

### SOONERCARE ENROLLMENT/EXPENDITURES

Delivery System	Monthly Enrollment Average SFY2014	Enrollment September 2014	Total Expenditures September 2014	Average Dollars Per Member Per Month September 2014
<b>SoonerCare Choice Patient-Centered Medical Home</b>	559,363	<b>538,008</b>	<b>\$117,764,029</b>	
<i>Lower Cost</i> (Children/Parents; Other)		490,867	\$79,555,060	\$162
<i>Higher Cost</i> (Aged, Blind or Disabled; TEFRA; BCC)		47,141	\$38,208,969	\$811
<b>SoonerCare Traditional</b>	196,936	<b>238,004</b>	<b>\$184,180,985</b>	
<i>Lower Cost</i> (Children/Parents; Other)		127,308	\$59,213,249	\$465
<i>Higher Cost</i> (Aged, Blind or Disabled; TEFRA; BCC & HCBS Waiver)		110,696	\$124,967,736	\$1,129
<b>SoonerPlan*</b>	48,266	<b>42,156</b>	<b>\$432,976</b>	\$10
<b>Insure Oklahoma</b>	23,567	<b>17,309</b>	<b>\$5,135,133</b>	
<i>Employer-Sponsored Insurance</i>	14,795	12,773	\$3,313,883	\$259
<i>Individual Plan*</i>	8,772	4,536	\$1,821,251	\$402
<b>TOTAL</b>	<b>828,131</b>	<b>835,477</b>	<b>\$307,513,122</b>	

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 \$40,034,237 are excluded.

Effective July 2014, members with other forms of credible health insurance coverage were no longer eligible for Choice PCMH.

\*In January 2014, SoonerPlan's qualifying income guidelines decreased from 185% to 133% of FPL and Insure Oklahoma IP's qualifying income guidelines decreased from 200% to 100% of FPL.

<b>Net Enrollee Count Change from Previous Month Total</b>	<b>(234)</b>
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<b>New Enrollees</b>	<b>15,899</b>
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Members that have not been enrolled in the past 6 months.

### Dual Enrollees & Long-Term Care Members (subset of data above)

Medicare and SoonerCare	Monthly Average SFY2014	Enrolled September 2014
<b>Dual Enrollees</b>	<b>109,653</b>	<b>110,429</b>
<i>Child</i>	192	190
<i>Adult</i>	109,461	110,239

	Monthly Average SFY2014	Enrolled September 2014	FACILITY PER MEMBER PER MONTH
<b>Long-Term Care Members</b>	<b>15,358</b>	<b>15,219</b>	<b>\$3,527</b>
<i>Child</i>	63	58	
<i>Adult</i>	15,295	15,161	

Child is defined as an individual under the age of 21.

### SOONERCARE CONTRACTED PROVIDER INFORMATION

Provider Counts	Monthly Average SFY2014	Enrolled September 2014
<b>Total Providers</b>	<b>38,330</b>	<b>40,161</b>
<i>In-State</i>	29,277	30,023
<i>Out-of-State</i>	9,053	10,138

Provider Network includes 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, and specialties.

Program	% of Capacity Used
SoonerCare Choice	43%
SoonerCare Choice I/T/U	20%
Insure Oklahoma IP	1%

Select Provider Type Counts	In-State		Totals	
	Monthly Average SFY2014	Enrolled September 2014*	Monthly Average SFY2014	Enrolled September 2014
Physician	8,452	8,987	13,597	14,982
Pharmacy	936	887	1,266	1,159
Mental Health Provider	4,864	4,385	4,902	4,432
Dentist	1,069	1,084	1,206	1,236
Hospital	183	191	685	881
Optometrist	565	603	594	637
Extended Care Facility	356	349	356	350

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

Total Primary Care Providers**	5,410	5,808	7,011	7,640
Patient-Centered Medical Home	2,099	2,272	2,188	2,376

\*\*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.

# PROPOSED OHCA BOARD MEETINGS/LOCATIONS - 2015

JANUARY						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

FEBRUARY						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28

MARCH						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

APRIL						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

MAY						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

JUNE						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

**January 8, 2015 • 1:00 pm**  
 Oklahoma Health Care Authority  
 4345 N. Lincoln Blvd.  
 Oklahoma City, Oklahoma

**February 12, 2015 • 1:00 pm**  
 Oklahoma Health Care Authority  
 4345 N. Lincoln Blvd.  
 Oklahoma City, Oklahoma

**March 26, 2015 • 1:00 pm**  
 Oklahoma Health Care Authority  
 4345 N. Lincoln Blvd.  
 Oklahoma City, Oklahoma

**April 10, 2015 • Cancelled**

**May 14, 2015 • 1:00 pm**  
 Oklahoma Health Care Authority  
 4345 N. Lincoln Blvd.  
 Oklahoma City, Oklahoma

**June 25, 2015 • 1:00 pm**  
 Oklahoma Health Care Authority  
 4345 N. Lincoln Blvd.  
 Oklahoma City, Oklahoma

**July 9, 2015 • Cancelled**

**August 12, 2015 • Board Meeting • 1:00 pm**  
**August SPC • 13 & 14, 2015 • 8:30 am**  
 TBD

**September 10, 2015 • 1:00 pm**  
 Oklahoma Health Care Authority  
 4345 N. Lincoln Blvd.  
 Oklahoma City, Oklahoma

**October 8, 2015 • 1:00 pm**  
 Oklahoma Health Care Authority  
 4345 N. Lincoln Blvd.  
 Oklahoma City, Oklahoma

**November 12, 2015 • 1:00 pm**  
 Oklahoma Health Care Authority  
 4345 N. Lincoln Blvd.  
 Oklahoma City, Oklahoma

**December 10, 2015 • 1:00 pm**  
 Oklahoma Health Care Authority  
 4345 N. Lincoln Blvd.  
 Oklahoma City, Oklahoma

JULY						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

AUGUST						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

SEPTEMBER						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

OCTOBER						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

NOVEMBER						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

DECEMBER						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

\*Dates in Red are Proposed Board Dates

# FOCUS ON EXCELLENCE PROGRAM

**(FOE)**



## BRIEF HISTORY

- Focus on Excellence is OHCA's long-term care quality improvement program
- Established through HB2842
- Designed by Oklahoma stakeholders and OHCA
- Implemented in 2008
- 10 quality metrics
- 5 tier payment system
- *My InnerView* was the program contractor and program auditor

## PROGRAM TRANSITION 2013

- Program brought **in-house**
- 9 quality metrics with emphasis on culture change and direct care
- Performance metrics based on 500-point scale
- Minimal requirement of 100 points to earn payment
- OHCA consumer website
- Advisory Board
- Oklahoma-based program auditor

## IN-HOUSE ADVANTAGE

- Created logically organized performance metric set
- Preservation of continuity
- Simplification and ease of use for OHCA, providers, and consumers
- Improved precision and fairness in ratings and payment allocation
- Program accountability

## IN-HOUSE ADVANTAGE

- Emphasis on culture of care, staff & leadership attributes, frontline competency, and person centered care
- Lower administrative costs to maximize direct benefits to the program
- Allowed OHCA to be directly involved with the people living and working in Oklahoma LTC facilities
- Promote the value and honor of those involved
- Creation of consumer web site to target facility performance and star allocation

## QUALITY IMPROVEMENT

- **LTC Participating Facilities:**  
288 out of 295 (97%)
- **Implemented Menu-Style Dining:**  
198 out of 295 (67%)
- **Implemented Resident Choice for Waking and Sleeping Times:**  
232 out of 295 (78%)
- **Implemented Residents Choice for Flexible Medication:**  
198 out of 295 (67%)

## QUALITY IMPROVEMENT

- **Increased Retention of Direct Care Nurses:**  
140 out of 295 (This is a 1% retention improvement)
- **Increased Core Training for CNAs, CMAs, RNs, and LPNs:**  
155 out of 295 (52%)

## **COST ANALYSIS**

- **SFY2014 Annual Expenditure:**  
\$13.7 million
- **Average Point Value Expenditure:**  
\$2.80 per patient per day
- **Average Quarterly Expenditure:**  
\$3.4 million
- **OHCA Administrative Budget Savings:**  
\$380,000 per year



## 8<sup>th</sup> Annual OHCA Tribal Consultation

October 21, 2014

Catoosa, OK

### Fact Sheet

- Over 60 stakeholders were in attendance with representation from 18 tribal partner entities, including:
  - Absentee Shawnee Tribe of Oklahoma
  - Cherokee Nation
  - Cheyenne and Arapaho Tribes
  - Chickasaw Nation
  - Choctaw Nation of Oklahoma
  - Citizen Potawatomi Nation
  - Indian Health Care Resource Center of Tulsa
  - Indian Health Service
  - Kickapoo Tribe of Oklahoma
  - Muscogee (Creek) Nation
  - Northeastern Tribal Health System
  - Oklahoma City Area Inter-Tribal Health Board
  - Oklahoma City Indian Clinic
  - Osage Nation
  - Peoria Tribe of Indians of Oklahoma
  - Sac and Fox Nation
  - Seminole Nation of Oklahoma
  - Seneca-Cayuga Tribe of Oklahoma
  
- Topics highlighted by tribal partners include:
  - Diabetes and obesity prevention programs
  - Telemedicine in rural areas
  - Access to transportation for medical appointments
  - Provider recruitment



- Enrollment issues
  - Improved mental health services
  - Dialysis coverage
- 
- Tribal Partnership Planning Session will be convened in January 2015 (date, time, and location to be determined) to develop an Action Plan addressing topics discussed during the Annual Meeting.

The Drug Utilization Review Board recommends the prior authorization of Grastek® and Ragwitek™ with the following criteria:

**Grastek® (Timothy Grass Pollen Allergen Extract) Approval Criteria:**

1. Member must be 5 years of age or older; and
2. Member must have a positive skin test or in vitro testing for pollen specific IgE antibodies for Timothy grass or cross-reactive grass pollen (cool season grasses); and
3. Member must not have severe uncontrolled asthma; and
4. Member must have failed conservative attempts to control allergic rhinitis; and
5. Member must have failed pharmacological agents used to control allergies including the following (dates and duration of trials must be indicated on the prior authorization request):
  - a. **Antihistamines:** Trials of two different products for 14 days each during a previous season; and
  - b. **Montelukast:** One 14-day trial during a previous season in combination with an antihistamine; and
  - c. **Nasal steroids:** Trials of two different products for 21 days each during a previous season; and
6. Treatment must begin greater than or equal to 12 weeks prior to the start of the grass pollen season and continue throughout the season; and
7. The first dose must be given in the physician's office and the member must be observed for at least 30 minutes post dose; and
8. A quantity limit of one tablet daily will apply; and
9. Initial approvals will be for the duration of six months of therapy to include 12 weeks prior to the season and continue throughout the season; and
10. Member must not be allergic to other allergens for which they are receiving treatment via subcutaneous immunotherapy also known as "allergy shots"; and
11. Member or family member must be trained in the use of an auto-injectable epinephrine device and have such a device available for use at home.
12. Prescriber must be an allergist, immunologist or be an advanced care practitioner with a supervising physician that is an allergist or immunologist.

## **Ragwitek™ (Short Ragweed Pollen Allergen Extract) Approval Criteria:**

1. Member must be 18 years of age or older; and
2. Member must have a positive skin test or in vitro testing for pollen specific IgE antibodies to short ragweed pollen; and
3. Member must not have severe uncontrolled asthma; and
4. Member must have failed conservative attempts to control allergic rhinitis symptoms; and
5. Member must have failed pharmacological agents used to control allergies including the following (dates and duration of trials must be indicated on the prior authorization request):
  - a. **Antihistamines:** Trials of two different products for 14 days each during a previous season; and
  - b. **Montelukast:** One 14-day trial during a previous season in combination with an antihistamine; and
  - c. **Nasal steroids:** Trials of two different products for 21 days each during a previous season; and
6. Treatment must begin greater than or equal to 12 weeks prior to the start of ragweed pollen season and continue throughout the season; and
7. The first dose must be given in the physician's office and the member must be observed for at least 30 minutes post dose; and
8. A quantity limit of one tablet daily will apply; and
9. Initial approvals will be for the duration of six months of therapy to include 12 weeks prior to the season and continue throughout the season; and
10. Member must not be allergic to other allergens for which they are receiving treatment via subcutaneous immunotherapy also known as "allergy shots"; and
11. Member or family member must be trained in the use of an auto-injectable epinephrine device and have such a device available for use at home.
12. Prescriber must be an allergist, immunologist or be an advanced care practitioner with a supervising physician that is an allergist or immunologist.

State Plan Amendment Rate Committee (SPARC)  
November 6, 2014  
Selected DMEPOS Manually Priced Items – Priced at Fair Market Value

1. Is this a “Rate Change” or a “Method Change”?  
Method Change for selected DMEPOS (Durable Medical Equipment, Prosthetics, Orthotics and Supply) Manually Priced Items – Priced at Fair Market Value.
- 1b. Is this change an increase, decrease, or no impact?  
Budget increase – SFY 2015 (TOTAL \$37,910)- - - (STATE \$14,292) Prorated for 7 months – December 14, 2014 through June 15, 2015.
2. Presentation of issue – Why is change being made?  
The standard method of pricing DMEPOS manually priced items may cause an access issue for members.
3. Current methodology and/or rate structure.  
“Prior Authorization of manually-priced items. Manually priced items must be prior authorized. If manual pricing is used, the provider is reimbursed at the provider’s documented Manufacturer’s Suggested Retail Price (MSRP) minus 30% or invoice cost plus 30%, whichever is lesser of two. OHCA may establish a fair market price through claims review and analysis.”
4. New methodology or rate.  
This new methodology will invoke the fair market alternative included in Policy 317:30-5-216 Prior Authorization Requests (Revised 9/12/14) for selected DMEPOS Manually Priced items.  
  
“OHCA may establish a fair market price through claims review and analysis.”
5. Budget estimate.  
SFY 2015 (TOTAL \$37910)- - - (STATE \$14,292) prorated for 7 months – December 14, 2014 through June 15, 2015..
6. Agency estimated impact on access to care.  
This rate increase for selected DMEPOS manually priced items will encourage providers to provide these items and thus have a positive impact on member access to care
7. Rate or Method change in the form of a motion.  
The agency requests the State Plan Amendment Rate Committee to approve a methodology change for selected DMEPOS items from the Manual Pricing method to Fair Market Value Pricing method as listed on Exhibit A.
8. Effective date of change.  
December 1, 2014