PUBLIC NOTICE

Pursuant to C.F.R. § 447.205, the Oklahoma Health Care Authority (OHCA) is required to give public notice of any significant proposed change in methods and standards for setting payment rates for services in the SoonerCare program. The following payment changes will necessitate amendments to the Oklahoma Medicaid State Plan.

<u>Clarification Relating to December 2, 2016 Notice Regarding the Nursing Facilities Supplemental</u> <u>Payment Program</u>

On December 2, 2016, the OHCA issued public notice of a proposed supplemental payment program for nursing facilities owned and, as applicable, operated by non-state government owned (NSGO) entities, effective January 1, 2017. The state plan amendment, a copy of which can be obtained here, defines the scope, the payment methodology, and the payment frequency for the supplemental payment program as up to the allowable Medicare upper payment limit (UPL) to qualified NSGOs. The proposal changes the existing Cost-To-Charge Ratio methodology to a Medicare Resource Utilization Groups (RUG) methodology to calculate the UPL supplemental payment for participating NSGOs. As the December 2, 2016 Notice specifies, the estimated budget impact for the supplemental payment program is budget neutral, as the NSGOs will bear the cost of providing the state share match for the nursing facilities supplemental payment program and the program will leverage federal dollars that bridge the gap between Medicaid and Medicare payments up to the UPL. The estimated federal budget impact is \$133,659,261 for FFY 2017 and \$178,212,349 for FFY 2018. The nursing facilities supplemental payment program will provide additional funding that could help sustain financially challenged urban and rural nursing facilities as well as enhancing the quality of care for nursing home residents.

Copies of the proposed State Plan Amendment documents are available for public review at the OHCA by contacting Melinda Thomason at the Oklahoma Health Care Authority, 4345 N. Lincoln Blvd., OKC, Oklahoma, 73105, Telephone 405-522-7125. She will link callers with local agencies in each county where copies of the proposed changes are available for public review. Written and oral comments will be accepted during regular business hours by contacting Ms. Thomason as indicated. Comments submitted will be available for review by the public Monday – Friday, 9:00 a.m. to 4:30 p.m., at OHCA at the above address.