

PUBLIC NOTICE

Pursuant to 42 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 proposed change will necessitate an amendment to the Oklahoma Medicaid State Plan.

Supplemental Hospital Offset Payment Program Cost-to-Charge Ratio Calculation Update for Critical Access Hospitals, Effective: January 1, 2019

OHCA recommends a change to the way cost is calculated for Critical Access Hospital (CAH) inpatient Supplemental Hospital Offset Payment Program (SHOPP) payments. Historically, an inpatient specific cost-to-charge ratio has not been used for calculating inpatient SHOPP payments. In lieu of the inpatient specific cost-to-charge ratio (CCR), OHCA utilized the generic hospital cost-to-charge ratio which is applied to DRG outlier payments. This current method is a blended (inpatient/outpatient) CCR that is an average of cost reports available from the most recent three-year period. OHCA currently uses an outpatient specific cost-to-charge ratio in calculations for SHOPP CAH payments. CMS has approved OHCA to implement the proposed CCR methodology for UPL demonstration purposes, but to implement the change for SHOPP CAH payments would require a State Plan amendment. This is proposed as a more appropriate method to calculate a hospital's inpatient cost-to-charge ratio and more accurately reimburse CAHs for inpatient services under SHOPP. It is estimated that the proposed State Plan amendment will be budget neutral for State Fiscal Year (SFY) 2019 and SFY 2020 as the requested change will not affect the amount of reimbursement already allotted for these supplemental payments; the State Plan Amendment proposal will shift funding within the currently defined inpatient pools.

Persons wishing to present their views in writing or obtain copies of the proposed changes may do so at the following address: Sandra Puebla, Oklahoma Health Care Authority, 4345 N. Lincoln Blvd., Oklahoma City, Oklahoma, 73105, or by email at Sandra.Puebla@okhca.org. Copies of the proposed changes are available for public review at the OHCA by contacting Sandra Puebla by telephone 405-522-7270 or at the email address above. 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 Mrs. Puebla as indicated. Comments submitted will be available for review by the public Monday – Friday, 9:00 AM to 4:30 PM, at OHCA located at the above address. The proposed changes may also be viewed and receive written comments on the agency's website at www.okhca.org/proposedchanges.