



STATE OF OKLAHOMA
OKLAHOMA HEALTH CARE AUTHORITY

I/T/U Public Notice 2018-03

May 2, 2018

RE: Oklahoma Health Care Authority (OHCA) Proposed Rule, State Plan, and Waiver Amendments

Dear Tribal Representative:

The purpose of this letter is to give you notice of proposed changes that will be reviewed at the tribal consultation meeting held on May 16th, 2018 at 11 a.m. in the Oklahoma Health Care Authority (OHCA) Board Room at the OHCA's office, located at 4345 N Lincoln, Oklahoma City, OK. The OHCA invites you to attend this meeting, and we welcome any comments regarding the proposed changes. The agency is committed to active communication with tribal governments during the decision-making and priority-setting process and therefore keeps you apprised of all proposed changes.

Enclosed are summaries of the currently proposed rule, state plan, and waiver amendments for your review. The summaries describe the purpose of each change.

Please note that these are only proposed changes and have not yet taken effect. Before implementation, new changes must obtain budget authorization, the OHCA Board approval, and when applicable, federal approval and the governor's approval.

Additionally, the OHCA posts all proposed changes on the agency's [Policy Change Blog](#) and the [Native American Consultation Page](#). This public website is designed to give all constituents and stakeholders an opportunity to review and make comments regarding upcoming policy changes. To ensure that you stay informed of proposed policy changes, you may sign up for web alerts to be automatically notified when any new proposed policy changes are posted for comment.

The OHCA values consultation with tribal governments and will provide your representatives a reasonable amount of time to respond to this notification. If you have any questions or comments about the proposed policy changes, please use the online comment system found on the [Policy Change Blog](#) and/or the [Native American Consultation Page](#).

Sincerely,

Dana Miller
Director, Tribal Government Relations

Proposed Rule, State Plan, and Waiver Amendments

Laboratory Services Policy Update — The proposed revisions to laboratory services policy strengthens the language outlining medical necessity and compensable and non-compensable laboratory services. Additional revisions add language that defines penalties that can be enforced for not abiding by the rules regarding medical necessity. Finally, the revisions clarify that the Oklahoma Health Care Authority (OHCA) does not pay for all laboratory services listed in the Centers for Medicare and Medicaid Services (CMS) fee schedule, but only those that are medically necessary, in addition, to requiring four other conditions for payment.

Work Requirements as a Condition of SoonerCare Eligibility — The proposed policy will establish work requirements as a condition of eligibility for applicable adults age 19 through age 50. The agency has been instructed to use the SNAP criteria and exemptions to structure this provision as a condition of eligibility for certain individuals. The state is also able to propose exemptions for additional populations as it deems necessary to mitigate unintended negative eligibility consequences to appropriate populations. Revisions will outline work requirements, including but not limited to, activities that satisfy as work requirements, individuals who are exempt, steps to take if a member's exemption status or employment status changes, reenrollment conditions after a member loses eligibility for non-compliance, and fair hearing rights.

Institutional Provider Revisions — The proposed revisions add new language that defines the term "institutional provider" and describes how those provider types are responsible for a provider application fee at the time of new and revalidation (renewal) enrollment. This change is necessary to comply with federal regulation and the Centers for Medicare and Medicaid Services guidance.

Nursing Facility Rate Changes — For the rate period beginning July 1, 2018, a proposed amendment to the state plan will recalculate the Quality of Care fee for regular nursing facilities, nursing facilities serving residents with Acquired Immune Deficiency Syndrome, regular (greater than 16 beds) intermediate care facilities for individuals with intellectual disabilities (ICF/IID), and acute (16 beds or less) ICF/IID.

Title XXI State Plan Revisions — The proposed changes will revise and update the current Title XXI State Plan's Strategic Objectives and Performance Goals. These changes are being proposed because current measures and goals are obsolete, and it will allow the OHCA to effectively report on the Children's Health Insurance Program (CHIP) through the CHIP annual report. The revisions will update Section 9, of the Title XXI state plan, and establish new targets for performance to ensure the agency is in compliance with the SSA Strategic Objectives and Performance Goals for Title XXI and all applicable federal regulations.

Additionally, the Title XXI state plan will be revised to update Federal Participation Level percentages (FPL %) throughout the entire document to reflect current percentages, update sections within the plan to ensure compliance with federal regulation regarding parity, update language to reflect current practices regarding tribal consultation and public notice processes, renumber sections, remove obsolete processes, update the budget, and correct grammatical errors in order to comport with the new Title XXI state plan template format.

Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) — Changes to DMEPOS are needed to comply with the Home Health final rule and the CURES Act. Due to the Home Health final rule, DMEPOS will change from an optional benefit to a mandatory benefit. Further, language will be added to describe the DMEPOS benefit and coverage as well as align the provision of DMEPOS as per federal regulation. Revisions to the Home Health benefit will also be made to comply with guidance from the federal final rule. Additional revisions will establish reimbursement methodology for all DMEPOS items; the proposed methodology will define reimbursement for DMEPOS items

described within the CURES Act as well as reimbursement for DMEPOS items outside of that guidance.

Vaccine Reimbursement Rate Methodology — The proposed changes will establish a reimbursement methodology/establishment of reimbursement rates for vaccines.

Diagnostic, Preventative, and Other Medical Services — The proposed changes will identify, outline, and/or clarify coverage of diagnostic and preventive services. Revisions will also reflect current practice, applicable federal regulation, and will update any outdated reference and/or incorrect service coverage.

Provider Rate Increase — Upon legislative approval of Senate Bill 1605, revisions are needed to increase the current reimbursement rates for all SoonerCare-contracted provider types by two percent (2%), and increase the current rates for Sooner Care-contracted long-term care facilities by three percent (3%) with the following exemptions: services financed through appropriations to other state agencies, Durable Medical Equipment Prosthetics, Orthotics and Supplies (DMEPOS), non-emergency transportation, services provided to Insure Oklahoma (IO) members, payments for drug ingredients/physicians supplied drugs, Indian Health Services/Indian/Urban Clinics (I/T/U), Federally Qualified Health Centers (FQHCs), Program for the All-inclusive Care for the Elderly (PACE) and Rural Health Centers (RHCs). All rate increases must comply with state and federal law as well as state cost reimbursement methodologies.