

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. Due to the proposed rate increases to long-term care facilities, the Miller Trust eligibility amount effective October 1, 2018 will increase from \$4,443 to \$4,585 per month. The proposed payment changes below will necessitate amendments to the Oklahoma Medicaid State Plan. The proposed changes will be presented at two public meetings: the State Plan Amendment Rate Committee (SPARC) hearing on September 10, at 11:30 AM and the OHCA Board meeting on September 13, 2018, at 1:00 PM. Both meetings will be held at the OHCA offices located at 4345 N. Lincoln Blvd., OKC, OK 73105 in the OHCA Board Room.

Provider Rate Increases, Effective: October 1, 2018

Senate Bill 1605 mandated the Oklahoma Health Care Authority (OHCA) to increase most provider rates by two percent (2%); however, the OHCA proposes to exceed the legislative mandate and increase the current reimbursement rates for all SoonerCare-contracted provider types by three percent (3%) with the following exclusions: services financed through appropriations to other state agencies, Durable Medical Equipment Prosthetics, Orthotics and Supplies (DMEPOS), non-emergency transportation capitation payments, services provided to Insure Oklahoma (IO) members, payments for drug ingredients/physicians supplied drugs, Indian Health Services/Indian/Urban Clinics (I/T/U) services paid at the OMB rate, Federally Qualified Health Centers (FQHCs), Rural Health Centers (RHCs), and Long-term Care Facilities.

The proposed provider rate increases will impact, but not be limited to, the following providers, services, and/or payments: physician & physician assistant services, home health services, vaccine administration, freestanding ambulatory services centers, dental services, emergency transportation services, renal dialysis services, anesthesiology services, inpatient hospital services, outpatient hospital services, clinical laboratory, eyeglasses, hospice services, pharmacy dispensing fees, SoonerCare Choice capitated payments, SoonerExcel payments, as well as Medically Fragile home and community-based waiver services and Living Choice demonstration services. The Program of All-inclusive Care for the Elderly (PACE) was excluded from the legislatively mandated rate increases; however, OHCA will also increase PACE rates by three percent (3%). The estimated budget impact for the remainder of SFY2019 will be an increase of \$36,338,928 total; of which \$13,670,705 is state share. The estimated budget impact for SFY2020 will be an increase of \$45,451,904 total; of which \$18,689,111 is state share.

Long-term Care Facilities Rate Increases, Effective: October 1, 2018

Senate Bill 1605 mandated the Oklahoma Health Care Authority (OHCA) to increase the current reimbursement rates for SoonerCare-contracted long-term care (LTC) facilities by three percent (3%). However, the OHCA proposes to exceed the legislative mandate and increase the current reimbursement rates for LTC facilities, including regular nursing facilities, acquired immune deficiency syndrome (AIDS) nursing facilities, and regular and acute intermediate care facilities for individuals with intellectual disabilities (ICF/IID) facilities by four percent (4%). The 4% increase for LTC facilities is calculated only on the portion of the rate funded by state appropriations, resulting in an increase of the total rate of 3.2% for regular nursing facilities and acquired immune deficiency syndrome (AIDS) nursing facilities, and 3.5% increase for regular and acute intermediate care facilities for individuals with intellectual disabilities (ICF/IID) facilities. The estimated budget impact for SFY2019 is \$17,772,655 total; of which \$6,854,913 is state share (\$735,437 of the state share is from the increased QOC fee which is paid by the providers). The estimated budget impact for SFY2020 will be an increase of \$23,696,874 total; of which \$9,139,884 is state share (\$1,298,446 of the state share is from the increased QOC fee which is paid by the providers).

Regular Nursing Facilities Rate Increase

For regular nursing facilities, the Quality of Care (QOC) fee will be increased from \$11.48 to \$11.62 per patient day and the base rate component will be increased from \$107.98 to \$108.12 per

patient day. Additionally, the pool amount for the “other” and “Direct Care” components will change from \$158,938,847 to \$174,676,429 to account for the rate increase and reallocation of the direct care cost component as per the State Plan. The estimated budget impact for SFY 2019 will be an increase in the total amount of \$15,899,520; of which \$6,132,445 is state share (\$649,119 of the state share is from the increased QOC fee which is paid by the providers). The estimated budget impact for SFY 2020 will be an increase in the total amount of \$21,199,360; of which \$8,176,593 is state share (\$1,144,723 of the state share is from the increased QOC fee which is paid by the providers).

Nursing Facilities Serving Residents with Acquired Immune Deficiency Syndrome (AIDS) Rate Increase

For nursing facilities serving residents with AIDS, the Quality of Care fee will be increased from \$11.48 to \$11.62 and the rate for this provider type will be increased from \$201.32 to \$207.86. The estimated budget impact for SFY 2019 will be an increase in the total amount of \$48,377; of which \$18,659 is state share (\$1,959 of the state share is from the increased QOC fee which is paid by the providers). The estimated budget impact for SFY 2020 will be an increase in the total amount of \$64,503; of which \$24,879 is state share (\$3,483 of the state share is from the increased QOC fee which is paid by the providers).

Regular (Greater than 16 Beds) Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IID) Rate Increase

For regular ICF/IID facilities, the Quality of Care fee will be increased from \$7.39 to \$7.58 per patient day and the rate for this provider type will be increased from \$123.21 to \$127.49. The estimated budget impact for SFY 2019 will be an increase in the total amount of \$657,562; of which \$253,622 is state share (\$30,573 of the state share is from the increased QOC fee which is paid by the providers). The estimated budget impact for SFY 2020 will be an increase in the total amount of \$876,750; of which \$338,162 is state share (\$54,200 of the state share is from the increased QOC fee which is paid by the providers).

Acute (16 Bed-or-Less) Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IID) Rate Increase

For acute ICF/IID facilities, the Quality of Care fee will be increased to \$9.41 to \$9.66 per patient day and the rate for this provided type will be increased from \$157.43 to \$163.04 per patient day. The estimated budget impact for SFY 2019 will be an increase in the total amount of \$1,167,196; of which \$450,187 is state share (\$53,786 of the state share is from the increased QOC fee which is paid by the providers). The estimated budget impact for SFY 2020 will be an increase in the total amount of \$1,556,261; of which \$600,250 is state share (\$96,040 of the state share is from the increased QOC fee which is paid by the providers).

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.