NOTICE OF PUBLIC COMMENT PERIOD FOR RENEWAL OF SOONERCARE SECTION 1115 DEMONSTRATION

Pursuant to Section 431.408 and 447.205 of Title 42 of the Code of Federal Regulations, the Oklahoma Health Care Authority (OHCA) is required to provide public notice of its intent to submit an application to the Centers for Medicare & Medicaid Services (CMS) for renewal of its 1115(a) Demonstration waiver, as required by the demonstration's special terms and conditions. The OHCA currently has an approved 1115 waiver that expires on December 31, 2023.

This notice provides details about the waiver renewal submission and serves to open the 30-day public comment period, which closes on November 30, 2022. In addition to the 30-day public comment period, during which the public will be able to provide written comments to the OHCA, the agency will host two public hearings, during which the public may provide oral comments.

VIRTUAL PUBLIC HEARING

November 15, 2022, at 02:00 PM Central Time

Register for Public Hearing:

 $\underline{https://www.zoomgov.com/meeting/register/vJIscumhqDwuHvsmZInzd6mrLQ7DXNy5}$

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Dial-in: 833-568-8864 Meeting ID: 161 509 6744

VIRTUAL PUBLIC HEARING

November 17, 2022, at 05:00 PM Central Time

Register for Public Hearing:

https://www.zoomgov.com/meeting/register/vJItdu6tqzsqH39zub1eJbI9cQaiQpUaGE8

Dial-in: 833-568-8864 Meeting ID: 160 175 5005

The waiver renewal application requests an extension of the current SoonerCare model. The OHCA will submit a separate amendment request in 2023 to enroll a portion of the SoonerCare population into SoonerSelect Managed Care Entities. The SoonerSelect amendment request will be addressed through a separate public notice.

Prior to finalizing the proposed waiver renewal application, the OHCA will consider all written and verbal public comments received. The comments will be summarized and addressed in the final version submitted to CMS.

WAIVER RENEWAL SUMMARY AND OBJECTIVES

SoonerCare Choice is a statewide Primary Care Case Management (PCCM) model in which the OHCA contracts directly with providers throughout the State to provide SoonerCare Choice members a Patient-Centered Medical Home (PCMH) which offers Health Management Program and Health Access Networks services. SoonerCare Choice also authorizes the Insure Oklahoma program. Medical Homes are paid monthly care coordination payments for each beneficiary on their panel coupled with fee-for-service payment of medical claims. The 1115(a) SoonerCare Choice Demonstration serves Title XIX and CHIP populations, excluding

- Individuals dually eligible for Medicare and Medicaid;
- Individuals residing in an institution or nursing home;
- Individuals receiving home and community-based waiver services;
- Individuals infected with tuberculosis covered under Title XIX
- Individuals covered by a Managed Care Organization other than the SoonerCare demonstration PCCM;
- Individuals in the Former Foster Care group;
- Pregnant women with incomes between 134 percent and 185 percent FPL; and
- Individuals with other creditable coverage.

The OHCA seeks to renew the SoonerCare 1115 Demonstration with no modifications to the program's delivery system, eligibility requirements, benefit coverage, nor cost sharing or to the Special Terms and Conditions under which it is authorized to operate. The renewal would cover the same Medicaid Eligibility Groups currently served under the Demonstration. The proposed renewal would be a five-year period, from January 1, 2024 to December 31, 2028.

The OHCA proposes to continue to advance the same five critical objectives under the renewal period as in the current Demonstration period. Specifically:

- Waiver Objective 1: To improve access to preventive and primary care services;
- Waiver Objective 2: To provide each member with a medical home;
- Waiver Objective 3: To integrate Indian Health Services (IHS) eligible beneficiaries and IHS and tribal providers into the SoonerCare delivery system;
- Waiver Objective 4: To expand access to affordable health insurance for low income working adults and their spouses; and
- Waiver Objective 5: To optimize quality of care through effective care management.

FISCAL PROJECTIONS

The requested renewal does not change the budget neutrality model for current Demonstration populations. The tables on the following page present the estimated enrollment and expenditures for the renewal period with and without the Demonstration.

The table below presents projected enrollment and expenditures without the Demonstration.

	Demonstration Year		29		30	31		32		33		Total		
Calender Year		2024		2025		2026		2027		2028			Total	
Medicaid Per Capita														
TANF-Urban	Total	\$	2,393,503,043	\$	2,586,863,435	\$	2,795,844,546	\$	3,021,708,305	\$	3,265,818,586	\$	14,063,737,916	
	PMPM	\$	500.50	\$	524.53	\$	549.71	\$	576.09	\$	603.74		, , ,	
	Member Months	ľ	4,782,187		4,931,793		5,086,078	ľ	5,245,191		5,409,281			
TANF-Rural	Total	\$	1,497,510,465	\$	1,614,919,681	\$	1,741,534,124	\$	1,878,075,511	\$	2,025,322,143	\$	8,757,361,923	
	PMPM	\$	507.65	\$	532.02	\$	557.56	\$	584.32	\$	612.37			
	Member Months	\$	2,949,881	\$	3,035,458	\$	3,123,518	\$	3,214,133	\$	3,307,376			
ABD-Urban	Total	\$	629,089,430	\$	669,840,151	\$	713,230,595	\$	759,431,755	\$	808,625,702	\$	3,580,217,634	
	PMPM	\$	1,713.35	\$	1,795.60	\$	1,881.78	\$	1,972.11	\$	2,066.77			
	Member Months	\$	367,168	\$	373,046	\$	379,018	\$	385,086	\$	391,251			
ABD-Rural	Total	\$	369,040,856	\$	382,821,617	\$	397,116,980	\$	411,946,162	\$	427,329,097	\$	1,988,254,712	
	PMPM	\$	1,368.01	\$	1,433.67	\$	1,502.49	\$	1,574.61	\$	1,650.19			
	Member Months	\$	269,765	\$	267,022	\$	264,306	\$	261,618	\$	258,958			
TOTAL		\$	4,889,143,794	\$	5,254,444,884	\$	5,647,726,245	\$	6,071,161,733	\$	6,527,095,529	\$	28,389,572,185	

The table below provides a summary of "with waiver" expenditures. Projected expenditures for the Demonstration renewal period are lower than the "without waiver" expenditure projections and therefore meet Section 1115 budget neutrality requirements.

Demonstration Year		29		30	31			32	33			Total	
Calender Year		2024		2025		2026		2027		2028		TOTAL	
Medicaid Per Capita													
TANF-Urban	\$	1,292,854,506	\$	1,397,298,431	\$	1,510,179,914	\$	1,632,180,585	\$	1,764,037,145	\$	7,596,550,582	
TANF-Rural	\$	822,355,956	\$	846,553,087	\$	987,533,902	\$	1,170,635,016	\$	1,028,717,828	\$	4,855,795,788	
ABD-Urban	\$	556,862,616	\$	592,934,679	\$	631,343,393	\$	672,240,120	\$	715,786,027	\$	3,169,166,835	
ABD-Rural	\$	423,015,978	\$	438,812,283	\$	455,198,456	\$	472,196,522	\$	489,829,332	\$	2,279,052,571	
Medicaid Aggregate - WW only													
Non-Disabled Working Adults ESI	\$	46,129,945	\$	48,425,186	\$	50,834,629	\$	53,363,957	\$	56,019,133	\$	254,772,851	
TEFRA Children	\$	16,292,302	\$	18,700,789	\$	21,465,321	\$	24,638,534	\$	28,280,842	\$	109,377,789	
Full-Time College Students ESI	\$	539,068	\$	567,186	\$	596,770	\$	627,898	\$	660,649	\$	2,991,570	
Non-Disabled Working Adults IP	\$	589,041	\$	618,349	\$	649,116	\$	681,413	\$	715,318	\$	3,253,237	
Full-Time College Students IP	\$	5,863	\$	6,154	\$	6,460	\$	6,782	\$	7,119	\$	32,379	
HAN Expenditures	\$	12,533,288	\$	13,042,771	\$	13,572,964	\$	14,124,711	\$	14,698,885	\$	67,972,619	
HMP Expenditures	\$	15,101,479	\$	16,006,074	\$	16,964,856	\$	17,981,070	\$	19,058,156	\$	85,111,634	
Medical Education Programs	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	
TOTAL	\$	3,186,280,042	\$	3,372,964,990	\$	3,688,345,781	\$	4,058,676,607	\$	4,117,810,435	\$	18,424,077,855	

DEMONSTRATION EVALUATION

The approved evaluation design includes hypotheses related to evaluation of access, quality and cost effectiveness under the Demonstration. The evaluation design will be retained for the new Demonstration period to facilitate trending of performance across Demonstration periods.

The approved evaluation design identifies evaluation activities specific to the Demonstration's current care coordination models, SoonerCare Health Access Networks (HANs) and the SoonerCare Health Management Program (HMP). Hypotheses specific to the current care coordination models relate to improved access to care, health quality/outcomes, satisfaction, emergency room utilization and cost-effectiveness. The evaluation design will be modified to also test these hypotheses for individuals enrolled in SoonerSelect.

The approved evaluation design also includes hypotheses related to waiving of retroactive eligibility for a portion of the existing SoonerCare population. The design adheres to CMS guidance for evaluation of retroactive eligibility waivers in all states for which such waivers are a component of the Demonstration.

Following approval of the amendment request, the OHCA will prepare and submit a formal Evaluation Design for CMS review and approval, in accordance with requirements and timelines specified by CMS.

WAIVER AND EXPENDITURE AUTHORITY

The OHCA seeks to extend currently approved waivers, including:

<u>Freedom of Choice Section 1902(a)(23)(A)</u>: To enable the State to restrict beneficiaries' choice of care management providers, and to use selective contracting that limits freedom of choice of certain provider groups to the extent that the selective contracting is consistent with beneficiary access to quality services.

<u>Retroactive Eligibility Section 1902(a)(34)</u>: To enable the State to waive retroactive eligibility for Demonstration participants, with the exception of pregnant women (and during the 60-day period beginning on the last day of pregnancy), children described in section 1902(l)(4) of the Act, the Tax Equity and Fiscal Responsibility Act (TEFRA) and Aged, Blind, and Disabled populations.

The OHCA seeks to extend the currently approved expenditure authorities, including all those listed below for specific Demonstration populations. Note that the OHCA has received approval to phase-out Demonstration Populations 12-16, whose members are now covered under the Medicaid expansion. The phase-out will occur following termination of the Public Health Emergency.

<u>Demonstration Population 5</u>: Expenditures for health benefits coverage for individuals who are "Non-Disabled Low Income Workers" age 19–64 years who work for a qualifying employer and have income no more than 200 percent of the federal poverty level (FPL), and their spouses.

<u>Demonstration Population 6</u>: Expenditures for health benefits coverage for individuals who are "Working Disabled Adults" 19-64 years of age who work for a qualifying employer and have income up to 200 percent of the FPL.

<u>Demonstration Population 8</u>: Expenditures for health benefits coverage for no more than 3,000 individuals at any one time who are full-time college students age 19 through age 22 and have income not to exceed 200 percent of the FPL, who have no creditable health insurance coverage, and work for a qualifying employer.

<u>Demonstration population 10</u>: Expenditures for health benefits coverage for foster parents who work for an eligible employer and their spouses with household incomes no greater than 200 percent of the FPL.

<u>Demonstration Population 11</u>: Expenditures for health benefits coverage for individuals who are employees and spouses of not-for-profit businesses with 500 or fewer employees, work for a qualifying employer, and with household incomes no greater than 200 percent of the FPL.

<u>Demonstration Population 12</u>: Expenditures for health benefits coverage for individuals who are "Non-Disabled Low Income Workers" age 19–64 years whose employer elects

not to participate in the Premium Assistance Employer Coverage Plan, who are self-employed, or unemployed, and have income up to 100 percent of the FPL, and their spouses.

Demonstration Population 13. Expenditures for health benefits coverage for individuals who are "Working Disabled Adults" 19-64 years of age whose employer elects not to participate in the Premium Assistance Employer Coverage Plan, as well as those who are self-employed, or unemployed (and seeking work) and who have income up to 100 percent of the FPL.

Demonstration Population 14. Expenditures for health benefits coverage for no more than 3,000 individuals at any one time who are full-time college students age 19 through age 22 and have income not to exceed 100 percent of the FPL, who have no creditable health insurance coverage, and do not have access to the Premium Assistance Employer Coverage Plan.

Demonstration Population 15. Expenditures for health benefits coverage for individuals who are working foster parents, whose employer elects not to participate in Premium Assistance Employer Coverage Plan and their spouses with household incomes no greater than 100 percent of the FPL.

Demonstration Population 16. Expenditures for health benefits coverage for individuals who are employees and spouses of not-for-profit businesses with 500 or fewer employees with household incomes no greater than 100 percent of the FPL, and do not have access to the Premium Assistance Employer Coverage Plan.

Health Access Networks Expenditures. Expenditures for Per Member Per Month payments made to the Health Access Networks for case management activities.

Premium Assistance Beneficiary Reimbursement. Expenditures for reimbursement of costs incurred by individuals enrolled in the Premium Assistance Employer Coverage Plan and in the Premium Assistance Individual Plan that are in excess of five percent of annual gross family income.

Health Management Program. Expenditures for otherwise non-covered costs to provide services authorized through the Health Management Program as described in these STCs.

Medical Education Programs. Expenditures, not to exceed \$115,517,737 total computable, to phase down federal expenditures for the state's medical education programs operated at the University of Oklahoma and Oklahoma State University.

The OHCA requests any additional waivers or expenditure authorities deemed necessary by CMS for continued operation of the Demonstration in its current form.

ADDITIONAL INFORMATION AND COMMENTS

Interested persons may visit www.okhca.org/PolicyBlog to view a copy of the proposed waiver amendment, public notice(s), location and times of public hearings, a link to provide public comments on the proposal, supplemental information, and updates.

Interested persons may visit oklahoma.gov/ohca/policies-and-rules/public-notices to view a copy of the public notice(s) and location and times of public hearings and visit oklahoma.gov/ohca/policies-and-rules/proposed-changes to view a copy of the proposed demonstration waiver renewal request, supplemental information, updates, and a link to provide public comments on the proposal. Persons wishing to present their views in writing or obtain copies of the proposed waiver may do so via mail by writing to: Oklahoma Health Care Authority, Federal Authorities Unit, 4345 N. Lincoln Blvd., Oklahoma City, Oklahoma 73105, or by email at federal.authorities@okhca.org. Written comments or requests for copies of the proposed waiver will be accepted by contacting OHCA as indicated. Comments submitted through the OHCA policy blog will be available for review online at www.okhca.org/PolicyBlog. Other written comments are available upon request at federal.authorities@okhca.org. Comments will be accepted from November 1, 2022 until November 30, 2022.