



**OKLAHOMA**

**SOONERCARE I/T/U PCMH REDESIGN  
I/T/U STAKEHOLDER MEETING**

**Oklahoma Health Care Authority/Pacific Health Policy Group**  
January 5, 2021

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## TODAY'S AGENDA

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1. Introductions
2. Overview of SoonerCare I/T/U Patient-Centered Medical Home (PCMH) Redesign
3. Approval Status - Redesign Request
4. Discussion - I/T/U PCMH Rate Methodology

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## I/T/U PCMH REDESIGN

- ▶ The OHCA and I/T/U stakeholders collaborated to develop the proposed I/T/U PCMH redesign
- ▶ The proposed I/T/U PCMH provider participation standards:
  - ▶ Align with current SoonerCare PCMH Tier 3 core participation standards
  - ▶ Require providers to offer care management program for one or more chronic conditions to address health disparities
  - ▶ Require providers to treat all qualifying patients, even if the provider is not the assigned PCMH (*not a new requirement*)

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## I/T/U PCMH REDESIGN

### 1. I/T/U providers must meet all requirements for the OHCA's highest Patient Centered Medical Home Tier ("Optimal" or Tier 3)

<b>Access to Care and Follow-up</b> <ul style="list-style-type: none"> <li>• Provide all primary/preventive care</li> <li>• Offer 30+ appointment hours per week</li> <li>• Offer 4+ hours of after-hours care per week</li> <li>• Maintain open appointment slots for same-day</li> <li>• Provide 24 hour/7-day telephone coverage</li> <li>• Conduct post-visit outreach</li> <li>• Coordinate transition from inpatient/outpatient</li> </ul>	<b>Care Coordination</b> <ul style="list-style-type: none"> <li>• Perform care coordination/care management</li> <li>• Provide patient/family education</li> <li>• Explain "medical home" expectations</li> <li>• Conduct behavioral health screenings</li> <li>• Promote access to care through communications</li> <li>• Develop healthcare team model</li> <li>• Use health assessment tools to identify risks</li> <li>• Implement evidence-based clinical guidelines</li> <li>• Implement medication management procedure</li> </ul>	<b>Health Information</b> <ul style="list-style-type: none"> <li>• Maintain clinical data/charting system</li> <li>• Maintain medication list within medical record</li> <li>• Maintain step-by-step process to track lab tests</li> <li>• Maintain step-by-step process to track referrals</li> <li>• Use OHCA data to track members</li> </ul>
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### 2. I/T/U Providers also must address disparities to care in their communities by developing a targeted care management program for one or more prevalent chronic conditions

<b>Physical Health</b> <ul style="list-style-type: none"> <li>• Asthma</li> <li>• Chronic Obstructive Pulmonary Disease (COPD)</li> <li>• Chronic Pain Management</li> <li>• Congestive Heart Failure (CHF)</li> <li>• Coronary Artery Disease (CAD)</li> <li>• Diabetes</li> <li>• HIV/AIDS</li> <li>• Hypertension</li> </ul>	<b>Behavioral Health</b> <p>Examples could include:</p> <ul style="list-style-type: none"> <li>• Depression</li> <li>• Substance Use Disorder</li> </ul>	<b>Other</b> <ul style="list-style-type: none"> <li>• Provider-specified physical or behavioral health condition based on need(s) within the community</li> </ul>
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### 3. I/T/U Providers must treat all qualifying members who seek care at their facilities, regardless of whether the Provider is the PCMH of record for the patient

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## I/T/U PCMH REDESIGN

- ▶ The OHCA is committed to increasing the I/T/U case management fee from its current level
- ▶ The OHCA's initial concept was to increase the fee to \$10.00 PMPM for all members, up from:
  - ▶ \$3.00 PMPM (children Age 1 and Under, ABD)
  - ▶ \$2.00 PMPM (all others)
- ▶ The proposed rate of \$27.25 per member per month (pmpm) is based on the Arizona's approved rate for its American Indian Medical Home model

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## I/T/U PCMH REDESIGN

- ▶ **Arizona Rate Methodology**
  - ▶ Based on American Indian Health Program cost data from IHS and tribal facilities
  - ▶ Baseline = \$13.26
  - ▶ Diabetes Education = \$2.00
  - ▶ Medical Home "Plus" = \$7.50 (Participation in health information exchange [HIE] and regional Care Management Collaboratives [CMCs])
  - ▶ Annual inflation factor of 4.6 percent based on average annual increase in outpatient all-inclusive rate over 10-year period

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## APPROVAL STATUS - REDESIGN REQUEST

- ▶ The OHCA submitted a request to amend the SoonerCare I115 Demonstration on May 1, 2020
  - ▶ The amendment request indicated that the OHCA based its proposed rate of \$27.25 on the approved Arizona model for American Indian Medical Homes
  - ▶ The OHCA proposed a rate of \$28.50 for Calendar Year 2022 and \$29.81 for Calendar Year 2023 (4.6% inflation factor)
- ▶ The Centers for Medicare and Medicaid Services (CMS) has requested justification regarding the proposed rate of \$27.25 pmpm
  - ▶ CMS requested that the rate be based on quantifiable data related to the cost of providing PCMH services
  - ▶ CMS indicated that the rate model could incorporate:
    - ▶ Health disparities
    - ▶ Healthcare cost increases

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## DISCUSSION – I/T/U PCMH RATE METHODOLOGY

- ▶ **Objective:** estimate the average cost per member, per month
  - ▶ Discussion of available cost data
    - ▶ Salary cost data – physicians, nurse, care managers
    - ▶ Care management program costs
    - ▶ Other costs (e.g., health information, referral management)
  - ▶ Other baseline data options
    - ▶ Current SoonerCare PCMH Tier 3 payment rates
      - Adult Only: \$8.82; Child and Adult: \$7.61; Child: \$6.28
      - Blended Average Rate = \$7.20
    - ▶ Case management payment rate
      - HCPCS Code T1016, per 15 minutes
      - Oklahoma Medicaid Rate = \$15.29

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## DISCUSSION – I/T/U PCMH RATE METHODOLOGY

### Preliminary Rate Model for Discussion

- ▶ Two Components
  - ▶ Care Coordination Activities
  - ▶ Care Management Program(s) to Address Health Disparities
- ▶ Care Coordination Activities
  - ▶ Assumptions
    - ▶ Average amount of time spent per member, per month = 20 minutes
    - ▶ Use existing SoonerCare payment rate for care management as reasonable estimate of costs (\$15.29/15 minutes)
  - ▶ Calculations
    - ▶ 20 minutes/15 minutes = 1.33
    - ▶ Care Coordination Activities component =  $\$15.29 \times 1.33 = \$20.39$  pmpm

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## DISCUSSION – I/T/U PCMH RATE METHODOLOGY

### Preliminary Rate Model for Discussion (Continued)

- ▶ Care Management Program(s) to Address Health Disparities
  - ▶ Assumptions
    - ▶ PCMH provider with an average monthly caseload of 600 SoonerCare members will operate one care management program (providers with larger panels likely to operate more than one care management program)
    - ▶ Average annual salary for patient educator equal to \$42,000
    - ▶ Fringe benefits equal to 26 percent
    - ▶ Overhead costs (e.g., office, computer, patient materials) equal to 20 percent of salary costs
  - ▶ Calculations
    - ▶ Salary and Fringe = \$52,920 ( $\$42,000 \times 1.26$ )
    - ▶ Overhead = \$8,400 ( $\$42,000 \times .2$ )
    - ▶ Total Costs = \$61,320 ( $\$52,920 + \$8,400$ )
    - ▶ Care Management Program component =  $\$61,320 / (600 \text{ members} \times 12 \text{ months}) = \$8.52$  pmpm

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## DISCUSSION – I/T/U PCMH RATE METHODOLOGY

### Preliminary Rate Model for Discussion (Continued)

#### PCMH Rate Summary – Preliminary Model

Component	Rate
Care Coordination Activities	\$20.39
Care Management Program(s) to Address Health Disparities	\$8.52
<b>Total</b>	<b>\$28.91</b>