



STATE OF OKLAHOMA
OKLAHOMA HEALTH CARE AUTHORITY

I/T/U Public Notice 2011-02

February 28, 2011

RE: Oklahoma Health Care Authority (OHCA) Proposed Rule Changes for State Health Programs

Dear Tribal Representative:

The purpose of this letter is to give you notice of proposed rule changes that will be reviewed at the Medical Advisory Committee (MAC) meeting held on March 9, 2011. The OHCA is committed to active communication with Tribal Governments during the OHCA decision-making and priority-setting process and therefore keeps you apprised of all proposed rule changes.

Enclosed is a summary of the currently proposed rule changes for your review. The summary describes the purpose of each rule change and the anticipated impact on those affected. To view the complete proposal for the March 9 MAC, you can visit www.okhca.org/macagenda.

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

Additionally, OHCA is now posting all proposed rule changes on the Agency's public website <http://www.okhca.org/providers.aspx?id=122>. The proposed rule changes page is designed to give all constituents and stakeholders an opportunity to review and make comments regarding upcoming rule changes. To ensure that you stay apprised of proposed rule changes, you may sign up for web alerts for the page and you will automatically be notified when any new rules are posted for comment.

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 rule changes, please contact Trevlyn Cross, Director of SoonerCare Indian Health Unit. She can be reached at 405-522-7303 or via email at Trevlyn.Cross@okhca.org.

Sincerely,

A handwritten signature in black ink, appearing to read "Garth L. Splinter, M.D." with a stylized flourish at the end.

Garth L. Splinter, M.D.

State Medicaid Director

OHCA Initiated

10-04 Federally Qualified Health Center (FQHC) Rules – Rules are revised to clarify reimbursement methods for providers of FQHC's and their relationship to the Prospective Payment System (PPS) rate. Currently rules are not clear as to which providers would be reimbursed the PPS rate for services provided. Additionally, rules are revised to clarify requirements for FQHC contracting and behavioral health services provided in school settings.

Budget Impact – Budget Neutral

10-37 Oklahoma Cares Breast and Cervical Cancer Treatment Program

Rules are revised to add a provision for medical eligibility review by the OHCA. The medical review will ensure that the original screening has properly identified the woman as eligible for further testing or treatment. The rule revision further clarifies that income is a requirement for eligibility through SoonerCare, clarifies the meaning of "in need of treatment" and adds to policy that medical and financial eligibility appeals for applicants will be handled through the OHCA.

Budget Impact - \$543,000 total annual savings; \$135,750 state share

10-58 Dental Rules – General Dental and Orthodontic rules are revised to ensure consistency throughout policy by: (1) Clarifying eligibility requirements for SoonerCare orthodontic services; (2) clarifying provider requirements for General or Pediatric dental practitioners who have completed at least 200 certified hours of continuing education in the field of orthodontics practice; (3) requiring certain documentation in order to receive prior authorization for services as well as other minor formatting revisions; and (4) to allow reimbursement to primary care providers for application of fluoride varnish to the gums and teeth of children ages 12 months to 42 months during a well-child visit. Reimbursement is limited to two applications per year.

Budget Impact – Total first Year Impact of \$201,115, state share of \$70,511; Total Impact for each following year of \$39,097, state share of \$13,707

10-60 Electronic Medical Records - Rules are revised to clarify requirements when documenting electronic health records. Electronic health records are required to be completed prior to claim submission or no later than 45 days after the date of service, whichever is later.

Budget Impact – Budget Neutral

10-62 Pharmacy Pricing Benchmark Revisions – Pharmacy rules are revised to set a new pricing benchmark effective September 2011 as a result of the discontinuation of publishing Average Wholesale Price (AWP) by OHCA's pharmacy pricing vendor. In order to continue to pay claims a new pricing benchmark is set. OHCA recommends using Wholesale Acquisition Cost (WAC) to replace AWP. Additional revisions include general policy cleanup as it relates to these sections.

Budget Impact – Budget Neutral

10-67 Clinic Services – Agency rules are revised to add clarification and differentiate between provider group and clinic contracts. Provider groups are business entities in which one or more individual providers practice. Provider clinics are facilities or distinct parts of facilities used for the diagnosis and treatment of outpatients. Provider clinics are limited to organizations serving specialized treatment requirements or distinct groups. Clinics must have a specialized contract with the Oklahoma Health Care Authority (OHCA). These rules allow the OHCA to effectively distinguish between provider business entities and treatment facilities during the contracting process.

Budget Impact – Budget Neutral

10-68 Telemedicine Revisions – Agency telemedicine rules are revised to clarify that telemedicine networks be approved at the OHCA's discretion to ensure medical necessity. **Budget Impact** – Budget Neutral

10-70 Medically Fragile Waiver - Rules are revised for the Medically Fragile Waiver program to allow for the inclusion of medically fragile individuals with intellectual disabilities. This population is not currently served in any of the OHCA waivers. The Medically Fragile Waiver has services and supports in place to ensure quality of care for this specific population.

Budget Impact – Budget Neutral

10-71 HCBS Assessment - Rules are revised to include general information about three new Waivers operated by the OHCA, the Medically Fragile Waiver, the My Life My Choice Waiver and the Sooner Seniors Waiver. Additionally language is added requiring the OHCA to assess all contracted home-based providers of waiver services an amount of 5.5% of gross revenues. The assessment is to be placed in a Home-Based Quality Assurance fund and used by the Authority for payment of eligible HCBS services. Initiation of the assessment is contingent upon approval by the Centers for Medicare and Medicaid.

Budget Impact – Total annual cost \$54,694,996; state share \$2,233,602

10-77 Proof of Pregnancy Submission Timeframe – Eligibility rules are revised to clarify that pregnant women have thirty (30) days within application submission to provide medical proof of pregnancy in order to continue receiving SoonerCare benefits. Previous policy allowed a period of ten (10) days for submission of pregnancy verification.

Budget Impact – Budget Neutral

OKDHS Initiated

10-59 DDSD Policy Clean-up - Rule revisions are proposed by the OKDHS Developmental Disability Services Division (OKDHS/DDSD) pertaining to clarification of policy for: Eligibility for services in an ICF/MR and HCBS waiver for persons with mental retardation and related conditions, screening process for in-home supports providers, back-up plan provisions for specialized foster care members and allowance for natural supports within the specialized foster care member's home. Clarification is also

provided on training requirements for providers of job coaching services and the limits on goods and services provided through Self-Direction. Additionally policy is revised to clarify provider qualifications for assistive technology devices, and the procurement review/approval process for assistive technology devices. Further policy revisions include clarification of transportation provider responsibilities, services not covered and limits on the types of adapted transportation allowable. Lastly, policy is revised to include clarification of family training provider qualifications and coverage limitations.

Budget Impact – Budget Neutral

10-69 ADvantage Waitlist and Cost Cap - OHCA rules for the ADvantage Waiver are revised to remove language approving ADvantage services when services exceed the established cost cap and remove exceptions to the cost cap. Additionally, waitlist procedures are revised to prohibit entry into the waiver at 90% of capacity, rather than the current 102% of capacity and all exceptions to the waitlist procedure are eliminated. Lastly, language is revised to state that OKDHS performs all eligibility determinations rather than the ADvantage Administration (AA).

Budget Impact – Total \$409,777; OKDHS state share - \$143,668