

## **AGENDA**

July 19<sup>th</sup>, 2018  
1:00 PM – 3:30 PM

Charles Ed McFall Board Room

- I. Welcome, Roll Call, and Public Comment Instructions: **Chairman, Steven Crawford, M.D.**
- II. Action Item: Approval of Minutes of the May 17th, 2018: **Medical Advisory Committee Meeting**
- III. Public Comments (2 minute limit)
- IV. MAC Member Comments/Discussion
- V. Financial Report: **Aaron Morris, Chief Financial Officer**
  - A. 2019 Budget Work Program: **Tasha Black, Director of Budget and Fiscal Planning**
- VI. SoonerCare Operations Update: **Melinda Thomason, Director of Health Care Systems Innovation**
  - A. Value Based Care SoonerCare Pharmacy: **Burl Beasley, Assistant Director of Pharmacy**
- VII. Proposed Rule Changes: Presentation, Discussion, and Vote: **Tywanda Cox, Chief of Federal & State Policy**
  - A. **18-02 Work and Community Engagement Requirements as a Condition of SoonerCare Eligibility for Adults**
- VIII. Action Item: Vote on Proposed Rule Changes: **Chairman, Steven Crawford, M.D.**
- IX. New Business: **Chairman, Steven Crawford, M.D.**
- X. Future Meeting:  
September 20<sup>th</sup>, 2018  
November 15<sup>th</sup>, 2018
- XI. Adjourn

Oklahoma Health Care Authority  
MEDICAL ADVISORY COMMITTEE  
MINUTES of the May 17<sup>th</sup>, 2018 Meeting  
4345 N. Lincoln Blvd., Oklahoma City, OK 73105

**I. Welcome, Roll Call, and Public Comment Instructions:**

Chairman Steven Crawford called the meeting to order at 1:00 PM.

***Delegates present were:*** Ms. Debra Billingsly, Dr. Joe Catalano, Dr. Steve Crawford, Ms. Wanda Felty, Mr. Don Flinn, Dr. Arlen Foulks, Ms. Terrie Fritz, Mr. Mark Jones, Dr. John Linck, Ms. Annette Mays, Ms. Toni Pratt-Reid, Dr. Edd Rhoades, Dr. Jason Rhynes, Mr. Rick Snyder, Mr. Jeff Tallent, and Dr. Paul Wright.

***Alternates present were:*** Ms. Sarah Baker, Ms. Katie Roberts, Mr. Traylor Rains-Sims and Dr. Kanwal Obhrai.

***Delegates absent without an alternate were:*** Ms. Renee Banks, Ms. Mark Brinkley, Dr. Kenneth Calabrese, Mr. Brett Coble, Mr. Steve Goforth, Dr. Ashley Ormich, Mr. James Patterson, Dr. J. Daniel Post, and Dr. Raymond Smith.

**II. Approval of the March 15th, 2018 Minutes**

Medical Advisory Committee

**The motion to approve the minutes was by Mr. Jeff Tallent and seconded by Don Flinn and passed unanimously.**

**III. Financial Report:**

Gloria Hudson, Director of General Accounting

Ms. Hudson presented the financial report ending in March 2018. The state dollar budget variance is at a positive 5.8 Million dollars. The variance is 5.1 million dollars lower than the prior month. On the program administrative services side we are over budget in Medicaid program spending by 2.9 million state dollars, and under budget in administrative services by 3.6 million state dollars. On the revenue side we are over budget in tobacco taxes and collection fees for 2.5 million dollars in drug rebate for 3.1 million state dollars and under budget in Medicaid refunds for .5 million state dollars. With preliminary information in through May, it appears that we remain at or slightly over budget.

**IV. SoonerCare Operations Update:**

Nancy Nesser, Senior Director of Pharmacy

Ms. Nesser presented the SoonerCare Operations Update to the committee. She presented information based on data for March of 2018. SoonerCare Choice continues to be our largest membership with 535,704 lives and the majority of those are children. Our per member per month (PMPM) cost remains low and SoonerCare Traditional continues to remain steady on PMPM as well.

Oklahoma Health Care Authority  
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Insure Oklahoma has a slight decrease in total enrollment between individual plan and ESI (Employer-Sponsored Insurance). In this report we separated SoonerPlan from the other programs because it is a very limited benefit package and it is very low cost with the PMPM being at 9 dollars. The special graphs are an overview of the provider community; the first graph shows the steady enrollment for pharmacy, optometrist, extended care facility and hospitals. For more detailed information, see item 6 in the MAC agenda.

**A. OHCA Responds to the Opioid Crisis:**

Burl Beasley, Assistant Director of Pharmacy

Mr. Beasley provided an update on OHCA's response to the opioid crisis and initiatives taken. For more detailed information, see item 6A in the MAC agenda.

**V. Legislative Update:**

Cate Jeffries, Interim Legislative Liaison

Ms. Jeffries provided an update that before the legislature left they passed a new appropriations bill, which provided us with a little over 1 billion dollars. Also approved was a budget limits bill that directed a 3 percent long term care facility provider rate increase and a 2 percent provider rate increase for all others with some exclusions, to take effect no earlier than October 1<sup>st</sup>. HB 2932 passed and was signed by the governor. It asks OHCA to pursue waiver authority to implement work requirements for some of the SC members, which we have begun working to implement. Senate Bill 972 requires us to examine the feasibility of diabetes self-managing training coverage, so we will be submitting a report to the legislature by the end of the year that will go over feasibility of offering that coverage and potential costs. The bill also directs that if there is funding available OHCA is to pursue a state plan amendment to add that coverage for SC members. Senate Bill 1591 provides authority to establish a supplemental reimbursement program for certain ground emergency medical transportation services owned by government entities, and establishes a methodology for them to draw down additional federal dollars for the program.

**VI. New Business: Chairman, Steven Crawford, M.D.**

No new business was identified.

**VII. Future Meeting**

July 19<sup>th</sup>, 2018

**VIII. Adjournment**

Oklahoma Health Care Authority  
MEDICAL ADVISORY COMMITTEE  
MINUTES of the May 17<sup>th</sup>, 2018 Meeting  
4345 N. Lincoln Blvd., Oklahoma City, OK 73105

Dr. Crawford asked for a motion to adjourn. Motion was provided by Dr. Jason Rhynes and seconded by Dr. Paul Wright. There was no dissent and the meeting was adjourned at 1:55p.m.

DRAFT



## FINANCIAL REPORT

For the Ten Months Ended April 30, 2018  
Submitted to the CEO & Board

- Revenues for OHCA through April, accounting for receivables, were **\$3,497,244,733** or **.3% over** budget.
- Expenditures for OHCA, accounting for encumbrances, were **\$3,485,221,890** or **.3% over** budget.
- The state dollar budget variance through April is a positive **\$477,716**.
- The budget variance is primarily attributable to the following (in millions):

|                             |              |
|-----------------------------|--------------|
| <b>Expenditures:</b>        |              |
| Medicaid Program Variance   | (10.5)       |
| Administration              | 4.5          |
| <b>Revenues:</b>            |              |
| Drug Rebate                 | 4.8          |
| Medical Refunds             | (.9)         |
| Taxes and Fees              | 2.6          |
| <b>Total FY 18 Variance</b> | <b>\$ .5</b> |

### ATTACHMENTS

|   |   |
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| Fund 230: Quality of Care Fund Summary  | 5 |
| Fund 245: Health Employee and Economy Act Revolving Fund                            | 6 |
| Fund 250: Belle Maxine Hilliard Breast and Cervical Cancer Treatment Revolving Fund | 7 |

**OKLAHOMA HEALTH CARE AUTHORITY**  
**Summary of Revenues & Expenditures: OHCA**  
**SFY 2018, For the Ten Month Period Ending April 30, 2018**

| REVENUES  | FY18<br>Budget YTD      | FY18<br>Actual YTD      | Variance              | % Over/<br>(Under) |
|---|-------------------------|-------------------------|-----------------------|--------------------|
| State Appropriations  | \$ 858,953,921          | \$ 858,953,921          | \$ -                  | 0.0%               |
| Federal Funds   | 1,942,353,431           | 1,940,451,975           | (1,901,456)           | (0.1)%             |
| Tobacco Tax Collections   | 40,292,682              | 43,240,664              | 2,947,982             | 7.3%               |
| Quality of Care Collections   | 65,134,618              | 64,797,436              | (337,182)             | (0.5)%             |
| Prior Year Carryover  | 44,249,967              | 44,249,967              | -                     | 0.0%               |
| Federal Deferral  | 12,895,765              | 12,895,765              | -                     | 0.0%               |
| Drug Rebates  | 246,902,717             | 258,583,975             | 11,681,258            | 4.7%               |
| Medical Refunds   | 31,431,832              | 29,282,033              | (2,149,799)           | (6.8)%             |
| Supplemental Hospital Offset Payment Program  | 229,425,411             | 229,425,411             | -                     | 0.0%               |
| Other Revenues  | 15,341,780              | 15,363,586              | 21,806                | 0.1%               |
| <b>TOTAL REVENUES</b>   | <b>\$ 3,486,982,124</b> | <b>\$ 3,497,244,733</b> | <b>\$ 10,262,609</b>  | <b>0.3%</b>        |
| EXPENDITURES  | FY18<br>Budget YTD      | FY18<br>Actual YTD      | Variance              | % (Over/<br>Under) |
| <b>ADMINISTRATION - OPERATING</b>   | <b>\$ 47,742,936</b>    | <b>\$ 41,241,349</b>    | <b>\$ 6,501,587</b>   | <b>13.6%</b>       |
| <b>ADMINISTRATION - CONTRACTS</b>   | <b>\$ 89,133,171</b>    | <b>\$ 82,356,704</b>    | <b>\$ 6,776,467</b>   | <b>7.6%</b>        |
| <b>MEDICAID PROGRAMS</b>  |                         |                         |                       |                    |
| <u>Managed Care:</u>  |                         |                         |                       |                    |
| SoonerCare Choice   | 35,231,902              | 33,913,019              | 1,318,883             | 3.7%               |
| <u>Acute Fee for Service Payments:</u>  |                         |                         |                       |                    |
| Hospital Services   | 747,465,279             | 759,551,647             | (12,086,368)          | (1.6)%             |
| Behavioral Health   | 17,771,662              | 15,865,305              | 1,906,357             | 10.7%              |
| Physicians  | 331,363,189             | 329,457,522             | 1,905,667             | 0.6%               |
| Dentists  | 103,057,793             | 102,977,667             | 80,126                | 0.1%               |
| Other Practitioners   | 44,697,405              | 43,510,485              | 1,186,920             | 2.7%               |
| Home Health Care  | 15,289,334              | 16,005,251              | (715,917)             | (4.7)%             |
| Lab & Radiology   | 24,125,042              | 22,296,890              | 1,828,152             | 7.6%               |
| Medical Supplies  | 41,785,548              | 42,359,424              | (573,876)             | (1.4)%             |
| Ambulatory/Clinics  | 173,279,357             | 178,931,362             | (5,652,005)           | (3.3)%             |
| Prescription Drugs  | 504,715,529             | 508,486,425             | (3,770,896)           | (0.7)%             |
| OHCA Therapeutic Foster Care  | 10,000                  | 56,226                  | (46,226)              | 0.0%               |
| <u>Other Payments:</u>  |                         |                         |                       |                    |
| Nursing Facilities  | 452,310,176             | 450,286,119             | 2,024,057             | 0.4%               |
| Intermediate Care Facilities for Individuals with Intellectual Disabilities Private | 50,748,482              | 50,554,974              | 193,508               | 0.4%               |
| Medicare Buy-In   | 145,860,068             | 145,028,586             | 831,482               | 0.6%               |
| Transportation  | 54,114,297              | 55,016,446              | (902,149)             | (1.7)%             |
| Money Follows the Person-OHCA   | 195,822                 | 271,020                 | (75,198)              | 0.0%               |
| Electronic Health Records-Incentive Payments  | 8,034,424               | 8,034,424               | -                     | 0.0%               |
| Part D Phase-In Contribution  | 92,462,319              | 102,338,962             | (9,876,643)           | (10.7)%            |
| Supplemental Hospital Offset Payment Program  | 487,107,581             | 487,107,581             | -                     | 0.0%               |
| Telligen  | 8,816,300               | 9,574,502               | (758,202)             | (8.6)%             |
| <b>Total OHCA Medical Programs</b>  | <b>3,338,441,507</b>    | <b>3,361,623,837</b>    | <b>(23,182,329)</b>   | <b>(0.7)%</b>      |
| OHCA Non-Title XIX Medical Payments   | 89,382                  | -                       | 89,382                | 0.0%               |
| <b>TOTAL OHCA</b>   | <b>\$ 3,475,406,997</b> | <b>\$ 3,485,221,890</b> | <b>\$ (9,814,893)</b> | <b>(0.3)%</b>      |
| <b>REVENUES OVER/(UNDER) EXPENDITURES</b>   | <b>\$ 11,575,127</b>    | <b>\$ 12,022,843</b>    | <b>\$ 447,716</b>     |                    |

**OKLAHOMA HEALTH CARE AUTHORITY**  
**Total Medicaid Program Expenditures**  
**by Source of State Funds**  
**SFY 2018, For the Ten Month Period Ending April 30, 2018**

| Category of Service                          | Total                   | Health Care Authority   | Quality of Care Fund  | HEEIA                | SHOPP Fund            | BCC Revolving Fund  | Other State Agencies    |
|--|-------------------------|-------------------------|-----------------------|----------------------|-----------------------|---------------------|-------------------------|
| SoonerCare Choice                            | \$ 34,007,387           | \$ 33,903,607           | \$ -                  | \$ 94,368            | \$ -                  | \$ 9,412            | \$ -                    |
| Inpatient Acute Care                         | 1,000,442,523           | 502,776,461             | 405,572               | 2,844,768            | 366,046,212           | 745,941             | 127,623,570             |
| Outpatient Acute Care                        | 360,868,070             | 253,102,071             | 34,670                | 3,539,925            | 101,704,472           | 2,486,932           | -                       |
| Behavioral Health - Inpatient                | 37,437,846              | 9,128,880               | -                     | 271,967              | 17,883,336            | -                   | 10,153,663              |
| Behavioral Health - Psychiatrist             | 8,209,986               | 6,736,425               | -                     | -                    | 1,473,561             | -                   | -                       |
| Behavioral Health - Outpatient               | 12,503,565              | -                       | -                     | -                    | -                     | -                   | 12,503,565              |
| Behavioral Health-Health Home                | 43,475,236              | -                       | -                     | -                    | -                     | -                   | 43,475,236              |
| Behavioral Health Facility- Rehab            | 193,514,702             | -                       | -                     | -                    | -                     | 65,404              | 193,514,702             |
| Behavioral Health - Case Management          | 5,514,197               | -                       | -                     | -                    | -                     | -                   | 5,514,197               |
| Behavioral Health - PRTF                     | 39,814,856              | -                       | -                     | -                    | -                     | -                   | 39,814,856              |
| Behavioral Health - CCBHC                    | 38,589,648              | -                       | -                     | -                    | -                     | -                   | 38,589,648              |
| Residential Behavioral Management            | 11,358,617              | -                       | -                     | -                    | -                     | -                   | 11,358,617              |
| Targeted Case Management                     | 54,710,393              | -                       | -                     | -                    | -                     | -                   | 54,710,393              |
| Therapeutic Foster Care                      | 56,226                  | 56,226                  | -                     | -                    | -                     | -                   | -                       |
| Physicians                                   | 386,588,365             | 325,666,899             | 48,417                | 4,313,761            | -                     | 3,742,206           | 52,817,082              |
| Dentists                                     | 103,021,522             | 102,967,828             | -                     | 43,855               | -                     | 9,839               | -                       |
| Mid Level Practitioners                      | 1,968,512               | 1,954,905               | -                     | 13,146               | -                     | 461                 | -                       |
| Other Practitioners                          | 41,957,723              | 41,090,380              | 371,970               | 402,605              | -                     | 92,769              | -                       |
| Home Health Care                             | 16,013,685              | 15,996,895              | -                     | 8,434                | -                     | 8,356               | -                       |
| Lab & Radiology                              | 22,927,846              | 22,134,344              | -                     | 630,956              | -                     | 162,545             | -                       |
| Medical Supplies                             | 42,626,066              | 40,079,069              | 2,259,610             | 266,642              | -                     | 20,745              | -                       |
| Clinic Services                              | 180,976,798             | 173,063,308             | -                     | 1,198,971            | -                     | 137,850             | 6,576,669               |
| Ambulatory Surgery Centers                   | 5,855,291               | 5,725,067               | -                     | 125,087              | -                     | 5,137               | -                       |
| Personal Care Services                       | 9,158,656               | -                       | -                     | -                    | -                     | -                   | 9,158,656               |
| Nursing Facilities                           | 450,286,119             | 273,183,313             | 177,095,190           | -                    | -                     | 7,616               | -                       |
| Transportation                               | 55,015,499              | 52,877,435              | 1,946,616             | 90,855               | -                     | 100,593             | -                       |
| IME/DME                                      | 40,064,721              | -                       | -                     | -                    | -                     | -                   | 40,064,721              |
| ICF/IID Private                              | 50,554,974              | 41,193,145              | 9,361,829             | -                    | -                     | -                   | -                       |
| ICF/IID Public                               | 11,145,322              | -                       | -                     | -                    | -                     | -                   | 11,145,322              |
| CMS Payments                                 | 237,835,508             | 237,363,887             | 471,621               | -                    | -                     | -                   | -                       |
| Prescription Drugs                           | 519,173,801             | 506,410,906             | -                     | 10,687,376           | -                     | 2,075,519           | -                       |
| Miscellaneous Medical Payments               | 91,802                  | 89,835                  | -                     | -                    | -                     | 1,967               | -                       |
| Home and Community Based Waiver              | 162,232,020             | -                       | -                     | -                    | -                     | -                   | 162,232,020             |
| Homeward Bound Waiver                        | 62,917,080              | -                       | -                     | -                    | -                     | -                   | 62,917,080              |
| Money Follows the Person                     | 271,020                 | 271,020                 | -                     | -                    | -                     | -                   | -                       |
| In-Home Support Waiver                       | 19,767,918              | -                       | -                     | -                    | -                     | -                   | 19,767,918              |
| ADvantage Waiver                             | 134,859,652             | -                       | -                     | -                    | -                     | -                   | 134,859,652             |
| Family Planning/Family Planning Waiver       | 3,717,284               | -                       | -                     | -                    | -                     | -                   | 3,717,284               |
| Premium Assistance*                          | 49,265,418              | -                       | -                     | 49,265,418           | -                     | -                   | -                       |
| Telligen                                     | 9,574,502               | 9,574,502               | -                     | -                    | -                     | -                   | -                       |
| Electronic Health Records Incentive Payments | 8,034,424               | 8,034,424               | -                     | -                    | -                     | -                   | -                       |
| <b>Total Medicaid Expenditures</b>           | <b>\$ 4,466,404,780</b> | <b>\$ 2,663,380,833</b> | <b>\$ 191,995,496</b> | <b>\$ 73,798,132</b> | <b>\$ 487,107,581</b> | <b>\$ 9,673,291</b> | <b>\$ 1,040,514,851</b> |

\* Includes \$48,917,390.21 paid out of Fund 245

**OKLAHOMA HEALTH CARE AUTHORITY**  
**Summary of Revenues & Expenditures:**  
**Other State Agencies**  
**SFY 2018, For the Ten Month Period Ending April 30, 2018**

| <b>REVENUE</b>   | <b>FY18<br/>Actual YTD</b> |
|--|----------------------------|
| Revenues from Other State Agencies   | \$ 541,453,876             |
| Federal Funds  | 631,727,979                |
| <b>TOTAL REVENUES</b>  | <b>\$ 1,173,181,856</b>    |
| <b>EXPENDITURES</b>  | <b>Actual YTD</b>          |
| <b>Department of Human Services</b>  |                            |
| Home and Community Based Waiver  | \$ 162,232,020             |
| Money Follows the Person   | -                          |
| Homeward Bound Waiver  | 62,917,080                 |
| In-Home Support Waivers  | 19,767,918                 |
| ADvantage Waiver   | 134,859,652                |
| Intermediate Care Facilities for Individuals with Intellectual Disabilities Public | 11,145,322                 |
| Personal Care  | 9,158,656                  |
| Residential Behavioral Management  | 7,124,132                  |
| Targeted Case Management   | 48,243,076                 |
| <b>Total Department of Human Services</b>  | <b>455,447,856</b>         |
| <b>State Employees Physician Payment</b>   |                            |
| Physician Payments   | 52,817,082                 |
| <b>Total State Employees Physician Payment</b>                                     | <b>52,817,082</b>          |
| <b>Education Payments</b>  |                            |
| Indirect Medical Education   | 34,013,202                 |
| Direct Medical Education   | 6,051,519                  |
| <b>Total Education Payments</b>  | <b>40,064,721</b>          |
| <b>Office of Juvenile Affairs</b>  |                            |
| Targeted Case Management   | 1,659,496                  |
| Residential Behavioral Management  | 4,234,484                  |
| <b>Total Office of Juvenile Affairs</b>  | <b>5,893,981</b>           |
| <b>Department of Mental Health</b>   |                            |
| Case Management  | 5,514,197                  |
| Inpatient Psychiatric Free-standing  | 10,153,663                 |
| Outpatient   | 12,503,565                 |
| Health Homes   | 43,475,236                 |
| Psychiatric Residential Treatment Facility   | 39,814,856                 |
| Certified Community Behavioral Health Clinics                                      | 38,589,648                 |
| Rehabilitation Centers   | 193,514,702                |
| <b>Total Department of Mental Health</b>   | <b>343,565,867</b>         |
| <b>State Department of Health</b>  |                            |
| Children's First   | 872,329                    |
| Sooner Start   | 2,671,533                  |
| Early Intervention   | 3,715,481                  |
| Early and Periodic Screening, Diagnosis, and Treatment Clinic                      | 1,349,135                  |
| Family Planning  | 173,258                    |
| Family Planning Waiver   | 3,510,771                  |
| Maternity Clinic   | 5,088                      |
| <b>Total Department of Health</b>  | <b>12,297,595</b>          |
| <b>County Health Departments</b>   |                            |
| EPSDT Clinic   | 571,878                    |
| Family Planning Waiver   | 33,255                     |
| <b>Total County Health Departments</b>   | <b>605,133</b>             |
| <b>State Department of Education</b>   | <b>89,930</b>              |
| <b>Public Schools</b>  | <b>130,081</b>             |
| <b>Medicare DRG Limit</b>  | <b>119,103,673</b>         |
| <b>Native American Tribal Agreements</b>   | <b>1,979,036</b>           |
| <b>Department of Corrections</b>   | <b>1,094,785</b>           |
| <b>JD McCarty</b>  | <b>7,425,112</b>           |
| <b>Total OSA Medicaid Programs</b>   | <b>\$ 1,040,514,851</b>    |
| <b>OSA Non-Medicaid Programs</b>   | <b>\$ 121,473,654</b>      |
| <b>Accounts Receivable from OSA</b>  | <b>\$ (11,193,351)</b>     |



**OKLAHOMA HEALTH CARE AUTHORITY**  
**SUMMARY OF REVENUES & EXPENDITURES:**  
Fund 205: Supplemental Hospital Offset Payment Program Fund  
SFY 2018, For the Ten Month Period Ending April 30, 2018

| REVENUES              | FY 18<br>Revenue      |
|-----------------------|-----------------------|
| SHOPP Assessment Fee  | \$ 229,262,112        |
| Federal Draws         | 287,111,577           |
| Interest              | 115,277               |
| Penalties             | 48,023                |
| State Appropriations  | (30,200,000)          |
| <b>TOTAL REVENUES</b> | <b>\$ 486,336,988</b> |

| EXPENDITURES                        | Quarter                 | Quarter                   | Quarter                 | Quarter                 | FY 18<br>Expenditures |
|-------------------------------------|-------------------------|---------------------------|-------------------------|-------------------------|-----------------------|
| <b>Program Costs:</b>               | <b>7/1/17 - 9/30/17</b> | <b>10/1/17 - 12/31/17</b> | <b>1/1/18 - 3/31/18</b> | <b>4/1/18 - 6/30/18</b> |                       |
| Hospital - Inpatient Care           | 98,870,820              | 100,810,689               | 81,365,975              | 84,998,728              | \$ 366,046,212        |
| Hospital -Outpatient Care           | 25,537,046              | 26,042,806                | 24,474,682              | 25,649,937              | 101,704,472           |
| Psychiatric Facilities-Inpatient    | 7,574,695               | 4,905,352                 | 2,050,433               | 3,352,856               | 17,883,336            |
| Rehabilitation Facilities-Inpatient | 328,886                 | 335,409                   | 392,978                 | 416,290                 | 1,473,561             |
| <b>Total OHCA Program Costs</b>     | <b>132,311,447</b>      | <b>132,094,256</b>        | <b>108,284,068</b>      | <b>114,417,810</b>      | <b>\$ 487,107,581</b> |
| <b>Total Expenditures</b>           |                         |                           |                         |                         | <b>\$ 487,107,581</b> |

|                     |                     |
|---------------------|---------------------|
| <b>CASH BALANCE</b> | <b>\$ (770,593)</b> |
|---------------------|---------------------|

**OKLAHOMA HEALTH CARE AUTHORITY**  
**SUMMARY OF REVENUES & EXPENDITURES:**  
**Fund 230: Nursing Facility Quality of Care Fund**  
**SFY 2018, For the Ten Month Period Ending April 30, 2018**

| REVENUES                   | Total<br>Revenue     | State<br>Share       |
|----------------------------|----------------------|----------------------|
| Quality of Care Assessment | \$ 64,765,255        | \$ 64,765,255        |
| Interest Earned            | 32,181               | 32,181               |
| <b>TOTAL REVENUES</b>      | <b>\$ 64,797,436</b> | <b>\$ 64,797,436</b> |

| EXPENDITURES  | FY 18<br>Total \$ YTD | FY 18<br>State \$ YTD | Total<br>State \$ Cost |
|---|-----------------------|-----------------------|------------------------|
| <b>Program Costs</b>                                |                       |                       |                        |
| Nursing Facility Rate Adjustment                    | \$ 174,045,080        | \$ 71,393,292         |                        |
| Eyeglasses and Dentures                             | 222,690               | 91,347                |                        |
| Personal Allowance Increase                         | 2,827,420             | 1,159,808             |                        |
| Coverage for Durable Medical Equipment and Supplies | 2,259,610             | 926,892               |                        |
| Coverage of Qualified Medicare Beneficiary          | 860,630               | 353,030               |                        |
| Part D Phase-In                                     | 471,621               | 193,459               |                        |
| ICF/IID Rate Adjustment                             | 4,418,173             | 1,812,334             |                        |
| Acute Services ICF/IID                              | 4,943,657             | 2,027,888             |                        |
| Non-emergency Transportation - Soonerride           | 1,946,616             | 798,502               |                        |
| <b>Total Program Costs</b>                          | <b>\$ 191,995,496</b> | <b>\$ 78,756,552</b>  | <b>\$ 78,756,552</b>   |
| <b>Administration</b>                               |                       |                       |                        |
| OHCA Administration Costs                           | \$ 435,875            | \$ 217,938            |                        |
| DHS-Ombudsmen                                       | 76,585                | 76,585                |                        |
| OSDH-Nursing Facility Inspectors                    | 471,719               | 471,719               |                        |
| Mike Fine, CPA                                      | 9,600                 | 4,800                 |                        |
| <b>Total Administration Costs</b>                   | <b>\$ 993,779</b>     | <b>\$ 771,042</b>     | <b>\$ 771,042</b>      |
| <b>Total Quality of Care Fee Costs</b>              | <b>\$ 192,989,275</b> | <b>\$ 79,527,594</b>  |                        |
| <b>TOTAL STATE SHARE OF COSTS</b>                   |                       |                       | <b>\$ 79,527,594</b>   |

Note: Expenditure amounts are for informational purposes only. Actual payments are made from Fund 340. Revenues deposited into the fund are transferred to Fund 340 to support the costs, not to exceed the calculated state share amount.

**OKLAHOMA HEALTH CARE AUTHORITY  
SUMMARY OF REVENUES & EXPENDITURES:**

**Fund 245: Health Employee and Economy Improvement Act Revolving Fund  
SFY 2018, For the Ten Month Period Ending April 30, 2018**

| <b>REVENUES</b>         | <b>FY 17<br/>Carryover</b> | <b>FY 18<br/>Revenue</b> | <b>Total<br/>Revenue</b> |
|-------------------------|----------------------------|--------------------------|--------------------------|
| Prior Year Balance      | \$ 7,673,082               | \$ -                     | \$ 4,811,312             |
| State Appropriations    | (3,000,000)                | -                        | -                        |
| Tobacco Tax Collections | -                          | 35,564,304               | 35,564,304               |
| Interest Income         | -                          | 149,116                  | 149,116                  |
| Federal Draws           | 307,956                    | 30,373,846               | 30,373,846               |
| <b>TOTAL REVENUES</b>   | <b>\$ 4,981,038</b>        | <b>\$ 66,087,266</b>     | <b>\$ 70,898,578</b>     |

| <b>EXPENDITURES</b>                   | <b>FY 17<br/>Expenditures</b> | <b>FY 18<br/>Expenditures</b> | <b>Total \$ YTD</b>  |
|---------------------------------------|-------------------------------|-------------------------------|----------------------|
| <b>Program Costs:</b>                 |                               |                               |                      |
| Employer Sponsored Insurance          |                               | \$ 48,917,390                 | \$ 48,917,390        |
| College Students/ESI Dental           |                               | 348,028                       | 142,761              |
| <b>Individual Plan</b>                |                               |                               |                      |
| SoonerCare Choice                     |                               | \$ 91,341                     | \$ 37,468            |
| Inpatient Hospital                    |                               | 2,813,344                     | 1,154,034            |
| Outpatient Hospital                   |                               | 3,483,679                     | 1,429,005            |
| BH - Inpatient Services-DRG           |                               | 261,017                       | 107,069              |
| BH -Psychiatrist                      |                               | -                             | -                    |
| Physicians                            |                               | 4,295,596                     | 1,762,053            |
| Dentists                              |                               | 41,586                        | 17,058               |
| Mid Level Practitioner                |                               | 12,958                        | 5,315                |
| Other Practitioners                   |                               | 397,800                       | 163,178              |
| Home Health                           |                               | 8,434                         | 3,459                |
| Lab and Radiology                     |                               | 617,795                       | 253,419              |
| Medical Supplies                      |                               | 263,234                       | 107,979              |
| Clinic Services                       |                               | 1,167,839                     | 479,048              |
| Ambulatory Surgery Center             |                               | 125,087                       | 51,311               |
| Prescription Drugs                    |                               | 10,509,656                    | 4,311,061            |
| Transportation                        |                               | 90,119                        | 36,967               |
| Premiums Collected                    |                               | -                             | (517,407)            |
| <b>Total Individual Plan</b>          |                               | <b>\$ 24,179,484</b>          | <b>\$ 9,401,018</b>  |
| <b>College Students-Service Costs</b> |                               | <b>\$ 353,230</b>             | <b>\$ 144,718</b>    |
| <b>Total OHCA Program Costs</b>       |                               | <b>\$ 73,798,132</b>          | <b>\$ 58,605,887</b> |
| <b>Administrative Costs</b>           |                               |                               |                      |
| Salaries                              | \$ 40,359                     | \$ 1,798,878                  | \$ 1,839,237         |
| Operating Costs                       | 25,578                        | 167,225                       | 192,803              |
| Health Dept-Postponing                | -                             | -                             | -                    |
| Contract - HP                         | 103,788                       | 1,096,054                     | 1,199,842            |
| <b>Total Administrative Costs</b>     | <b>\$ 169,725</b>             | <b>\$ 3,062,157</b>           | <b>\$ 3,231,882</b>  |
| <b>Total Expenditures</b>             |                               |                               | <b>\$ 61,837,769</b> |
| <b>NET CASH BALANCE</b>               | <b>\$ 4,811,312</b>           |                               | <b>\$ 9,060,808</b>  |

**OKLAHOMA HEALTH CARE AUTHORITY  
SUMMARY OF REVENUES & EXPENDITURES:**

**Fund 250: Belle Maxine Hilliard Breast and Cervical Cancer Treatment Revolving Fund  
SFY 2018, For the Ten Month Period Ending April 30, 2018**

| <b>REVENUES</b>         | <b>FY 18<br/>Revenue</b> | <b>State<br/>Share</b> |
|-------------------------|--------------------------|------------------------|
| Tobacco Tax Collections | \$ 709,716               | \$ 709,716             |
| <b>TOTAL REVENUES</b>   | <b>\$ 709,716</b>        | <b>\$ 709,716</b>      |

| <b>EXPENDITURES</b>                 | <b>FY 18<br/>Total \$ YTD</b> | <b>FY 18<br/>State \$ YTD</b> | <b>Total<br/>State \$ Cost</b> |
|-------------------------------------|-------------------------------|-------------------------------|--------------------------------|
| <b>Program Costs</b>                |                               |                               |                                |
| SoonerCare Choice                   | \$ 9,412                      | \$ 2,702                      |                                |
| Inpatient Hospital                  | 745,941                       | 214,160                       |                                |
| Outpatient Hospital                 | 2,486,932                     | 713,998                       |                                |
| Inpatient Services-DRG              | -                             | -                             |                                |
| Psychiatrist                        | -                             | -                             |                                |
| TFC-OHCA                            | -                             | -                             |                                |
| Nursing Facility                    | 7,616                         | 2,187                         |                                |
| Physicians                          | 3,742,206                     | 1,074,387                     |                                |
| Dentists                            | 9,839                         | 2,825                         |                                |
| Mid-level Practitioner              | 461                           | 132                           |                                |
| Other Practitioners                 | 92,769                        | 26,634                        |                                |
| Home Health                         | 8,356                         | 2,399                         |                                |
| Lab & Radiology                     | 162,545                       | 46,667                        |                                |
| Medical Supplies                    | 20,745                        | 5,956                         |                                |
| Clinic Services                     | 137,850                       | 39,577                        |                                |
| Ambulatory Surgery Center           | 5,137                         | 1,475                         |                                |
| Prescription Drugs                  | 2,075,519                     | 595,881                       |                                |
| Transportation                      | 100,593                       | 28,880                        |                                |
| Miscellaneous Medical               | 1,967                         | 565                           |                                |
| <b>Total OHCA Program Costs</b>     | <b>\$ 9,607,887</b>           | <b>\$ 2,758,424</b>           |                                |
| <b>OSA DMHSAS Rehab</b>             | <b>\$ 65,404</b>              | <b>\$ 18,777</b>              |                                |
| <b>Total Medicaid Program Costs</b> | <b>\$ 9,673,291</b>           | <b>\$ 2,777,202</b>           |                                |
| <b>TOTAL STATE SHARE OF COSTS</b>   |                               |                               | <b>\$ 2,777,202</b>            |

Note: Expenditure amounts are for informational purposes only. Actual payments are made from Fund 340. Revenues deposited into the fund are transferred to Fund 340 to support the costs, not to exceed the calculated state share amount.

**OKLAHOMA HEALTH CARE AUTHORITY**  
**SFY-2019 BUDGET WORK PROGRAM**  
**Summary by Program Expenditure**

| Description                                     | SFY-2018             | SFY-2019             | Inc / (Dec)         | % Change     |
|---|----------------------|----------------------|---------------------|--------------|
| <b>Medical Program</b>                          |                      |                      |                     |              |
| Managed Care - Choice / HAN / PACE              | 40,746,105           | 39,268,387           | (1,477,719)         | -3.6%        |
| Hospitals                                       | 907,168,863          | 943,869,096          | 36,700,233          | 4.0%         |
| Behavioral Health                               | 21,752,150           | 19,641,446           | (2,110,704)         | -9.7%        |
| Nursing Homes                                   | 546,305,330          | 553,845,408          | 7,540,078           | 1.4%         |
| Physicians                                      | 403,106,633          | 410,387,030          | 7,280,397           | 1.8%         |
| Dentists  | 124,634,154          | 127,906,721          | 3,272,567           | 2.6%         |
| Mid-Level Practitioner                          | 2,771,662            | 2,377,975            | (393,687)           | -14.2%       |
| Other Practitioners                             | 50,925,598           | 51,429,554           | 503,957             | 1.0%         |
| Home Health                                     | 18,646,407           | 21,375,514           | 2,729,107           | 14.6%        |
| Lab & Radiology                                 | 29,144,887           | 27,065,868           | (2,079,020)         | -7.1%        |
| Medical Supplies                                | 50,689,689           | 53,080,241           | 2,390,552           | 4.7%         |
| Clinic Services                                 | 201,846,082          | 224,170,601          | 22,324,519          | 11.1%        |
| Ambulatory Surgery Center                       | 7,142,709            | 7,115,694            | (27,015)            | -0.4%        |
| Prescription Drugs                              | 611,586,312          | 650,392,591          | 38,806,278          | 6.3%         |
| Miscellaneous                                   | 159,611              | 126,716              | (32,895)            | -20.6%       |
| ICF/IID   | 61,233,048           | 62,151,360           | 918,312             | 1.5%         |
| Transportation                                  | 65,121,788           | 71,112,486           | 5,990,698           | 9.2%         |
| Medicare Buy-in (Part A & B )                   | 175,264,062          | 178,548,314          | 3,284,252           | 1.9%         |
| Medicare clawback payment (Part D)              | 111,583,548          | 108,587,739          | (2,995,809)         | -2.7%        |
| SHOPP - Supplemental Hosp Offset Pymt.          | 516,242,406          | 492,456,059          | (23,786,346)        | -4.6%        |
| Money Follows the Person - Enhanced             | 236,807              | 346,999              | 110,191             | 46.5%        |
| Health Management Program (HMP)                 | 10,579,560           | 10,946,940           | 367,380             | 3.5%         |
| Electronic Health Records Incentive Pymts       | 39,788,361           | 15,000,000           | (24,788,361)        | -62.3%       |
| Non-Title XIX Medical                           | 89,382               | 89,382               | -                   | 0.0%         |
| <b>TOTAL OHCA MEDICAL PROGRAM</b>               | <b>3,996,765,155</b> | <b>4,071,292,120</b> | <b>74,526,965</b>   | <b>1.9%</b>  |
| <b>Insure Oklahoma - Premium Assistance</b>     |                      |                      |                     |              |
| Employer Sponsored Insurance - ESI              | 62,022,233           | 62,686,080           | 663,847             | 1.1%         |
| Individual Plan - IP                            | 30,366,964           | 33,002,531           | 2,635,567           | 8.7%         |
| <b>TOTAL INSURE OKLAHOMA PROGRAM</b>            | <b>92,389,197</b>    | <b>95,688,611</b>    | <b>3,299,414</b>    | <b>3.6%</b>  |
| <b>OHCA Administration</b>                      |                      |                      |                     |              |
| Operations                                      | 52,142,289           | 53,618,345           | 1,476,056           | 2.8%         |
| Contracts                                       | 31,079,425           | 34,760,276           | 3,680,852           | 11.8%        |
| Insure Oklahoma                                 | 4,072,082            | 4,172,378            | 100,296             | 2.5%         |
| Business Enterprises                            | 73,979,434           | 80,402,531           | 6,423,097           | 8.7%         |
| Grant Mgmt                                      | 5,437,239            | 4,254,904            | (1,182,335)         | -21.7%       |
| <b>TOTAL OHCA ADMIN</b>                         | <b>166,710,469</b>   | <b>177,208,435</b>   | <b>10,497,966</b>   | <b>6.3%</b>  |
| <b>TOTAL OHCA PROGRAMS</b>                      | <b>4,255,864,821</b> | <b>4,344,189,166</b> | <b>88,324,345</b>   | <b>2.1%</b>  |
| <b>Other State Agency (OSA) Programs</b>        |                      |                      |                     |              |
| Department of Human Services (OKDHS)            | 603,243,836          | 579,893,002          | (23,350,834)        | -3.9%        |
| Oklahoma State Dept of Health (OSDH)            | 13,623,998           | 15,423,210           | 1,799,212           | 13.2%        |
| The Office of Juvenile Affairs (OJA)            | 7,032,296            | 7,032,296            | -                   | 0.0%         |
| University Hospitals (Medical Education Pymnts) | 344,700,756          | 334,391,396          | (10,309,360)        | -3.0%        |
| Physician Manpower Training Commission          | 6,864,093            | -                    | (6,864,093)         | -100.0%      |
| Department of Mental Health (DMHSAS)            | 405,107,155          | 413,320,728          | 8,213,573           | 2.0%         |
| Department of Education (DOE)                   | 1,436,234            | 553,422              | (882,813)           | -61.5%       |
| Non-Indian Payments                             | 2,132,165            | 2,710,552            | 578,388             | 27.1%        |
| Department of Corrections (DOC)                 | 1,348,819            | 1,482,089            | 133,270             | 9.9%         |
| JD McCarty                                      | 8,208,720            | 8,177,846            | (30,873)            | 0.0%         |
| OSA Non-Title XIX                               | 88,150,000           | 90,650,000           | 2,500,000           | 2.8%         |
| <b>TOTAL OSA PROGRAMS</b>                       | <b>1,481,848,072</b> | <b>1,453,634,541</b> | <b>(28,213,531)</b> | <b>-1.9%</b> |
| <b>TOTAL MEDICAID PROGRAM</b>                   | <b>5,737,712,893</b> | <b>5,797,823,707</b> | <b>60,110,815</b>   | <b>1.0%</b>  |

**OKLAHOMA HEALTH CARE AUTHORITY**  
**SFY-2019 BUDGET WORK PROGRAM**  
**Summary by Program Expenditure**

| Description                            | SFY-2018             | SFY-2019             | Inc / (Dec)       | %<br>Change |
|--|----------------------|----------------------|-------------------|-------------|
| <b>REVENUES</b>                        |                      |                      |                   |             |
| Federal - program                      | 3,099,658,768        | 3,201,861,349        | 102,202,581       | 3.3%        |
| Federal - admin                        | 108,267,864          | 114,444,327          | 6,176,463         | 5.7%        |
| Drug Rebates                           | 327,842,473          | 345,877,041          | 18,034,568        | 5.5%        |
| Medical Refunds                        | 38,596,658           | 37,014,933           | (1,581,726)       | -4.1%       |
| NF Quality of Care Fee                 | 78,839,208           | 80,122,777           | 1,283,568         | 1.6%        |
| OSA Refunds & Reimbursements           | 653,760,038          | 570,720,161          | (83,039,877)      | -12.7%      |
| Tobacco Tax                            | 92,264,757           | 88,016,829           | (4,247,928)       | -4.6%       |
| Insurance Premiums                     | 2,099,136            | 1,507,177            | (591,959)         | -28.2%      |
| Misc Revenue                           | 255,904              | 233,733              | (22,171)          | -8.7%       |
| Prior Year Carryover                   | 35,249,968           | 5,000,000            | (30,249,968)      | -85.8%      |
| Other Grants                           | 3,477,266            | 737,957              | (2,739,309)       | -78.8%      |
| Hospital Provider Fee (SHOPP bill)     | 242,266,132          | 219,821,479          | (22,444,653)      | -9.3%       |
| OHCA Revolving Fund 200 - Transfer     | 6,000,000            | -                    | (6,000,000)       | -100.0%     |
| Insure Oklahoma Fund 245 - Transfer    | 3,000,000            | 6,000,000            | 3,000,000         | 100.0%      |
| State Appropriated - Deans GME Program | 31,770,311           | 110,044,319          | 78,274,008        | 246.4%      |
| State Appropriated - OHCA              | 1,014,364,409        | 1,016,421,627        | 2,057,218         | 0.2%        |
| <b>TOTAL REVENUES</b>                  | <b>5,737,712,893</b> | <b>5,797,823,707</b> | <b>60,110,815</b> | <b>1.0%</b> |

# OHCA MAC Meeting July 19, 2018 (April 2018 Data)

## SOONERCARE ENROLLMENT/EXPENDITURES

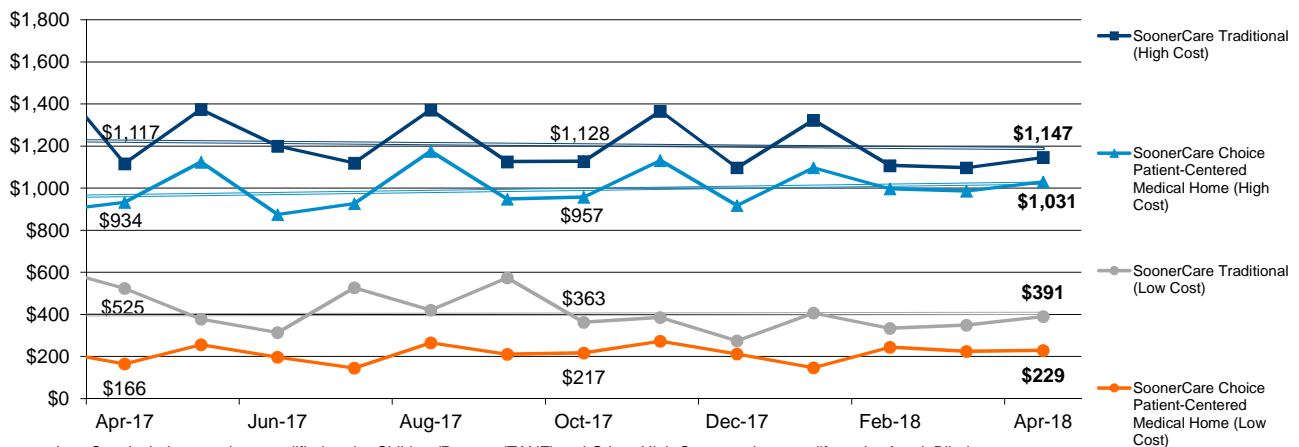
| Delivery System  |   | Enrollment April 2018 | Children April 2018 | Adults April 2018 | Enrollment Change | Total Expenditures April 2018 | PMPM April 2018 |
|--|---|-----------------------|---------------------|-------------------|-------------------|-------------------------------|-----------------|
| <b>SoonerCare Choice Patient-Centered Medical Home</b> |   | <b>532,606</b>        | <b>440,668</b>      | <b>91,938</b>     | <b>-3,098</b>     | <b>\$158,120,006</b>          |                 |
| Lower Cost   | <i>(Children/Parents; Other)</i>                                    | 487,775               | 426,323             | 61,452            | -3,035            | \$111,889,906                 | \$229           |
| Higher Cost  | <i>(Aged, Blind or Disabled; TEFRA; BCC)</i>                        | 44,831                | 14,345              | 30,486            | -63               | \$46,230,101                  | \$1,031         |
| <b>SoonerCare Traditional</b>                          |   | <b>233,001</b>        | <b>85,887</b>       | <b>147,114</b>    | <b>2,721</b>      | <b>\$178,335,919</b>          |                 |
| Lower Cost   | <i>(Children/Parents; Other; Q1; SLMB)</i>                          | 117,633               | 81,051              | 36,582            | 2,424             | \$45,952,969                  | \$391           |
| Higher Cost  | <i>(Aged, Blind or Disabled; LTC; TEFRA; BCC &amp; HCBS Waiver)</i> | 115,368               | 4,836               | 110,532           | 297               | \$132,382,950                 | \$1,147         |
| <b>Insure Oklahoma</b>                                 |   | <b>19,691</b>         | <b>536</b>          | <b>19,155</b>     | <b>22</b>         | <b>\$7,513,497</b>            |                 |
| Employer-Sponsored Insurance                           |   | 14,386                | 337                 | 14,049            | -46               | \$5,144,742                   | \$358           |
| Individual Plan  |   | 5,305                 | 199                 | 5,106             | 68                | \$2,368,755                   | \$447           |
| <b>SoonerPlan</b>                                      |   | <b>29,529</b>         | <b>2,569</b>        | <b>26,960</b>     | <b>-125</b>       | <b>\$265,529</b>              | <b>\$9</b>      |
| <b>TOTAL</b>   |   | <b>814,827</b>        | <b>529,660</b>      | <b>285,167</b>    | <b>-480</b>       | <b>\$344,234,952</b>          |                 |

Enrollment totals include all members enrolled during the report month. Members may not have expenditure data. Children are members aged 0 - 20 or for Insure Oklahoma enrolled as Students or Dependents. Dual Eligibles (Medicare & Medicaid) are in the Traditional delivery system in both the Low Cost (Q1 & SLMB) and High Cost (ABD) groups. OTHER includes DDSD, PKU, Q1, Refugee, SLMB, STBS and TB.

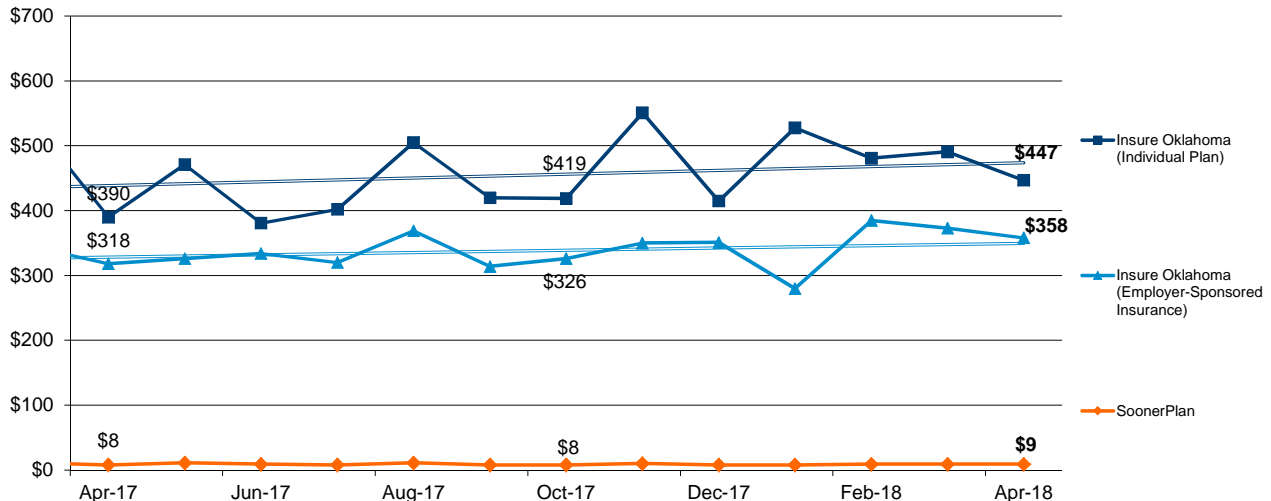
| Total In-State Providers: 31,493 (-702) <span style="float: right;">(In-State Providers counted multiple times due to multiple locations, programs, types, and specialties)</span> |          |         |          |               |             |               |             |       |
|--|----------|---------|----------|---------------|-------------|---------------|-------------|-------|
| Physician  | Pharmacy | Dentist | Hospital | Mental Health | Optometrist | Extended Care | Total PCPs* | PCMH  |
| 9,272  | 984      | 1,015   | 163      | 4,154         | 611         | 392           | 6,645       | 2,322 |

\*PCPs consist of all providers contracted as a Certified Registered Nurse Practitioner, Family Practitioner, General Pediatrician, General Practitioner, Internist, General Internist, and Physician Assistant.

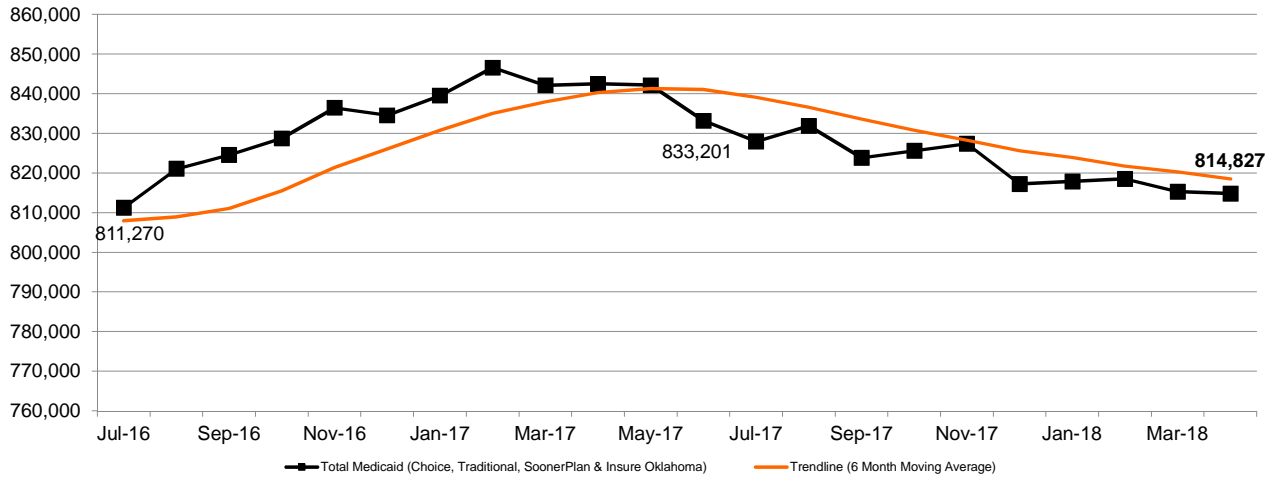
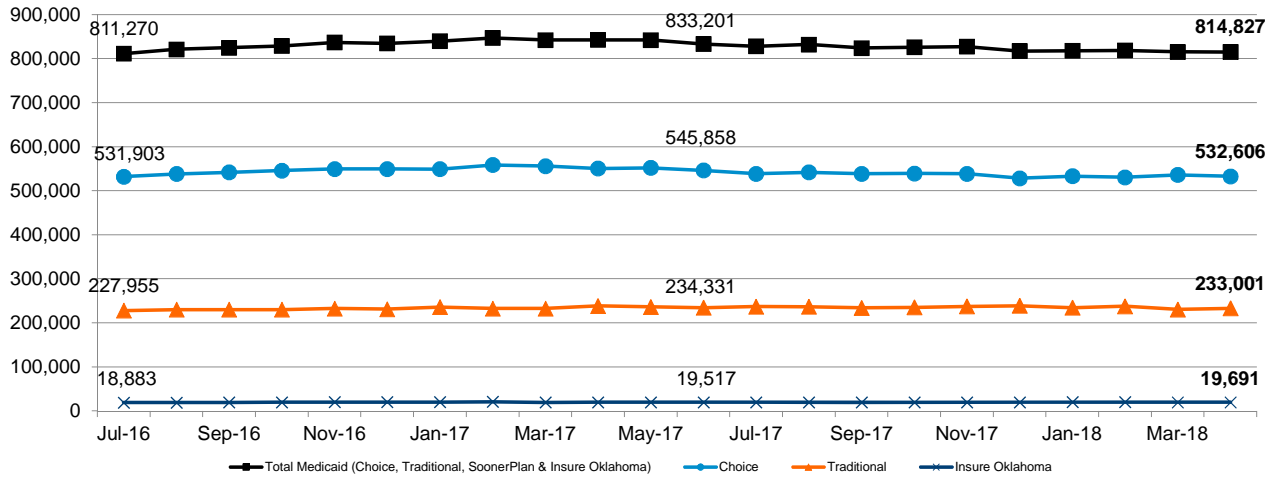
## PER MEMBER PER MONTH COST BY GROUP



Low Cost includes members qualified under Children/Parents (TANF) and Other; High Cost members qualify under Aged, Blind or Disabled, Oklahoma Cares, TEFRA or a Home and Community-Based Services waiver.



## ENROLLMENT BY MONTH



\*In June 2017 there were changes to the passive renewal system criteria that reduced the number of passively renewed members by 2/3rds.





# Value Based Care SoonerCare Pharmacy

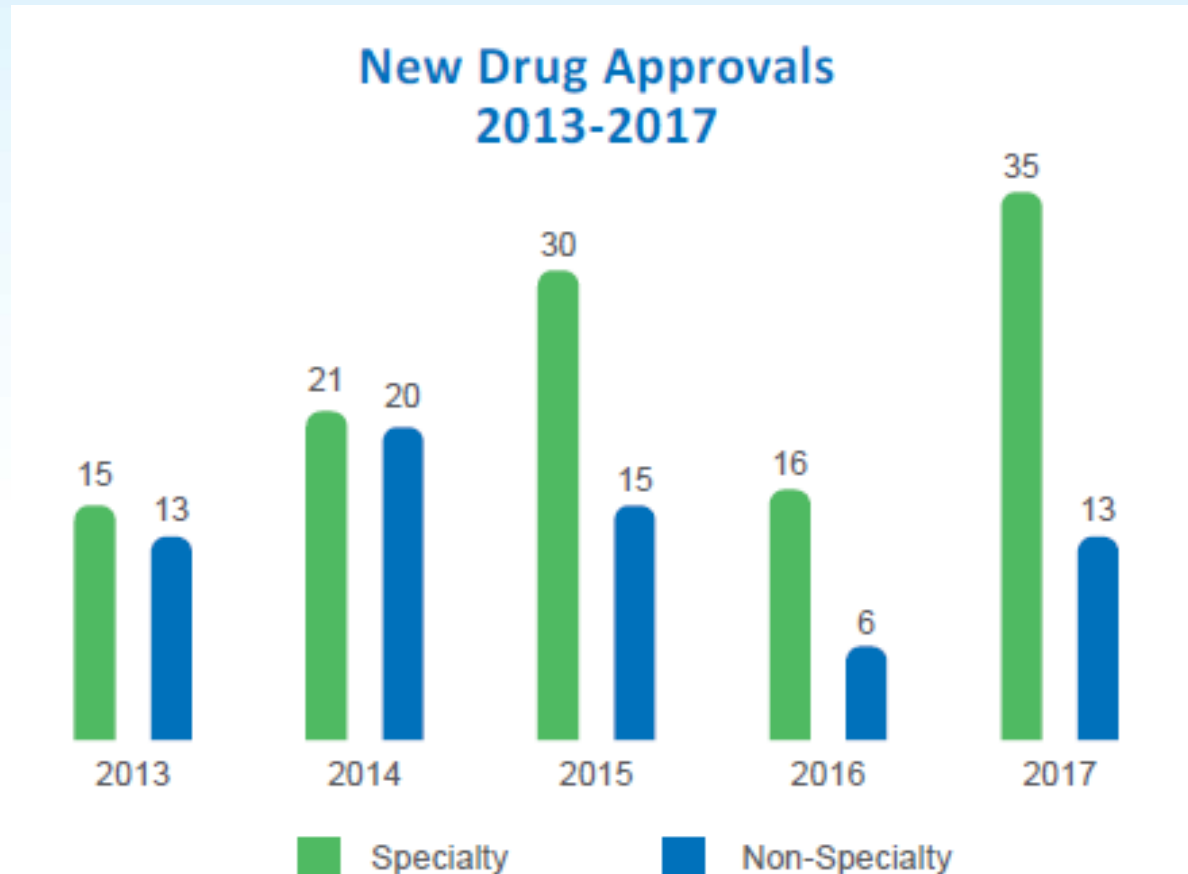
July 19, 2018

Burl Beasley, Pharmacy Operations

# Background

- Rapid rise in prescription drug costs
- U.S. market prices set on what market can bear
- Specialty drugs are part of the spend
  - Special handling, monitoring, administration
  - Complex, chronic, costly, conditions

# Drug Approval Trends



# Payment Strategies

- Enhanced rebates & supplements
- Multi-state purchase agreements
- In-state purchasing pools
- Support from non-profit entities
  - SMART-D
  - NASHP

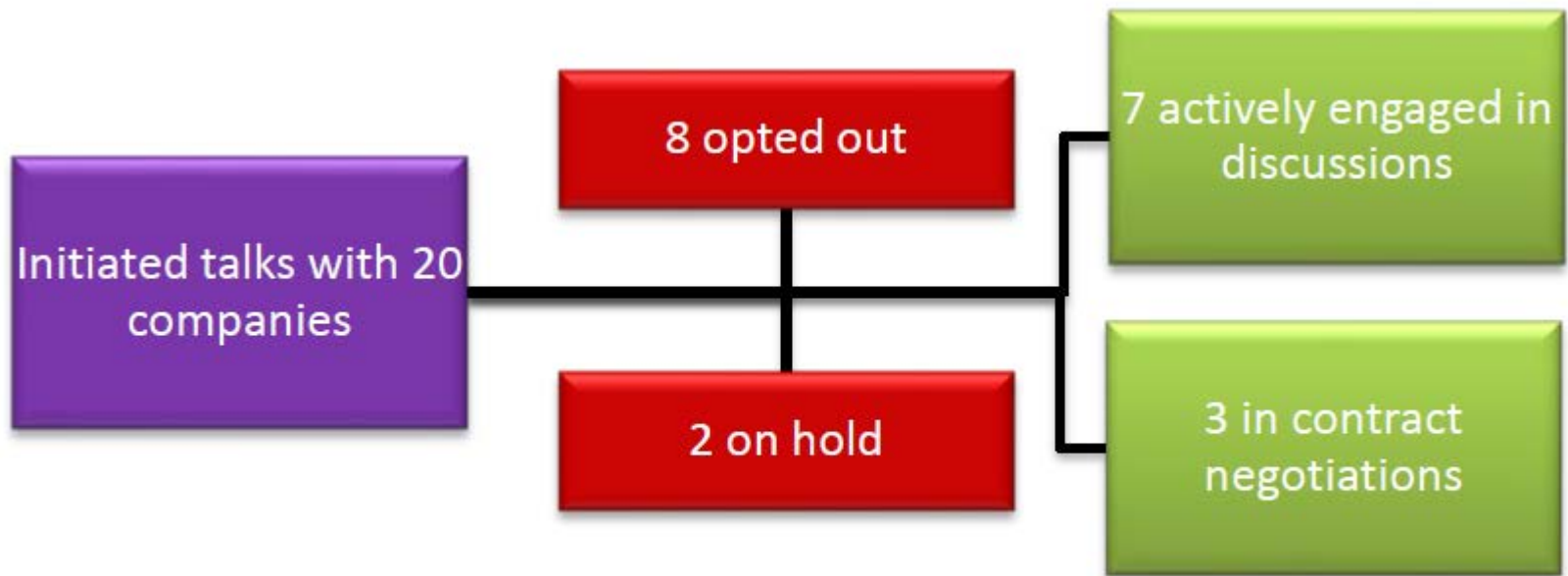
# Payment Strategies

- National Academy for State Health Policy (NASHP)
- Pharmacy Management Consultants
  - OU College of Pharmacy

# Alternate Payment Model

- Financial APM
  - Price volume agreements, market share, patient utilization
  - Easiest to administer
- Health Outcome Based APM
  - Guaranteed outcomes, PMPY guarantees, event based
  - More difficult to assess (none done...yet)

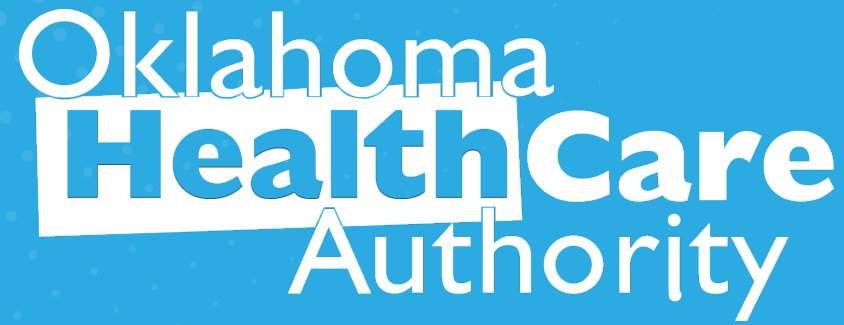
# Alternate Payment Model



# APM – next steps

- Submitted SPA to CMS
  - Approved June 27
- Negotiate contracts between payer and manufacturer
- Preliminary Results (6-8 months)
  - Evaluate results for next steps





# Work/Community Engagement Proposal

Tywanda Cox

Chief of Federal & State Policy

July 19, 2018

# Context

**January 2016**

Federal  
Administration  
Flexibilities

**October 2017**

Oklahoma  
Works  
Workgroup

**March 2018**

Governor's  
Executive  
Order 2018-05

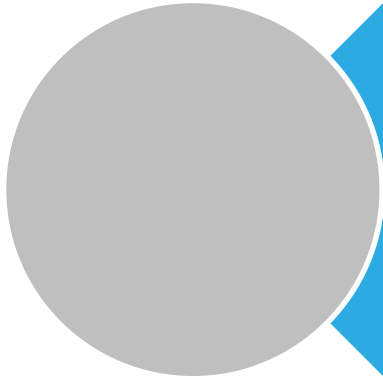
**May 2018**

House Bill  
2932

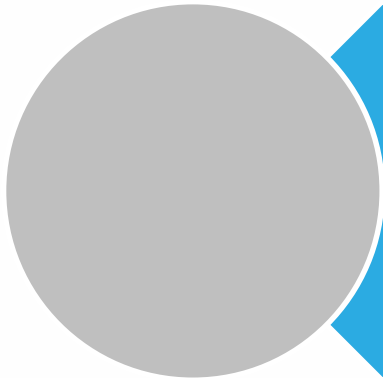
**June 2018**

OHCA's  
Proposal to  
Governor

# Who is impacted?




Non-exempted Individuals  
ages 19 through 50




Parent/Caretaker of a  
dependent child over age 6

# Who is exempt?

- 
- Individuals under age 19 & over age 50
  - Pregnant women through the end of post partum care (for XIX only)
  - Individuals who are certified as physically/mentally unfit for employment
  - A parent/caretaker of a dependent child under age 6
  - A parent/caretaker responsible for the care of an incapacitated person
  - Persons with a disability under the definitions of the Americans with Disabilities Act and Section 504 of the Rehabilitation Act of 1973, or Section 1557 of the Affordable Care Act

# Who is exempt? *(cont.)*

- 
- Those currently complying with TANF work registration requirements
  - Those participating in substance abuse treatment/rehab
  - Students enrolled at least part-time
  - Persons complying with a work registration requirement Title IV of the Social Security Act or Federal-State unemployment compensation system or Federal-State unemployment compensation
  - Employed individuals working 30 hours/week or receiving weekly earnings equal to minimum wage multiplied by 30 hours
  - Self-employed individuals working 30 hours/week or receiving weekly earnings equal to minimum wage multiplied by 30 hours

# Proposed Additional Agency Exemptions

- 
- American Indians and Alaska Natives
  - Oklahoma foster care parents
  - Former foster care members
  - Members enrolled in the OHCA Breast and Cervical Cancer Program (Oklahoma Cares)
  - Members enrolled in the OHCA family planning program under the state plan (SoonerPlan)
  - Insure Oklahoma members
  - Persons released from incarceration within the last 6 months are exempted from work/community engagement requirements for 6 months from date of Medicaid eligibility

# Where are we now?



# WE WANT YOU!

# Where are we now? *(cont.)*

May 2018  
–  
July 2018

## **OHCA Development Process**

- Initial Tribal Consultation
- Concept & Waiver Development
- Recommendation to Governor

July, 2018  
–  
Sept. 2018

## **OHCA Public Notice Process**

- Medical Advisory Committee
- Public Meetings
- Public Forums With Members
- Newspaper Notice & Public Website Posting for Comments (60 days)



# Where are we going?

October 2018

## Submittal of Waiver Amendment & CMS Process

- Acceptance of Waiver Amendment (15 days)
- CMS public Website Posting (30 days)
- Cooling Period (15 days)

November 1,  
2018

–

December 31,  
2018

## Negotiation Period

- Negotiate Special Terms and Conditions
- CMS Approves/Disapproves Waiver Amendment

February 2019

## Proposed Effective Date of Approved Waiver Amendment

# Questions?

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(405) 522-7153

Oklahoma  
**HealthCare**  
Authority

**July MAC  
Proposed Rule Amendment Summary**

Face-to-face tribal consultations regarding the following proposed change were held on Wednesday, May 16, 2018 and Wednesday, July 11, 2018 in the Charles Ed McFall Boardroom of the Oklahoma Health Care Authority (OHCA).

APA work folder 18-02 will be posted on the OHCA public website for a comment period through September 3, 2018.

**18-02 Work and Community Engagement Requirements as a Condition of SoonerCare Eligibility for Adults** — The proposed revisions to eligibility policy establishes work and community engagement requirements as a condition of SoonerCare eligibility for adults ages 19 through 50 who do not meet certain exemptions. Additionally, the revisions outline activities that a member may perform to meet the requirements, the individuals who are exempt from the requirements, and the conditions a member must meet to be reenrolled after losing eligibility for non-compliance. Finally, the revisions inform a member of their appeal rights.

**Budget Impact:** Agency staff has determined that the proposed rule changes will cost \$70,000 state dollars and \$630,000 federal dollars for state fiscal year 2019.

TITLE 317. OKLAHOMA HEALTH CARE AUTHORITY  
CHAPTER 35. MEDICAL ASSISTANCE FOR ADULTS AND CHILDREN-  
ELIGIBILITY

SUBCHAPTER 5. ELIGIBILITY AND COUNTABLE INCOME

PART 3. NON-MEDICAL ELIGIBILITY REQUIREMENTS

**317:35-5-28. Work and community engagement requirements**

(a) Purpose. According to the Centers for Disease Control and Prevention, the ability to get a job, the ability to keep a job, and how much a person earns are some of the social determinants of health. Determinants of health are factors that contribute to a person's current state of health and ultimately health outcomes. Work and community engagement requirements are established with the aim of positively addressing some of the social determinants of health by encouraging SoonerCare members to take an active role in their communities through employment, education and training activities. The aim is that these activities will result in skills needed for long-term independence, success, better health and well-being. Additionally, the aim is that this initiative will promote personal responsibility, decrease enrollment in public assistance programs, increase enrollment in Insure Oklahoma and private insurers, improve overall health for members and provide a better-trained workforce within the state of Oklahoma.

(b) Approved work and community engagement activities. Individuals age nineteen (19) through age fifty (50) must meet one of the following work, training, or volunteer activities in order to have SoonerCare eligibility unless exempted under subsection (d) below. Individuals will have a 90 day grace period to provide proof of meeting the conditions of work and/or community engagement activities.

(1) Work an average of twenty (20) hours or more per week each month of eligibility. The employment may be paid, in-kind, unpaid, or volunteer work;

(2) Participate in and comply with the requirements of one (1) of the following work programs twenty (20) hours or more per week:

(A) The Workforce Innovation and Opportunity Act (WIOA) Program;

(B) The Trade Adjustment Assistance Program; or

(C) The Employment and Training Program (E&T).

(3) Participate in community service programs with religious or community organizations for at least twenty (20) hours or more per week, averaged monthly; or

(4) Meet any combination of work, work training or volunteering for work twenty (20) hours or more per week, averaged monthly.

(c) **Non-exempt individuals.** Work requirements policy in 317:35-5-28 applies to individuals age nineteen (19) through age fifty (50).

(d) **Exempt individuals.** The following individuals are exempt from the SoonerCare work and community engagement requirements:

(1) Individuals under age nineteen (19) or over age fifty (50);

(2) Individuals who are pregnant, and the pregnancy-related services are covered by Title XIX Medicaid, through the end of sixty (60) days of post-partum care;

(3) Individuals who are medically certified as physically or mentally unfit for employment;

(4) A parent or caretaker responsible for the care of a dependent child under the age of six (6);

(5) A parent or caretaker personally responsible for the care of an incapacitated person;

(6) A person currently subject to and complying with Temporary Assistance for Needy Families (TANF) work registration requirements;

(7) Individuals participating in a drug addiction or alcoholic treatment and rehabilitation program;

(8) A student who is enrolled at least half time in any recognized school, training program, or institution of higher education;

(9) A person currently subject to and complying with a work registration requirement under title IV of the Social Security Act, as amended (42 U.S.C. 602) or Federal-State unemployment compensation system;

(10) Individuals who are employed and working a minimum of thirty (30) hours weekly or receiving weekly earnings equal to the federal minimum wage multiplied by thirty (30) hours;

(11) Individuals who are self-employed working a minimum of thirty (30) hours weekly or receiving weekly earnings equal to the federal minimum wage multiplied by thirty (30) hours;

(12) Individuals with a disability under the definitions of the American with Disabilities Act and Section 504 of the Rehabilitation Act of 1973, or Section 1557 of the Affordable Care Act;

(13) Members enrolled in the OHCA family planning program (SoonerPlan);

(14) Members enrolled in the OHCA Breast and Cervical Cancer Program (Oklahoma Cares);

(15) Oklahoma foster care parents;

(16) Former foster care members who aged out of foster care within the State of Oklahoma and were enrolled in Medicaid at the time;

(17) Members enrolled in Insure Oklahoma;

(18) American Indians and Alaska Natives meeting defined tribal

work requirements; and

(19) A person who has been released from incarceration in the past six (6) months is exempt for six (6) months from the date of Medicaid eligibility.

(e) **Reenrollment during or after suspension for non-compliance.**

SoonerCare members suspended for non-compliance with work or training requirements may reapply for SoonerCare benefits following at least one (1) month of loss of eligibility by adhering to at least one (1) of the following conditions:

(1) The member gains employment working at least eighty (80) or more hours in a thirty (30) day period;

(2) The member participates in and complies with the requirements of a work program for eighty (80) or more hours within a thirty (30) day period, as determined by a State agency;

(3) The member participates in and complies with the requirements of a program under Section 2029 of Title 7 U.S.C. 2015 or a comparable program established by a State or political subdivision of a State; or

(4) The member meets an exemption status.

(f) **Fair hearing.** Each SoonerCare member has a right to a fair hearing to appeal a denial or termination of Medicaid benefits. An applicant or a member may file an appeal in accordance with procedures found in Oklahoma Administrative Code (OAC) 317:2-1-2.