



STATE OF OKLAHOMA
OKLAHOMA HEALTH CARE AUTHORITY

May SPARC Agenda
May 17, 2019
12:00 PM
OHCA Board Room

Rate issues to be addressed:

1. Maternal Depression Screenings
2. Enhanced Payments for State University Employed or Contracted Physicians
3. Rural Health Clinic Rates

MATERNAL DEPRESSION SCREENINGS

1. IS THIS A RATE CHANGE OR A METHOD CHANGE?

Method Change

2. IS THIS CHANGE AN INCREASE, DECREASE, OR NO IMPACT?

Increase

3. PRESENTATION OF ISSUE – WHY IS THIS CHANGE BEING MADE?

The proposed revisions will add fee-for-service coverage and reimbursement language for maternal depression screenings (CPT code 96161) at Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) well-child visits. The policy will also reiterate how the Oklahoma Health Care Authority adopts and utilizes the American Academy of Pediatrics' Bright Futures periodicity schedule in relation to maternal depression screenings.

4. CURRENT METHODOLOGY AND/OR RATE STRUCTURE.

Currently this code is set to pay \$0.00.

5. NEW METHODOLOGY OR RATE STRUCTURE.

A fee-for-service reimbursement of \$5.00 per screening was selected and is in line with reimbursement offered by other states. This does not apply to facilities receiving an encounter rate.

6. BUDGET ESTIMATE.

The estimated budget impact for the remainder of SFY2020 will be an increase of \$143,053 total; of which \$49,911 is state share. The estimated budget impact for SFY2021 will be an increase of \$342,936 total; of which \$113,409 is state share.

7. AGENCY ESTIMATED IMPACT ON ACCESS TO CARE.

The Oklahoma Health Care Authority does not anticipate any negative impact on access to care.

8. RATE OR METHOD CHANGE IN THE FORM OF A MOTION.

The Oklahoma Health Care Authority requests the State Plan Amendment Rate Committee approve the method change to price CPT code 96161 at \$5.00.

9. EFFECTIVE DATE OF CHANGE.

September 1, 2019, pending CMS approval.

ENHANCED PAYMENTS FOR STATE UNIVERSITY EMPLOYED OR CONTRACTED PHYSICIANS

1. IS THIS A RATE CHANGE OR A METHOD CHANGE?

Method Change

2. IS THIS CHANGE AN INCREASE, DECREASE, OR NO IMPACT?

Increase

3. PRESENTATION OF ISSUE – WHY IS THIS CHANGE BEING MADE?

The Oklahoma Health Care Authority (OHCA) would like to change the rate methodology for the State University Employed or Contracted Physicians. The proposed revisions will increase the enhanced payments made for services provided by teaching physicians who are employed by or contracted with state universities.

4. CURRENT METHODOLOGY AND/OR RATE STRUCTURE.

The current payment methodology for State University Employed or Contracted Physicians is 140% of the Medicare Physician Fee Schedule.

5. NEW METHODOLOGY OR RATE STRUCTURE.

The proposed payment methodology for State University Employed or Contracted Physicians is 175% of the Medicare Physician Fee Schedule. The percentage was chosen to not exceed the following payment methodology:

- An average of the commercial payment from the top five (5) commercial payers for each CPT code were provided to generate the Average Commercial Rate (ACR).
- Both the Medicare rate and the ACR were multiplied by the Oklahoma Medicaid fee-for-service (FFS) volume of services reimbursed for eligible CPT codes.
- The statewide Medicare equivalent of the ACR was calculated by dividing the product of ACR and FFS volume by the product of the Medicare and FFS volume.

To comply with CFR 447.321, an annual upper payment limit demonstration will be submitted to CMS annually to ensure that State University Employed or Contracted Physicians are not paid more than 175% of the average commercial rate in the aggregate.

6. BUDGET ESTIMATE.

The estimated annual budget impact will be an increase of \$51,067,779 total; of which \$17,817,548 is state share. The state share will be paid by the University of Oklahoma and Oklahoma State University.

7. AGENCY ESTIMATED IMPACT ON ACCESS TO CARE.

The Oklahoma Health Care Authority does not anticipate a negative impact on access to care.

8. RATE OR METHOD CHANGE IN THE FORM OF A MOTION.

The Oklahoma Health Care Authority requests the State Plan Amendment Rate Committee approve the proposed payment methodology for State University Employed or Contracted Physicians at 175% of the Medicare Physician Fee Schedule.

9. EFFECTIVE DATE OF CHANGE.

July 1, 2019, pending CMS approval.

RURAL HEALTH CLINIC RATES

1. IS THIS A RATE CHANGE OR A METHOD CHANGE?

Method Change

2. IS THIS CHANGE AN INCREASE, DECREASE, OR NO IMPACT?

Increase

3. PRESENTATION OF ISSUE – WHY IS THIS CHANGE BEING MADE?

The Oklahoma Health Care Authority (OHCA) would like to change the rate methodology for Hospital-Based and Independent Rural Health Clinics.

4. CURRENT METHODOLOGY AND/OR RATE STRUCTURE.

The current State Plan payment methodology for Rural Health Clinics is to pay on a per visit basis based on historical cost report data that is trended forward annually by the Medicare Economic Index (MEI).

5. NEW METHODOLOGY OR RATE STRUCTURE.

The proposed payment methodology for hospital-based rural health clinic services are paid at the provider's encounter rate established by Medicare that is in effect for the date of service. When a hospital-based rural health clinic receives the annual rate notification from CMS for a full cost reporting year, the provider must forward a copy of that notice to the state agency. In the event the provider does not submit the rate notification from CMS, the lesser of the statewide average or the current rate will be used. There is no retroactive cost settlement. The proposed methodology or independent rural health clinics are paid at the rural health clinic payment limit established by CMS that is in effect for the date of service. If the rural health clinic rate exceeds the CMS rate, the rate will be frozen until the CMS rate exceeds the current rate. There is no retroactive cost settlement.

6. BUDGET ESTIMATE.

The estimated annual budget impact will be an increase of \$17,657,446 total; of which \$6,160,683 is state share.

7. AGENCY ESTIMATED IMPACT ON ACCESS TO CARE.

The Oklahoma Health Care Authority does not anticipate a negative impact on access to care.

8. RATE OR METHOD CHANGE IN THE FORM OF A MOTION.

The Oklahoma Health Care Authority requests the State Plan Amendment Rate Committee approve the proposed payment methodology for hospital-based and independent rural health clinics.

9. EFFECTIVE DATE OF CHANGE.

July 1, 2019, pending CMS approval.