

OKLAHOMA HEALTH CARE AUTHORITY
REGULARLY SCHEDULED BOARD MEETING
January 10, 2013 at 1:00 P.M.
The Oklahoma Health Care Authority
Ponca Conference Room
2401 NW 23rd, Suite 1A
Oklahoma City, Oklahoma

AGENDA

Items to be presented by Ed McFall, Chairman

1. Call to Order / Determination of Quorum
2. Action Item – Approval of December 10, 2012 OHCA Special Board Minutes and December 13, 2012 OHCA Board Minutes
3. Discussion Item – Reports to the Board by Board Committees
 - a) Legislative Committee – Member Bryant
 - b) Strategic Planning Committee – Vice Chairman Armstrong

Item to be presented by Mike Fogarty, Chief Executive Officer

4. Discussion Item – Chief Executive Officer's Report
 - a) Financial Update – Carrie Evans, Chief Financial Officer
 - b) Medicaid Director's Update – Garth Splinter, State Medicaid Director

Item to be presented by Howard Pallotta, Director of Legal Services

5. Announcements of Conflicts of Interest Panel Recommendations for all action items regarding this board meeting.

Item to be presented by Beth VanHorn, Legal Operations Director

6.
 - a) Action Item - Consideration and Vote of Authority for Expenditure of Funds for a Consulting Contract with Leavitt Partners to Analyze and Make Recommendations for Development of "Oklahoma Plan" for Increasing Health Insurance Coverage.
 - b) Action Item – Consideration and Vote of Authority for Expenditure of Funds to operate SoonerCare's Mandatory Statewide Non-Emergency Transportation Program.
 - c) Action Item – Consideration and Vote of Authority for Expenditure of Funds to operate SoonerCare's Health Management Program with OHCA.

Item to be presented by Cindy Roberts, Chairperson of State Plan Amendment Rate Committee

7. Action Item – Consideration and Vote Upon the recommendations of the State Plan Amendment Rate Committee held in January, 2013:
 - a) Consideration and Vote regarding the recommendation that OHCA pay a percentage of the Medicare rate to add payment for "combination testing" for human immunodeficiency virus (HIV) antibodies for HIV-1 and HIV-2 effective February 1, 2013.
 - b) Consideration and Vote Upon the recommendation that in four Medicaid Home and Community Based Waiver programs (Living Choice, Medically Fragile, My Life My Choice, and Sooner Senior) that OHCA increase the rate for the following services on February 1, 2013:
 - Self-Directed Personal Care
 - Self-Directed Advanced Supportive Restorative (ASR) Services

Item to be presented by Nancy Nesser, Pharmacy Director

8. Action Item - Consideration and Vote Regarding Recommendations Made by the Drug Utilization Review Board Under 63 Oklahoma Statutes 5030.3.
 - a) Consideration and Vote to Add Rayos® and Relistor® to the Utilization and Scope Prior Authorization Program Under OAC 317:30-5-77.2(e).

Item to be presented by Chairman McFall

9. Discussion Item – Proposed Executive Session as Recommended by the Director of Legal Services and Authorized by the Open Meetings Act, 25 Oklahoma Statutes § 307(B) (1), (4) and (7)
 - a) Discussion of Pending Litigation and Claims
 - b) Selection of the Chief Executive Officer Position

Item to be presented by Chairman McFall

10. Action Item- Consideration and Vote to Appoint a Chief Executive Officer for the Oklahoma Health Care Authority
11. New Business
12. ADJOURNMENT

NEXT BOARD MEETING
February 14, 2013
Oklahoma Health Care Authority
Ponca Conference Room

MINUTES OF A REGULARLY SCHEDULED BOARD MEETING
OF THE HEALTH CARE AUTHORITY BOARD
December 13, 2012
Held at Oklahoma Health Care Authority
Oklahoma City, Oklahoma

Manner and Time of Notice of Meeting: A statutorily required public meeting notice was placed on the front door of the Oklahoma Health Care Authority on December 12, 2012, 11:00 a.m. Advance public meeting notice is provided to the Oklahoma Secretary of State. In addition to the posting of the statutory public notice, the agency placed its agenda on its website on December 11, 2012, 12:30 p.m.

Pursuant to a roll call of the members, a quorum was declared to be present, and Vice Chairman Armstrong called the meeting to order at 1:00 p.m.

BOARD MEMBERS PRESENT:

Chairman McFall, Vice-Chairman Armstrong, Member Miller, Member Bryant, Member Nuttle, Member McVay, Member Robison

OTHERS PRESENT:

Lyle Roggow
Traylor Rains, ODMHSAS
Diana Capps, OHCA
Will Widman, HP
Reggie, FAIS
Graham Brewer, eCapitol
Kasie Wren, OHCA

OTHERS PRESENT:

Emily Stacey, OKDHS
Mary Brinkley, Leading Age OK
Lisa Spain, HP
Charles Brodt, HP
Terry Fortelmey, ODMHSAS
Becky Moore, OAHCP
Debbie Spaeth, Quest MHSa, LLC

DISCUSSION AND POSSIBLE VOTE ON APPROVAL OF BOARD MINUTES OF THE REGULARLY SCHEDULED BOARD MEETING HELD ON NOVEMBER 1, 2012.

The Board routinely reviews and approves a synopsis of all its meetings. The full-length recordings of the meetings of the Board are retained at the Board Offices and may be reviewed upon written request.

MOTION:

Vice-Chairman Armstrong moved for approval of the November 1, 2012 board minutes as published. Member Bryant seconded.

FOR THE MOTION:

Chairman McFall, Member Miller, Member Nuttle, Member Robison

ABSTAINED:

Member McVay

ITEM 3 / REPORTS TO THE BOARD BY BOARD COMMITTEES

Audit/Finance Committee

Member Miller stated that the Audit/Finance Committee did meet and discussed the national transition that is ongoing relating to health care. He noted that 80% of woodwork eligibles are children and wanted to make sure that this was in our budget request and it is. He inquired about accounts receivable on the financial report and noted that we required state agencies who received direct appropriation from the legislature for their state share of their Medicaid services reimburse us prior to the time we pay their claims, and we came up with \$9 million in accounts receivable during the month of October which was a timing issue which related to 5 pay periods. He noted that within hours the report was back where it should be. Member Miller noted that in the drug rebate revenue line on the financial, is a negative number that generally runs \$3 or \$4 million a month which is a result of the health care reform act and we think in the future that number will come back up.

Rules Committee

Member Robison stated that the Rules Committee did meet and discussed the rules in the board packet. They did discuss the effect of the affordable care act as well. Please see item 8 for further details.

Strategic Planning Committee

Vice-Chairman Armstrong stated that the Strategic Planning Committee did not meet as a committee but met on Monday the 10th in executive session as a full board which was publicized and posted through the state for purposes of review of resumes and develops the process and procedures for the hiring of the next CEO position for the OHCA.

ITEM 4 / CHIEF EXECUTIVE OFFICER'S REPORT

Mike Fogarty, Chief Executive Officer

4a. FINANCIAL UPDATE

Carrie Evans, Chief Financial Officer

Ms. Evans stated that the state dollar budget variance through October is \$11.5 million positive. We continue to be under budget in our Medicaid program spending by 1.2% for \$6.8 million and continue to be under budget in administration by 15.3% for \$4.2 million state dollars. She noted that we are under budget in drug rebates by \$.5 million state dollars and are under budget in the tobacco tax settlement collections but we are over budget in our medical settlement payments. December will remain relatively flat for programs and admin will go slightly under. Carrie noted that we were a little more under budget this time of year last year, but that is due to tightening our budget this year due to us having a little less funds. For more detailed information, see Item 4a in the board packet.

4b. MEDICAID DIRECTOR'S UPDATE

Garth Splinter, State Medicaid Director

Dr. Splinter reported on the October data and noted that we have more than 479,000 members in medical homes, 251,700 members for the SoonerCare traditional and Insure Oklahoma has a total of 30,248 members. The total enrollment is 808,124 members for an increase from the previous month of about 3,100 members. This continues the trend over the last couple of years for a slow increase in the program. Dr. Splinter stated that the dual eligibles continue to have a slight increase for 108,575 enrollees. There is a slight increase in nursing home members to 15,800 for \$4,065 for the per member per month. The total providers are a little over 34,000. He noted the chart showing for the first time (in red) more than a 10% decrease than the previous year's monthly average, most of that is due to paying out of state providers and it typical when we do a lot of recycling contracts. Dr. Splinter stated that there were a total of 1,556 payments on the Electronic Health Records for a total amount of \$87,708,289. For more detailed information, see Item 4b in the board packet.

Mike recognized Ayman Boulos, Network Administrator III, as the OHCA August All Star. He shared a few comments about Ayman given by co-workers who nominated him for the award. Mike thanked him for his hard work and dedication.

ITEM 5 / PRESENTATION OF THE TJ BRICKNER DEFENDER OF HEALTH AWARD

Ed McFall, Chairman and Mike Fogarty, CEO

Mike gave a history of Dr. T.J. Brickner who is honored by the award.

Chairman McFall recognized Lyle Roggow as the sixth annual recipient of the T.J. Brickner award. He presented Mr. Roggow with a crystal apple award and lapel pin. Chairman McFall then shared Lyle's biography, accomplishments and history on the board of the Oklahoma Health Care Authority.

Lyle noted what an incredible individual Dr. Brickner was and what an asset he was to the Oklahoma Health Care Authority and that he accepted this award with great gratitude. Lyle noted the huge impact that the OHCA has on the economy of our state and we do it in a very economical, efficient and effective way. He commended the OHCA employees who try to find ways to be creative, innovative and make it more streamline. Mr. Roggow stated that in his 14 years of investment in this agency, he has learned more from us than he has given and will still be here to help the agency as we move forward. He thanked OHCA for the award.

Mike noted that Lyle joins the following people in the receiving of this award: Dr. T.J Brickner, Mike Dover, Calvin Anthony and Anne Roberts.

ITEM 6 / PROVIDER OUTREACH ONLINE ENROLLMENT PRESENTATION

Jennie Melendez, Public Affairs Marketing Coordinator

Ms. Melendez provided information regarding the outreach efforts to providers regarding online enrollment for SoonerCare applicants. For more detailed information, see Item 6 in the board packet.

ITEM 7 / ANNOUNCEMENTS OF CONFLICTS OF INTEREST PANEL RECOMMENDATIONS FOR ALL ACTION ITEMS

Howard Pallotta, General Counsel

Mr. Pallotta stated that there were no conflicts.

ITEM 8 / CONSIDERATION AND VOTE OF AGENCY RECOMMENDED RULEMAKING PURSUANT TO ARTICLE I OF THE ADMINISTRATIVE PROCEDURES ACT

Cindy Roberts, Deputy CEO

Action Item – Consideration and Vote of Agency Recommended Rulemaking Pursuant to Article I of the Administrative Procedures Act

- a) Consideration and Vote upon a Declaration of a Compelling Public Interest for the promulgation of all Emergency Rules in accordance with 75 Okla. Stat. § 253.

MOTION:

Member Bryant moved for approval of Item 8a as a declaration of emergency. Member Nuttle seconded.

FOR THE MOTION:

Chairman McFall, Vice-Chairman Armstrong, Member Robison, Member McVay, Member Miller

- a) Consideration and Vote Upon promulgation of Emergency Rules as follows:
 - 8. b – 1. AMENDING Agency rules at OAC 317:30-5-291, 30-5-296, and 30-5-676 to comply with federal law, which requires a prescription or referral from a physician or practitioner of the healing arts before therapy services are rendered. Policy is also revised to require a prior authorization for speech therapy services. **(Reference APA WF # 12-07)**
 - 8. b – 2. AMENDING Agency rules at OAC 317:30-5-2 to match state law and current agency operational requirements that parental or legal guardian consent must be given prior to rendering services to a minor child. **(Reference APA WF # 12-08)**
 - 8. b – 3. AMENDING Agency rules at OAC 317:30-3-25 and 30-5-122 to allow 100% payment of Medicare Crossover deductibles and coinsurance at skilled nursing facilities. **(Reference APA WF # 12-09)**
 - 8. b – 4. AMENDING Agency rules at OAC 317: 30-5-240.1, 30-5-241 and 30-5-241.3 to impose limits on the amount of outpatient Behavioral Health Rehabilitation services available to SoonerCare members in order to ensure appropriateness of the services provided, as well as contain program costs. Psychosocial rehabilitation services will not be allowed for children younger than age 6 unless the services are medically necessary and required pursuant to Federal Early and Periodic Screening, Diagnosis and Treatment (EPSDT) laws. This will ensure that services are of high quality and delivered in the most appropriate manner to the intended populations. **(Reference APA WF # 12-19)**

MOTION:

Vice-Chairman Armstrong moved for approval of substantive provisions of Item 8b. 1-4 as presented. Member McVay seconded.

FOR THE MOTION:

Chairman McFall, Member Bryant, Member Nuttle, Member Miller, Member Robison

ITEM 9 / PROPOSED EXECUTIVE SESSION AS RECOMMENDED BY THE DIRECTOR OF LEGAL SERVICES AND AUTHORIZED BY THE OPEN MEETINGS ACT, 25 OKLAHOMA STATUTES §307(B) (1), (4) AND (7)

Howard Pallotta, General Counsel

Mr. Pallotta stated that there was no need for Executive Session.

ITEM 10 / CONSIDERATION AND VOTE UPON THE OKLAHOMA HEALTH CARE AUTHORITY BOARD MEETING DATES, TIMES AND LOCATIONS FOR CALENDAR YEAR 2013

MOTION:

Member Nuttle moved for approval of board officers as presented. Vice-Chairman Armstrong seconded.

FOR THE MOTION:

Chairman McFall, Member McVay, Member Robison, Member Bryant, Member Miller

ITEM 11 / NEW BUSINESS

There was no new business.

ITEM 12 / ADJOURNMENT

MOTION:

Member Robison moved for adjournment. Member McVay seconded.

FOR THE MOTION:

Chairman McFall, Vice-Chairman Armstrong, Member Miller, Member Bryant, Member Nuttle

Meeting adjourned at 1:55 p.m., 12/13/2012

NEXT BOARD MEETING
January 10, 2012
Oklahoma Health Care Authority
Ponca Conference Room
2401 NW 23rd, Suite 1A
Oklahoma City, OK 73107

Lindsey Bateman
Board Secretary

Minutes Approved: _____

Initials: _____

MINUTES OF A SPECIAL BOARD MEETING
OF THE HEALTH CARE AUTHORITY BOARD
December 10, 2012
Held at Oklahoma Health Care Authority
Oklahoma City, Oklahoma

Manner and Time of Notice of Meeting: A statutorily required public meeting notice was placed on the front door of the Oklahoma Health Care Authority on December 7, 2012, 1:00 p.m. Advance public meeting notice is provided to the Oklahoma Secretary of State.

Pursuant to a roll call of the members, a quorum was declared to be present, and Chairman McFall called the meeting to order at 2:40 p.m.

BOARD MEMBERS PRESENT:

Chairman, McFall, Vice-Chairman Armstrong, Member Miller, Member Bryant, Member McVay, Member Robison, Member Nuttle

ITEM 2 / PROPOSED EXECUTIVE SESSION AS RECOMMENDED BY THE DIRECTOR OF LEGAL SERVICES AND AUTHORIZED BY THE OPEN MEETINGS ACT, 25 OKLAHOMA STATUTES §307(B) (1), (4) AND (7)

Howard Pallotta, General Counsel

Director of Legal Services advised that there was a need for Executive Session for this Board meeting.

Discussion Item – Proposed Executive Session as Recommended by the Director of Legal Services and Authorized by the Open Meetings Act, 25 Oklahoma Statutes § 307(B) (1), (4) and (7)

- a) Discussion regarding the process and procedure for hiring the Oklahoma Health Care Authority Chief Executive Officer Position

MOTION:

Member Bryant moved for approval to go into Executive Session. Member Miller seconded.

FOR THE MOTION:

Chairman McFall, Vice-Chairman Armstrong, Member McVay, Member Robison

ABSENT:

Member Nuttle (late attendance, arrived 3:15pm)

ITEM 3 / ADJOURNMENT

MOTION:

Member Bryant moved for adjournment. Vice Chairman Armstrong seconded.

FOR THE MOTION:

Chairman McFall, Member Miller, Member Robison, Member Nuttle

ABSENT:

Member McVay

Meeting adjourned at 4:35 p.m., 12/10/2012

NEXT BOARD MEETING
December 13, 2012
Oklahoma Health Care Authority
Ponca Conference Room
2401 NW 23rd, Suite 1A
Oklahoma City, OK 73107

Lindsey Bateman
Board Secretary

Minutes Approved: _____

Initials: _____



FINANCIAL REPORT

For the Five Months Ended November 30, 2012
Submitted to the CEO & Board
January 10, 2013

- Revenues for OHCA through November, accounting for receivables, were **\$1,583,829,039** or **(.5%) under** budget.
- Expenditures for OHCA, accounting for encumbrances, were **\$1,531,599,158** or **1.3% under** budget.
- The state dollar budget variance through November is **\$12,648,296 positive**.
- The budget variance is primarily attributable to the following (in millions):

| | |
|-----------------------------|----------------|
| Expenditures: | |
| Medicaid Program Variance | 4.8 |
| Administration | 4.5 |
| Revenues: | |
| Taxes and Fees | (.7) |
| Drug Rebate | 2.3 |
| Overpayments/Settlements | 1.7 |
| Total FY 13 Variance | \$ 12.6 |

ATTACHMENTS

| | |
|---|---|
| Summary of Revenue and Expenditures: OHCA | 1 |
| Medicaid Program Expenditures by Source of Funds | 2 |
| Other State Agencies Medicaid Payments | 3 |
| Fund 205: Supplemental Hospital Offset Payment Program Fund | 4 |
| 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
Fiscal Year 2013, For the Five Months Ended November 30, 2012

| REVENUES | FY13 Budget YTD | FY13 Actual YTD | Variance | % Over/ (Under) |
|-----------------------------|-------------------------|-------------------------|-----------------------|--------------------|
| State Appropriations | \$ 402,388,755 | \$ 402,388,755 | \$ - | 0.0% |
| Federal Funds | 805,301,139 | 786,583,008 | (18,718,131) | (2.3)% |
| Tobacco Tax Collections | 25,685,571 | 25,000,763 | (684,808) | (2.7)% |
| Quality of Care Collections | 23,639,315 | 23,639,315 | - | 0.0% |
| Prior Year Carryover | 43,075,735 | 43,075,735 | - | 0.0% |
| Federal Deferral - Interest | 54,194 | 54,194 | - | 0.0% |
| Drug Rebates | 77,025,371 | 83,435,100 | 6,409,729 | 8.3% |
| Medical Refunds | 20,176,559 | 24,875,238 | 4,698,679 | 23.3% |
| SHOPP | 186,770,814 | 186,770,814 | - | 0.0% |
| Other Revenues | 7,920,520 | 8,006,118 | 85,598 | 1.1% |
| TOTAL REVENUES | \$ 1,592,037,973 | \$ 1,583,829,039 | \$ (8,208,934) | (0.5)% |

| EXPENDITURES | FY13 Budget YTD | FY13 Actual YTD | Variance | % (Over)/ Under |
|--|-------------------------|-------------------------|----------------------|--------------------|
| ADMINISTRATION - OPERATING | \$ 19,360,029 | \$ 17,026,270 | \$ 2,333,759 | 12.1% |
| ADMINISTRATION - CONTRACTS | \$ 49,530,428 | \$ 43,030,413 | \$ 6,500,015 | 13.1% |
| MEDICAID PROGRAMS | | | | |
| <u>Managed Care:</u> | | | | |
| SoonerCare Choice | 14,188,509 | 13,877,530 | 310,980 | 2.2% |
| <u>Acute Fee for Service Payments:</u> | | | | |
| Hospital Services | 363,460,165 | 357,327,168 | 6,132,997 | 1.7% |
| Behavioral Health | 8,877,532 | 7,990,382 | 887,150 | 10.0% |
| Physicians | 196,281,048 | 196,757,956 | (476,909) | (0.2)% |
| Dentists | 62,149,157 | 63,301,646 | (1,152,489) | (1.9)% |
| Other Practitioners | 30,338,278 | 30,028,488 | 309,790 | 1.0% |
| Home Health Care | 9,687,431 | 8,937,438 | 749,992 | 7.7% |
| Lab & Radiology | 25,285,522 | 25,223,377 | 62,145 | 0.2% |
| Medical Supplies | 21,006,958 | 21,100,212 | (93,255) | (0.4)% |
| Ambulatory/Clinics | 48,518,865 | 49,043,823 | (524,958) | (1.1)% |
| Prescription Drugs | 165,172,273 | 158,987,942 | 6,184,330 | 3.7% |
| OHCA TFC | 1,332,307 | 1,098,043 | 234,265 | 0.0% |
| <u>Other Payments:</u> | | | | |
| Nursing Facilities | 219,874,495 | 219,659,175 | 215,321 | 0.1% |
| ICF-MR Private | 24,448,149 | 24,837,245 | (389,096) | (1.6)% |
| Medicare Buy-In | 53,910,899 | 53,349,778 | 561,121 | 1.0% |
| Transportation | 25,781,439 | 26,470,893 | (689,454) | (2.7)% |
| MFP-OHCA | - | 671,319 | (671,319) | 0.0% |
| EHR-Incentive Payments | 9,074,479 | 9,074,479 | - | 0.0% |
| Part D Phase-In Contribution | 32,520,667 | 32,237,203 | 283,464 | 0.9% |
| SHOPP payments | 171,568,377 | 171,568,377 | - | 0.0% |
| Total OHCA Medical Programs | 1,483,476,548 | 1,471,542,475 | 11,934,073 | 0.8% |
| OHCA Non-Title XIX Medical Payments | 89,382 | - | 89,382 | 0.0% |
| TOTAL OHCA | \$ 1,552,456,387 | \$ 1,531,599,158 | \$ 20,857,230 | 1.3% |

| | | | | |
|---|----------------------|----------------------|----------------------|--|
| REVENUES OVER/(UNDER) EXPENDITURES | \$ 39,581,585 | \$ 52,229,881 | \$ 12,648,296 | |
|---|----------------------|----------------------|----------------------|--|

OKLAHOMA HEALTH CARE AUTHORITY
Total Medicaid Program Expenditures
by Source of State Funds
Fiscal Year 2013, For the Five Months Ended November 30, 2012

| Category of Service | Total | Health Care Authority | Quality of Care Fund | HEEIA | Medicaid Program Fund | BCC Revolving Fund | Other State Agencies |
|--|-------------------------|------------------------|----------------------|----------------------|-----------------------|---------------------|-----------------------|
| SoonerCare Choice | \$ 14,064,568 | \$ 13,869,147 | \$ - | \$ 187,038 | \$ - | \$ 8,383 | \$ - |
| Inpatient Acute Care | 261,221,986 | 221,368,317 | 202,786 | 4,018,634 | 21,551,860 | 842,214 | 13,238,175 |
| Outpatient Acute Care | 117,878,759 | 111,579,075 | 17,335 | 4,516,769 | - | 1,765,581 | - |
| Behavioral Health - Inpatient | 9,681,923 | 5,089,598 | - | 9,316 | - | - | 4,583,009 |
| Behavioral Health - Psychiatrist | 2,900,784 | 2,900,784 | - | - | - | - | - |
| Behavioral Health - Outpatient | 7,995,505 | - | - | - | - | - | 7,995,505 |
| Behavioral Health Facility- Rehab | 111,288,070 | - | - | 250,363 | - | 46,515 | 110,991,192 |
| Behavioral Health - Case Management | 3,247,391 | - | - | - | - | - | 3,247,391 |
| Behavioral Health - PRTF | 41,998,911 | - | - | - | - | - | 41,998,911 |
| Residential Behavioral Management | 8,517,820 | - | - | - | - | - | 8,517,820 |
| Targeted Case Management | 25,998,052 | - | - | - | - | - | 25,998,052 |
| Therapeutic Foster Care | 1,098,043 | 1,098,043 | - | - | - | - | - |
| Physicians | 219,703,742 | 167,429,590 | 24,209 | 6,066,984 | 26,367,544 | 2,936,614 | 16,878,801 |
| Dentists | 63,322,851 | 59,724,376 | - | 21,205 | 3,552,023 | 25,246 | - |
| Mid Level Practitioners | 1,678,053 | 1,634,637 | - | 41,181 | - | 2,236 | - |
| Other Practitioners | 28,487,120 | 27,774,481 | 185,985 | 95,504 | 423,539 | 7,611 | - |
| Home Health Care | 8,937,438 | 8,930,867 | - | - | - | 6,571 | - |
| Lab & Radiology | 26,717,466 | 24,912,918 | - | 1,494,088 | - | 310,459 | - |
| Medical Supplies | 21,437,249 | 19,997,136 | 1,076,006 | 337,036 | - | 27,070 | - |
| Clinic Services | 50,264,832 | 44,621,545 | - | 677,094 | - | 121,404 | 4,844,789 |
| Ambulatory Surgery Centers | 4,519,981 | 4,291,906 | - | 219,106 | - | 8,969 | - |
| Personal Care Services | 5,245,281 | - | - | - | - | - | 5,245,281 |
| Nursing Facilities | 219,659,175 | 139,943,483 | 62,487,663 | - | 17,224,961 | 3,068 | - |
| Transportation | 26,336,175 | 23,927,277 | 1,074,381 | 624 | 1,309,846 | 24,047 | - |
| GME/IME/DME | 50,403,015 | - | - | - | - | - | 50,403,015 |
| ICF/MR Private | 24,837,245 | 20,428,235 | 4,063,087 | - | 345,923 | - | - |
| ICF/MR Public | 22,593,793 | - | - | - | - | - | 22,593,793 |
| CMS Payments | 85,586,981 | 84,460,724 | 1,126,257 | - | - | - | - |
| Prescription Drugs | 167,267,294 | 139,182,526 | - | 8,279,352 | 19,053,342 | 752,074 | - |
| Miscellaneous Medical Payments | 135,342 | 135,104 | - | - | - | 239 | - |
| Home and Community Based Waiver | 68,434,227 | - | - | - | - | - | 68,434,227 |
| Homeward Bound Waiver | 36,722,875 | - | - | - | - | - | 36,722,875 |
| Money Follows the Person | 1,586,990 | 671,319 | - | - | - | - | 915,670 |
| In-Home Support Waiver | 9,697,439 | - | - | - | - | - | 9,697,439 |
| ADvantage Waiver | 74,598,455 | - | - | - | - | - | 74,598,455 |
| Family Planning/Family Planning Waiver | 4,037,301 | - | - | - | - | - | 4,037,301 |
| Premium Assistance* | 21,292,656 | - | - | 21,292,656 | - | - | - |
| EHR Incentive Payments | 9,074,479 | 9,074,479 | - | - | - | - | - |
| SHOPP Payments** | 171,568,377 | 171,568,377 | - | - | - | - | - |
| Total Medicaid Expenditures | \$ 2,030,037,640 | \$1,133,045,567 | \$ 70,257,708 | \$ 47,506,952 | \$ 89,829,038 | \$ 6,888,300 | \$ 510,941,699 |

* Includes \$21,133,483.36 paid out of Fund 245 and **\$171,568,377 paid out of Fund 205

OKLAHOMA HEALTH CARE AUTHORITY
Summary of Revenues & Expenditures:
Other State Agencies
Fiscal Year 2013, For the Five Months Ended November 30, 2012

| REVENUE | FY13 Actual YTD |
|---|----------------------------|
| Revenues from Other State Agencies | \$ 211,725,065 |
| Federal Funds | 327,849,904 |
| TOTAL REVENUES | \$ 539,574,969 |
| EXPENDITURES | Actual YTD |
| Department of Human Services | |
| Home and Community Based Waiver | \$ 68,434,227 |
| Money Follows the Person | 915,670 |
| Homeward Bound Waiver | 36,722,875 |
| In-Home Support Waivers | 9,697,439 |
| ADvantage Waiver | 74,598,455 |
| ICF/MR Public | 22,593,793 |
| Personal Care | 5,245,281 |
| Residential Behavioral Management | 6,682,456 |
| Targeted Case Management | 19,218,335 |
| Total Department of Human Services | 244,108,529 |
| State Employees Physician Payment | |
| Physician Payments | 16,878,801 |
| Total State Employees Physician Payment | 16,878,801 |
| Education Payments | |
| Graduate Medical Education | 14,300,000 |
| Graduate Medical Education - PMTC | 1,608,384 |
| Indirect Medical Education | 30,449,271 |
| Direct Medical Education | 4,045,360 |
| Total Education Payments | 50,403,015 |
| Office of Juvenile Affairs | |
| Targeted Case Management | 1,373,531 |
| Residential Behavioral Management - Foster Care | - |
| Residential Behavioral Management | 1,835,364 |
| Total Office of Juvenile Affairs | 3,208,896 |
| Department of Mental Health | |
| Case Management | 3,247,391 |
| Inpatient Psych FS | 4,583,009 |
| Outpatient | 7,995,505 |
| PRTF | 41,998,911 |
| Rehab | 110,991,192 |
| Total Department of Mental Health | 168,816,007 |
| State Department of Health | |
| Children's First | 915,206 |
| Sooner Start | 943,531 |
| Early Intervention | 2,672,091 |
| EPSDT Clinic | 1,065,636 |
| Family Planning | 27,884 |
| Family Planning Waiver | 3,993,418 |
| Maternity Clinic | 22,247 |
| Total Department of Health | 9,640,014 |
| County Health Departments | |
| EPSDT Clinic | 355,184 |
| Family Planning Waiver | 15,999 |
| Total County Health Departments | 371,182 |
| State Department of Education | 37,638 |
| Public Schools | 1,781,251 |
| Medicare DRG Limit | 11,250,000 |
| Native American Tribal Agreements | 2,458,191 |
| Department of Corrections | 239,793 |
| JD McCarty | 1,748,382 |
| Total OSA Medicaid Programs | \$ 510,941,699 |
| OSA Non-Medicaid Programs | \$ 32,739,187 |
| Accounts Receivable from OSA | \$ 4,105,916 |

OKLAHOMA HEALTH CARE AUTHORITY
SUMMARY OF REVENUES & EXPENDITURES:
Fund 205: Supplemental Hospital Offset Payment Program Fund
Fiscal Year 2013, For the Five Months Ended November 30, 2012

| REVENUES | | FY 13 Revenue |
|-----------------------|-----------|--------------------------|
| SHOPP Assessment Fee | \$ | 77,054,350 |
| Federal Draws | | 109,700,608 |
| Penalties | | 15,856 |
| State Appropriations | | (15,000,000) |
| TOTAL REVENUES | \$ | 171,770,814 |

| EXPENDITURES | Quarter | Quarter | | FY 13 Expenditures |
|-------------------------------------|-------------------------|---------------------------|-----------|-------------------------------|
| | 7/1/12 - 9/30/12 | 10/1/12 - 12/31/12 | | |
| Program Costs: | | | | |
| Hospital - Inpatient Care | 76,857,805 | 76,538,280 | \$ | 153,396,085 |
| Hospital -Outpatient Care | 3,224,900 | 3,217,022 | \$ | 6,441,922 |
| Psychiatric Facilities-Inpatient | 5,660,381 | 5,636,765 | \$ | 11,297,146 |
| Rehabilitation Facilities-Inpatient | 217,066 | 216,157 | \$ | 433,223 |
| Total OHCA Program Costs | 85,960,153 | 85,608,224 | \$ | 171,568,377 |
| Total Expenditures | | | \$ | 171,568,377 |

| | | |
|---------------------|-----------|----------------|
| CASH BALANCE | \$ | 202,438 |
|---------------------|-----------|----------------|

OKLAHOMA HEALTH CARE AUTHORITY
SUMMARY OF REVENUES & EXPENDITURES:
Fund 230: Nursing Facility Quality of Care Fund
Fiscal Year 2013, For the Five Months Ended November 30, 2012

| REVENUES | Total Revenue | State Share |
|----------------------------|----------------------|----------------------|
| Quality of Care Assessment | \$ 23,147,481 | \$ 23,147,481 |
| Interest Earned | 13,041 | 13,041 |
| TOTAL REVENUES | \$ 23,160,522 | \$ 23,160,522 |

| EXPENDITURES | FY 13 Total \$ YTD | FY 13 State \$ YTD | Total State \$ Cost |
|--|-----------------------|-----------------------|------------------------|
| Program Costs | | | |
| NF Rate Adjustment | \$ 60,877,979 | \$ 21,934,336 | |
| Eyeglasses and Dentures | 122,084 | 43,987 | |
| Personal Allowance Increase | 1,487,600 | 535,982 | |
| Coverage for DME and supplies | 1,076,006 | 387,685 | |
| Coverage of QMB's | 430,315 | 155,042 | |
| Part D Phase-In | 1,126,224 | 1,126,224 | |
| ICF/MR Rate Adjustment | 2,042,114 | 735,774 | |
| Acute/MR Adjustments | 2,020,973 | 728,157 | |
| NET - Soonerride | 1,074,381 | 387,099 | |
| Total Program Costs | \$ 70,257,675 | \$ 26,034,286 | \$ 26,034,286 |
| Administration | | | |
| OHCA Administration Costs | \$ 229,049 | \$ 114,524 | |
| DHS - 10 Regional Ombudsman | - | - | |
| OSDH-NF Inspectors | - | - | |
| Mike Fine, CPA | - | - | |
| Total Administration Costs | \$ 229,049 | \$ 114,524 | \$ 114,524 |
| Total Quality of Care Fee Costs | \$ 70,486,724 | \$ 26,148,810 | |
| TOTAL STATE SHARE OF COSTS | | | \$ 26,148,810 |

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
Fiscal Year 2013, For the Five Months Ended November 30, 2012

| REVENUES | FY 12 Carryover | FY 13 Revenue | Total Revenue |
|-------------------------|----------------------|----------------------|----------------------|
| Prior Year Balance | \$ 27,390,790 | \$ - | \$ 19,671,927 |
| State Appropriations | | | |
| Tobacco Tax Collections | - | 20,562,237 | 20,562,237 |
| Interest Income | - | 326,553 | 326,553 |
| Federal Draws | 674,029 | 14,272,539 | 14,272,539 |
| All Kids Act | (7,160,896) | 121,625 | 121,625 |
| TOTAL REVENUES | \$ 20,903,923 | \$ 35,282,953 | \$ 54,833,256 |

| EXPENDITURES | FY 12 Expenditures | FY 13 Expenditures | Total \$ YTD |
|---------------------------------------|-----------------------|-----------------------|----------------------|
| Program Costs: | | | |
| Employer Sponsored Insurance | | \$ 20,870,501 | \$ 20,870,501 |
| College Students | | 159,172 | 159,172 |
| All Kids Act | | 262,983 | 262,983 |
| Individual Plan | | | |
| SoonerCare Choice | | \$ 180,291 | \$ 64,959 |
| Inpatient Hospital | | 3,982,224 | 1,434,795 |
| Outpatient Hospital | | 4,472,137 | 1,611,311 |
| BH - Inpatient Services-DRG | | 242,587 | 87,404 |
| BH -Psychiatrist | | - | - |
| Physicians | | 5,996,717 | 2,160,617 |
| Dentists | | 12,923 | 4,656 |
| Mid Level Practitioner | | 40,460 | 14,578 |
| Other Practitioners | | 93,030 | 33,519 |
| Home Health | | - | - |
| Lab and Radiology | | 1,475,014 | 531,448 |
| Medical Supplies | | 325,058 | 117,118 |
| Clinic Services | | 665,695 | 239,850 |
| Ambulatory Surgery Center | | 217,182 | 78,251 |
| Prescription Drugs | | 8,161,371 | 2,940,542 |
| Miscellaneous Medical | | 624 | 624 |
| Premiums Collected | | - | (978,897) |
| Total Individual Plan | | \$ 25,865,313 | \$ 8,340,775 |
| College Students-Service Costs | | \$ 274,400 | \$ 98,866 |
| All Kids Act- Service Costs | | \$ 74,583 | \$ 26,872 |
| Total OHCA Program Costs | | \$ 47,506,952 | \$ 29,759,169 |
| Administrative Costs | | | |
| Salaries | \$ 30,032 | \$ 640,194 | \$ 670,226 |
| Operating Costs | 48,746 | 133,120 | 181,866 |
| Health Dept-Postponing | - | - | - |
| Contract - HP | 1,153,217 | 1,124,367 | 2,277,584 |
| Total Administrative Costs | \$ 1,231,995 | \$ 1,897,681 | \$ 3,129,676 |
| Total Expenditures | | | \$ 32,888,845 |
| NET CASH BALANCE | \$ 19,671,927 | | \$ 21,944,411 |

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

**Fund 250: Belle Maxine Hilliard Breast and Cervical Cancer Treatment Revolving Fund
Fiscal Year 2013, For the Five Months Ended November 30, 2012**

| REVENUES | FY 13 Revenue | State Share |
|-------------------------|--------------------------|------------------------|
| Tobacco Tax Collections | \$ 410,378 | \$ 410,378 |
| TOTAL REVENUES | \$ 410,378 | \$ 410,378 |

| EXPENDITURES | FY 13 Total \$ YTD | FY 13 State \$ YTD | Total State \$ Cost |
|-------------------------------------|-------------------------------|-------------------------------|--------------------------------|
| Program Costs | | | |
| SoonerCare Choice | \$ 8,383 | \$ 2,114 | |
| Inpatient Hospital | 842,214 | 212,406 | |
| Outpatient Hospital | 1,765,581 | 445,279 | |
| Inpatient Services-DRG | - | - | |
| Psychiatrist | 0 | - | |
| TFC-OHCA | 0 | - | |
| Nursing Facility | 3,068 | 774 | |
| Physicians | 2,936,614 | 740,614 | |
| Dentists | 25,246 | 6,367 | |
| Mid-level Practitioner | 2,236 | 564 | |
| Other Practitioners | 7,611 | 1,920 | |
| Home Health | 6,571 | 1,657 | |
| Lab & Radiology | 310,459 | 78,298 | |
| Medical Supplies | 27,070 | 6,827 | |
| Clinic Services | 121,404 | 30,618 | |
| Amulatory Surgery Center | 8,969 | 2,262 | |
| Prescription Drugs | 752,074 | 189,673 | |
| Transportation | 24,047 | 6,065 | |
| Miscellaneous Medical | 239 | 60 | |
| Total OHCA Program Costs | \$ 6,841,786 | \$ 1,725,498 | |
| OSA DMHSAS Rehab | \$ 46,515 | \$ 11,731 | |
| Total Medicaid Program Costs | \$ 6,888,300 | \$ 1,737,229 | |
| TOTAL STATE SHARE OF COSTS | | | \$ 1,737,229 |

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.

SoonerCare Programs

November 2012 Data for January 2013 Board Meeting

SOONERCARE ENROLLMENT/EXPENDITURES

| Delivery System | Monthly Enrollment Average SFY2012 | Enrollment November 2012 | Total Expenditures November 2012 | Average Dollars Per Member Per Month November 2012 |
|--|------------------------------------|--------------------------|----------------------------------|--|
| SoonerCare Choice Patient-Centered Medical Home | 468,268 | 515,033 | \$117,191,865 | |
| <i>Lower Cost</i> (Children/Parents/Other) | | 469,683 | \$87,775,520 | \$187 |
| <i>Higher Cost</i> (Aged, Blind or Disabled; TEFRA; BCC) | | 45,350 | \$29,416,345 | \$649 |
| SoonerCare Traditional | 241,278 | 221,564 | \$182,617,565 | |
| <i>Lower Cost</i> (Children/Parents/Other) | | 113,600 | \$41,993,173 | \$370 |
| <i>Higher Cost</i> (Aged, Blind or Disabled; TEFRA; BCC & HCBS Waiver) | | 107,964 | \$140,624,392 | \$1,303 |
| SoonerPlan | 41,378 | 48,669 | \$826,696 | \$17 |
| Insure Oklahoma | 31,502 | 30,501 | \$9,657,484 | |
| <i>Employer-Sponsored Insurance</i> | 17,728 | 16,483 | \$4,589,313 | \$278 |
| <i>Individual Plan</i> | 13,773 | 14,018 | \$5,068,171 | \$362 |
| TOTAL | 782,425 | 815,767 | \$310,293,610 | |

The enrollment totals above include all members enrolled during the report month; therefore, some members may not have expenditure data. Custody expenditures are excluded. Non-member specific expenditures of \$34,392,959 are excluded.

| | |
|--|--------------|
| Net Enrollee Count Change from Previous Month Total | 7,643 |
|--|--------------|

| | |
|----------------------|---------------|
| New Enrollees | 19,703 |
|----------------------|---------------|

Opportunities for Living Life (OLL) (subset of data above)

| Qualifying Group | Age Group | Enrollment |
|-----------------------|-----------|----------------|
| Aged/Blind/Disabled | Child | 19,508 |
| Aged/Blind/Disabled | Adult | 132,473 |
| Other | Child | 168 |
| Other | Adult | 20,766 |
| PACE | Adult | 119 |
| TEFRA | Child | 442 |
| Living Choice | Adult | 100 |
| OLL Enrollment | | 173,576 |

The "Other" category includes DDS/State, PKU, Q1, Q2, Refugee, S/MB, Soon-to-be-Sooner (S/BS) and TB members.

| Medicare and SoonerCare | Monthly Average SFY2012 | Enrolled November 2012 |
|-------------------------|-------------------------|------------------------|
| Dual Enrollees | 107,504 | 108,473 |

| | Monthly Average SFY2012 | Enrolled November 2012 |
|-------------------------------|-------------------------|------------------------|
| Long-Term Care Members | 15,770 | 15,741 |
| Child | 87 | 65 |
| Adult | 15,683 | 15,676 |

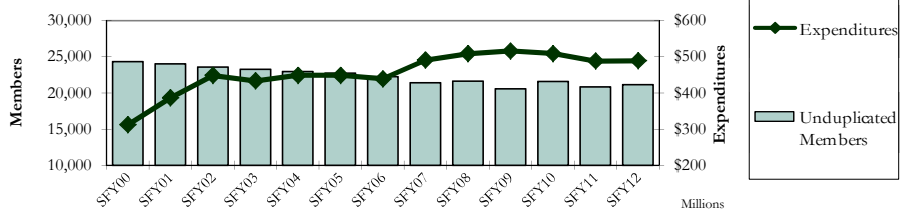
| FACILITY PER MEMBER PER MONTH |
|-------------------------------|
| \$3,553 |

SFY2012 Long-Term Care

Statewide LTC Occupancy Rate - 71.7%
SoonerCare funded LTC Bed Days 67.2%

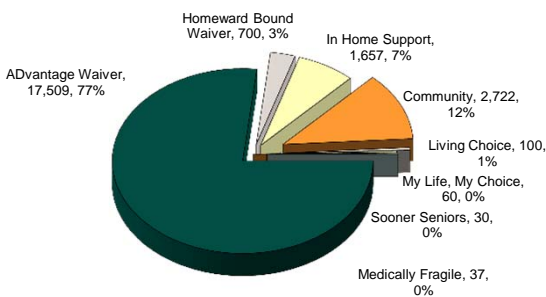
Data as of September 2012

Standard SoonerCare Nursing Facility - Unduplicated Members and Total Expenditure Trends



Data as of Nov. 19, 2012. Figures do not include intermediate care facilities for the intellectually disabled (ICF/ID).

Waiver Enrollment Breakdown Percent



- Advantage Waiver** - Serves frail elderly individuals age 65 or older and adults age 21 and older with physical disabilities who would otherwise require placement in a nursing facility.
- Community** - serves individuals 3 years of age and older who have intellectual disabilities and certain persons with related conditions who would otherwise require placement in an intermediate care facility for the intellectually disabled (ICF/ID).
- Homeward Bound Waiver** - Designed to serve the needs of individuals with intellectual disabilities or "related conditions" who are also members of the Plaintiff Class in *Homeward Bound et al. v. The Hissom Memorial Center, et al.*, who would otherwise qualify for placement in an ICF/ID.
- In Home Support** - Serves the needs of individuals 3 years of age and older with intellectual disabilities who would otherwise require placement in an ICF/ID.
- Living Choice** - Promotes community living for people of all ages who have disabilities or long-term illnesses.
- Medically Fragile** - This program serves qualifying individuals who meet hospital or skilled nursing facility level of care.
- My Life, My Choice** - This program is for adults with physical disabilities who transitioned to the community under the Living Choice program.
- Sooner Seniors** - This program is for adults 65 and older with long term illnesses who transitioned to community-based services in the Living Choice program.

SoonerCare Programs

SOONERCARE CONTRACTED PROVIDER INFORMATION

| Provider Counts | Monthly Average SFY2012 | Enrolled November 2012* |
|------------------------|---------------------------|-------------------------|
| Total Providers | 29,723 | 34,759 |
| | <i>In-State</i> 20,881 | 27,445 |
| | <i>Out-of-State</i> 8,842 | 7,314 |

*Effective July 2012, the methodology for counting providers has changed to count provider network. Previous counts will include group practice and its members; the current count will include members only. Provider Network is providers who are contracted to provide health care services by locations, programs, types, and specialties. Providers are being counted multiple times if they have multiple locations, programs, types,

| Program | % of Capacity Used |
|-------------------------|--------------------|
| SoonerCare Choice | 46% |
| SoonerCare Choice I/T/U | 15% |
| Insure Oklahoma IP | 3% |

| Select Provider Type Counts | In-State | | Totals | |
|-----------------------------|-------------------------|-------------------------|-------------------------|------------------------|
| | Monthly Average SFY2012 | Enrolled November 2012* | Monthly Average SFY2012 | Enrolled November 2012 |
| Physician*** | 7,497 | 7,244 | 13,790 | 10,698 |
| Pharmacy | 874 | 896 | 1,153 | 1,200 |
| Mental Health Provider** | 3,395 | 5,616 | 3,449 | 5,685 |
| Dentist | 986 | 1,191 | 1,124 | 1,363 |
| Hospital | 194 | 200 | 934 | 1,077 |
| Optometrist | 550 | 602 | 587 | 640 |
| Extended Care Facility | 375 | 363 | 375 | 363 |

Above counts are for specific provider types and are not all-inclusive.

| | | | | |
|---------------------------------|-------|-------|-------|-------|
| Total Primary Care Providers*** | 4,915 | 4,736 | 6,955 | 6,029 |
| Patient-Centered Medical Home | 1,711 | 1,873 | 1,739 | 1,915 |

Including Physicians, Physician Assistants and Advance Nurse Practitioners.

*Items shaded above represent a 10% or more increase (green) or decrease (red) from the previous fiscal year's average.

**Due to federal regulations, OHCA must have an approved agreement on file for all providers providing care to our members. To meet this requirement OHCA is directly contracting with providers that had previously billed through a group or agency. This contributed to the increase in the provider counts for Mental Health Providers.

***Decrease in current month's count is due to contract renewal period which is typical during all renewal periods.

ELECTRONIC HEALTH RECORDS (EHR) INCENTIVE STATISTICS

The Electronic Health Records Incentive Program is a federal program that offers major financial support to assist certain providers to adopt (acquire and install), implement (train staff, deploy tools, exchange data), upgrade (expand functionality or interoperability) or meaningfully use certified EHR technology.

| As Of 1/2/2013 | December 2012 | | Since Inception | |
|------------------------|--------------------|----------------|--------------------------|----------------------|
| | Number of Payments | Payment Amount | Total Number of Payments | Total Payment Amount |
| Eligible Professionals | 49 | \$837,250 | 1,509 | \$33,036,667 |
| Eligible Hospitals | 5* | \$5,897,106 | 85 | \$58,525,725 |
| Totals | 54 | \$6,734,356 | 1,594 | \$91,562,391 |

*Current Eligible Hospitals Paid
 DEACONESS HSP
 MEDICAL CENTER HOSPITALS
 NORMAN REGIONAL HOSPITAL
 PONCA CITY MEDICAL CENTER
 WOODWARD REGIONAL HOSPITAL

Submitted to the C.E.O. and Board on January 10, 2013
AUTHORITY FOR EXPENDITURE OF FUNDS

Analysis and Recommendations for Development of “Oklahoma Plan”
For Increasing Health Insurance Coverage
Leavitt Partners

BACKGROUND

Leavitt Partners, a national health care consulting firm, recently completed a unique analysis of Idaho’s Medicaid program using proprietary methodology and expertise. OHCA wants to contract with Leavitt for a similar analysis. Leavitt will evaluate and make recommendations to improve access and quality of health care in Oklahoma, including an evaluation of the current SoonerCare program and development of an “Oklahoma Plan” demonstration proposal.

SCOPE OF WORK

- Evaluate OHCA’s current strategies to accomplish its statutory mission, incorporating input and perspectives of providers, other stakeholders, and agency staff.
- Prepare a demonstration proposal including an “Oklahoma Plan” to improve outcomes, contain costs, and make efficient use of State resources.
- Provide reports, issue briefs and presentations to OHCA and stakeholders related to the work under this Contract.

CONTRACT PERIOD

February 1, 2013 through June 30, 2013.

CONTRACT AMOUNT AND PROCUREMENT METHOD

- Sole source procurement if approved by the Office of Management and Enterprise Services (OMES) – Central Purchasing Division (CPD)
- Budget amount not-to-exceed \$500,000
- Federal matching percentage is 50%

RECOMMENDATION

- Board approval to procure the services discussed above
- Board approval is contingent on the approval of OMES-CPD

Submitted to the C.E.O. and Board on January 10, 2013
AUTHORITY FOR EXPENDITURE OF FUNDS

Mandatory Statewide Non-Emergency Transportation Services

BACKGROUND

A mandatory SoonerCare benefit is non-emergency transportation for members to medical appointments or for other medical services. OHCA's approach has been to contract directly with a broker who takes responsibility for subcontracting with transportation providers, managing the utilization of transportation services, and making reservations for members. The contract is a risk-based managed care contract where the broker is paid on a per member per month basis.

SCOPE OF WORK

- Broker ensures safe, reliable and efficient "curb to curb" transportation for all SoonerRide members to medical appointments and other medically necessary services, including accommodation for members with physical and intellectual disabilities.
- Transportation methods may include van service, stretcher service, taxi, volunteer drivers, public bus, and mileage reimbursement.
- Broker must provide transportation to all areas of the State, including remote and underserved areas.
- Broker manages a member-friendly and accessible reservation system, which may include telephone and web service.

CONTRACT PERIOD

July 1, 2013 through June 30, 2018

CONTRACT AMOUNT AND PROCUREMENT METHOD

- Awarded through competitive bidding conducted by OHCA
- Federal matching percentage for program expenditures (currently 64%)
- State and federal spending combined not to exceed \$32 million total for FY14; not to exceed \$175 million total over the five-year contract

RECOMMENDATION

- Board approval to expend funds for the services discussed above

Submitted to the C.E.O. and Board on January 10, 2013
AUTHORITY FOR EXPENDITURE OF FUNDS

Health Management Program (HMP)

BACKGROUND

OHCA has operated the HMP since 2008, including both nurse care management for high risk SoonerCare members and practice facilitation for medical home providers. The current contract for the HMP, with Telligen, expires on June 30, 2013. OHCA's independent program evaluator reports "aggregate savings across the two program components now stand at nearly \$90 million even after factoring in administrative costs. From a return on investment perspective, the HMP has generated over four dollars in net medical savings for every dollar of administrative expenditures."

Based on input from the contractor, evaluator, and other stakeholders, OHCA is continuing the program with recommended modifications. Centralized nurse care management services will be replaced with health coaches embedded in the medical homes and practice facilitation services will become more diverse, including short-term academic detailing focused on specific topics. A new resource center will manage referrals and provide assistance to both members and providers.

SCOPE OF WORK

The HMP will:

- Improve the health outcomes and reduce the medical costs of the population served through health coaching within the member's medical home;
- Encourage and enable members to better manage their own health;
- Improve the effectiveness of providers in caring for members with chronic disease through practice facilitation, academic detailing, webinars, and regional learning collaboratives
- Serve all areas of the State;
- Coordinate and integrate services with OHCA's related initiatives such as Health Access Networks, Health Homes, Health Information Technology, etc.

CONTRACT PERIOD

July 1, 2013 through June 30, 2018

CONTRACT AMOUNT AND PROCUREMENT METHOD

- Awarded through competitive bidding conducted by OHCA
- Federal matching percentage is currently 50% but CMS staff has suggested that OHCA request program match instead (currently 64%)
- State and federal funds will not exceed \$7.5 million in FY 14 and will not exceed \$40 million for the total five year contract

RECOMMENDATION

- Board approval to expend funds for the services discussed above

#7.a

HIV1-HIV2 Rate Brief

1. Is this a "Rate Change" or a "Method Change"?
Rate Change
- 1b. Is this change an increase, decrease, or no impact?
This change will result in a budget increase
2. Presentation of issue – Why is change being made?
OHCA proposes to add coverage to code 86703 - combination HIV1/HIV2 test – and set the reimbursement rate equal to 61% of Medicare (not including the rate reduction that is currently in place). This is comparable to the rate paid for code 86701 – HIV1 test only. Although it is extremely rare for anyone in the United States to contract HIV2, most lab slips in Oklahoma only allow providers to order the combination test. Adding coverage on for the combination test will allow providers to be reimbursed for HIV tests that are currently denied.
3. Current methodology and/or rate structure.
OHCA uses the Medicare lab fee schedule to set rates. OHCA may not exceed 95% of the Medicare lab fee schedule. In addition, there is currently a 3.25% rate reduction in place.
4. New methodology or rate.
OHCA proposes to pay 61% of the Medicare lab fee schedule prior to the rate reduction or 59% of Medicare inclusive of the rate reduction; \$11.95 / \$11.56 per test.
5. Budget estimate.
Approximately 33,000 HIV1/HIV2 combination test claims are denied each year. At the rate of \$11.56, the budget impact is approximately \$381,480 total dollars. State share would be approximately \$137,000 annually.
6. Agency estimated impact on access to care.
This action will allow providers to be reimbursed for services currently being provided but denied. This could potentially increase access to care if providers were previously not serving Medicaid members due to no coverage of the code.
7. Rate or Method change in the form of a motion.
The agency requests the State Plan Amendment Rate Committee to approve a rate change that authorizes OHCA cover the combination HIV1/HIV2 test (code 86703) at 61% of Medicare.
8. Effective date of change.
February 1, 2013

#7.b

Living Choice Demonstration and HCBS Waivers Rate Brief

1. Is this a “rate change” or a “method change”?
Rate Change

- 1b. Is this change an increase, decrease or no impact?
Increase

2. Presentation of issue-why is change being made?
OHCA home and community-based services waivers and the Living Choice demonstration adopted OKDHS reimbursement methodology for services when OHCA programs were implemented. As OKDHS received funding for specified rate increases, OHCA proposes to do the same for Self-Directed services offered in the Medically Fragile, Sooner Seniors and My Life; My Choice waivers and the Living Choice demonstration. Just as OKDHS wishes to maintain parity between its waiver programs with respect to core in-home service rates, OHCA desires to reimburse its home and community-based self-directed services providers in an equivalent manner.

3. Current methodology and/or rate structure.
OHCA adopted OKDHS reimbursement methodology from OKDHS programs when implementing its programs on the dates as listed below:

| | |
|---------------------------|---------------|
| Living Choice Project | November 2009 |
| Medically Fragile Waiver | August 2010 |
| My Life; My Choice Waiver | November 2010 |
| Sooner Seniors | March 2011 |

For the current fixed and uniform rates under consideration for increases, the information about the actual rates establishment is detailed in the table below.

| Service | Code | Service Unit | Current Rate | Date Established |
|---|-------------|---------------------|---------------------|-------------------------|
| Self-Directed Personal Care | S5125 | 15 minutes | \$3.14 | 11/1/2012 |
| Self-Directed Advanced Supportive Restorative (ASR) | S5125-TF | 15 minutes | \$3.77 | 11/1/2012 |

4. New methodology or rate.
OHCA proposes the following new rates for the designated services in order to reimburse its home and community-based services providers in an equivalent manner as the OKDHS providers of the same services.

| Service | Code | Current Rate | New Rate | Increase | % Increase |
|---|-------------|---------------------|-----------------|-----------------|-------------------|
| Self-Directed Personal Care | S5125 | \$3.14 | \$3.69 | \$0.55 | 17.5% |
| Self-Directed Advanced Supportive Restorative (ASR) | S5125-TF | \$3.77 | \$3.97 | \$0.20 | 5.3% |

5. Budget estimate.
As the expenses for Self-Directed Personal Care and Self-Directed Advanced Supportive Restorative (ASR) costs have already been estimated in the approved waiver and in the previous rate increases approved by the Board and became effective November 1, 2012, no budget impact is estimated with this change. Given the current utilization of these services provided by agencies, if all PC and ASR services were self-directed, total dollar impact of the rate increase would be \$18,878.94, with a total state share of \$5,150.09.

6. Agency estimated impact on access to care.
With the addition of these Self-Directed services, members will have more options available for access to care.

7. Rate or method change in the form of a motion.
The agency requests the State Plan Amendment Rate Committee to approve the proposed rate increases to be effective February 1, 2013, upon Board approval.

8. Effective date of change.
February 1, 2013, upon Board approval.

Recommendation 1: Prior Authorize Rayos® (Prednisone, Delayed Release)

The Drug Utilization Review Board recommends prior authorization of Rayos® (prednisone, delayed release).

Approval Criteria:

Approval requires a patient specific, clinically significant reason why the member cannot use immediate release corticosteroid products.

Recommendation 2: Prior Authorize Relistor® (Methylnaltrexone Bromide)

The Drug Utilization Review Board recommends prior authorization of Relistor® (methylnaltrexone bromide), with the following criteria:

1. FDA approved indication for the treatment of opioid-induced constipation in patients with severe terminal disease who are receiving only palliative care (life expectancy less than 6 months), and
2. Current use of opioid medications, and
3. Documented treatment attempts with a minimum of three alternate products, excluding bulk forming laxatives, and
4. Mechanical gastrointestinal obstruction has been ruled out.
5. 12 mg single-use vials, syringes or kits will be the preferred products. Criteria for consideration of 8 mg single-use syringes:
 - a. Weight range of 38-62 kg, and/or
 - b. Caregiver unable to draw up dose from vial.
6. Quantity limit of 30 units per month.