



**STATE OF OKLAHOMA
OKLAHOMA HEALTH CARE AUTHORITY**

TRIBAL CONSULTATION MEETING

AGENDA

11 AM, MARCH 1ST, 2016

BOARD ROOM

4345 N. LINCOLN BLVD.

OKLAHOMA CITY, OK 73105

1. Welcome—Dana Miller, Director of Tribal Government Relations
2. Proposed Rule, State Plan, Waiver, and Rate Amendments—William Baker, Senior Policy Specialist
 - 16-02 Policy Revision to Allow Reimbursement for Eyeglasses Fitting Fee and Refraction
 - Reimbursement for Eyeglasses
 - ADvantage Waiver Renewal Application
 - ABD Care Coordination Project Input
3. Other Business—Dana Miller, Director of Tribal Government Relations
 - Access Monitoring Review Plan
 - Hospital Potentially Preventable Readmissions. (PPR)
 - Diagnosis-Related Group (DRG) Transfers:
 - Tribal Government Relations Update
4. Adjourn—Next Tribal Consultation Scheduled for 11 AM, May 3rd, 2016

Proposed Rule Amendments

16-02 Policy Revision to Allow Reimbursement for Eyeglasses Fitting Fee and Refraction – OHCA proposes to revise rules to allow SoonerCare contracted providers of vision services to be reimbursed separately for refraction in an eye exam. In addition, revisions allow SoonerCare contracted suppliers of eyeglasses to be paid a fitting fee if the requirements of a fitting fee are met. Previously, reimbursement for refraction was bundled into the payment for the eye exam and reimbursement for fitting was bundled into the payment for the eyeglass materials.

Reimbursement for Eyeglasses: OHCA recommends a sole vendor for providing eyeglasses to our members. A mutual plan was considered and agreed to by OHCA, Oklahoma Optometry Association, and other stakeholders, but it requires a change in payment methodology for eyeglasses and materials. In addition, the agreed upon plan also requires additional OHCA rule changes to allow for refraction and fitting fee reimbursement to offset some of the loss of reimbursement to the eyeglass materials. Payment for the refraction and fitting fees can be addressed via the reference file/RBRVS once approval is received to activate the appropriate codes. This has been proposed and recommended in an emergency rule change that is currently going through the rule making process and it is proposed to be implemented September 1, 2016. Current methodology for eyeglasses and materials/lens are paid at a set maximum rate. This rate is based on a percentage off the CMS DME fee schedule. OHCA proposes a flat rate for eye glass materials as follows: V2020 (Eyeglass frame) = \$10.00 per frame; V2100-V2114 and V2200-V2214 lens = \$13.98 per lens. Based on the number of paid claims for SFY2015, the proposed budget impact is an estimated savings of \$3,945,960 total dollars, \$1,539,318 state share. If approved by the SPARC committee and the OHCA Board, this change will be effective to coincide with the permanent rule change on September 1, 2016.

Proposed Waiver Amendment

ADvantage Waiver Renewal Application – The Oklahoma Department of Human Services is seeking a 5 year renewal of the ADvantage waiver. The ADvantage waiver serves the frail elderly and adults with physical disabilities age 21 and over who do not have intellectual disabilities or cognitive impairment. Specific changes include, but are not limited to, (1) Removal of Speech and Language services-this service has not been utilized therefore, they are asking the services be removed; (2) Removal of waiver to limit CD PASS-this service has not been provided statewide in the past and required a “waiver of statewideness” however, they have expanded CD PASS statewide and ask that the restriction be removed; (3) Other changes include general clarification and clean-up.

ABD Care Coordination Project Input

This will include a review of the ABD Care Coordination Project with discussion on how the ITUs would be impacted. In addition, the discussion will include a review of various payment methods for the OMB rate for members who are enrolled in an MCO and receiving services at an ITU. OHCA will be requesting input on preferred payment methods with consideration of OHCA system limitations and restrictions.

Other Business

Access Monitoring Review Plan* - CMS recently issued a final rule directing State Medicaid programs to analyze and monitor access to care for Medicaid fee-for-service programs. Through an access monitoring review plan, the State will demonstrate access to care by measuring the following: enrollee needs; the availability of care and providers; utilization of services; characteristics of the enrolled members, and estimated levels of provider payment from other payers. The plan must be created in consultation with the Medical Advisory Committee and be published and made available to the public for a period of no less than 30 days prior to being submitted to CMS. The final rule instructs the State to submit the initial access monitoring review plan on July 1, 2016; the State will have to provide CMS a renewed plan noting any access issues and how the State resolved the issues every 5 years. Further, the state must conduct and submit an access monitoring review plan when promulgating a State Plan Amendment that affects payment methodology and/or rates.

*(This is not considered a State Plan Amendment, Waiver, or a Rule Change. This is a mandatory (new) process. I don't know where you would like to put it at on the agenda or what you would like to call it. I just wanted to let you know that it doesn't really fall in any of the categories.)

Hospital Potentially Preventable Readmissions (PPR):

The Oklahoma Health Care Authority (OHCA) is implementing a Hospital Potentially Preventable Readmissions (PPR) program. This program will include a PPR target rate, which is different from the PPR rate that would be "expected" based on statewide data. The target rate is expressed as a percentage of the expected rate. The OHCA recommends setting the target rate for the Potentially Preventable Readmissions program to 102% for CY 2015 data and decreasing 1% per year until the target is 100%. A target of 102% means OHCA would allow a hospital to have 102% of the potentially-preventable admissions that we would expect based on statewide data before we assess a penalty. In other words, a hospital can do slightly worse than would be expected based on their case mix and still not be assessed a penalty. The penalties assessed for the Hospital PPR program are expected to result in a budget savings of approximately \$1,571,145 total dollars, \$612,904 state share. If approved by the SPARC committee and the OHCA Board, this change will be effective March 24, 2016.

Diagnosis-Related Group (DRG) Transfers:

The Oklahoma Health Care Authority (OHCA) recommends a revision to the current methodology and reimbursement structure for Diagnosis-Related Group (DRG) Hospital Payments related to transfers. On July 1, 2015, OHCA implemented a new reimbursement method for DRG transfers. At that time, OHCA stated that outlier payments would not be allowed for the transferring facility. Due to the resulting unintentional and negative impact, OHCA reversed that decision. The transfer payment method is still in place, the only change is outlier payments are allowed when applicable. Transfers pay the lesser of transfer fee or Diagnosis-Related Group (DRG). In the case of a transfer, the Transfer Allowable Fee for the Transferring Facility shall be calculated as follows: $\text{Transfer Allowable Fee} = (\text{MS-DRG Allowable Fee} / \text{Mean Length of Stay}) \times (\text{Length of Stay} + 1 \text{ day})$. The total Transfer Allowable Fee paid to the transferring facility shall be capped at the amount of the MS-DRG Allowable Fee for a non-transfer case. No outlier payments will be paid to the transferring hospital on transfer cases. Payment to the receiving facility, if it is also the discharging facility, will be at the DRG allowable plus outlier if applicable. The new method will be the same, except outlier payments will be paid to the transferring hospital, if applicable. There is no budget impact for this change. The change to allow outlier payments

for transfer cases does not impact the original estimated annual savings in the amount of \$2,774,924 total dollars; \$983,896 state share. If approved by the SPARC committee and the OHCA Board, this change will be effective March 24, 2016.