

Questions Regarding Oklahoma Private Health Care Benefits RFI – Internal Copy

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| 1. | RFI | General | | In light of the number of questions and allowing sufficient time for OHCA to respond to the questions, will OHCA consider extending the time for the RFI response. | Yes. The submission deadline for responses is 5:00pm CST June 19, 2007. |
| 2. | The Act | Item 2d | 4 | What is the difference between <i>employer sponsored insurance plans</i> and <i>qualified health plans</i> ? | “Employer Sponsored Insurance Plans” refers to those health plans offered to consumers by way of employment. “Qualified Health Plan” means a health plan that has been approved by the OHCA for participation in the O-EPIC program. |
| 3. | RFI | 1.2 | 1 | Will OHCA hold a public conference to address questions from potential respondents? | No, not specifically to the RFI. |
| 4. | RFI | 1.7 | 2 | How may respondents ensure proprietary information submitted in the response is kept confidential? | Respondent should label as “proprietary and confidential” each page of their response that they feel deserves protection. The materials may still be subject to an open records request, but OHCA will notify Respondent of any such request so that Respondent may join with OHCA in protecting the sensitive information. |

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| 5. | RFI | General | | How many health plans does the State plan on contracting with for the pilot program? | The OHCA does not plan to contract with health plans for purposes other than premium payment. The pilot program will operate in a similar fashion to a HIPP (Health Insurance Premium Payment) program, used by other state Medicaid programs such as Rhode Island. In a HIPP arrangement the state pays the member's premium to the private health plan. The member receives coverage from the health plan in the same manner as other, non-Medicaid members. In the HIPP arrangement the state's role is that of the premium payer and does not directly influence other aspects of the private health plan. The pilot program will operate in a similar manner with the OHCA being the premium payer. The OHCA plans to utilize as many health plans as agree to participate in the pilot program. The OHCA establishes the amount to be paid to the health plans based on average member costs. Health plans choosing to participate in the pilot program will provide coverage at or below this established amount, in order to satisfy the cost-effectiveness test required per legislation. The OHCA will not provide any wraparound services or payments. The health plan will ensure all minimum SoonerCare requirements are met. (The term SoonerCare refers to the Oklahoma Medicaid program.) SoonerCare requirements can be found within policy and are available on the OKHCA website (www.okhca.org). As stated in the RFI Section 4.2.2. A) 2), the Private health plan coverage must meet the minimum access and coverage requirements (e.g. federal and state), commensurate with SoonerCare. |
| 6. | RFI | Section III | 4 | Please confirm that this RFI is soliciting responses for conversion of the SoonerCare population into full risk Medicaid managed care via commercial health plan participation and excludes the O-EPIC and EPIC IP populations referenced in the Background summary? | <p>Not Confirmed - The pilot program does not include a Medicaid (SoonerCare) managed care component.</p> <p>Please see answer to question #5 above as it also applies to this question.</p> <p>Confirmed - The O-EPIC ESI and IP populations are excluded from the pilot program.</p> |

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| 7. | RFI | General | | Does the Department anticipate that the Medicaid eligibles who are serviced under a private health plan will retain their "Medicaid" status or that it would be invisible to providers? | <p>OHCA will not require health plans to indicate a participant's "Medicaid" status to point of service professionals.</p> <p>It is the intent of OHCA that member's participating in the pilot program will be identified and treated as any other consumer of the private health plan, regardless of their "Medicaid" (aka SoonerCare) status.</p> |
| 8. | HB 2842 | 3.3 and 3.4 | 4 | Is this item included in the legislation because OHCA assumes that current commercial plans are following DOL regulations instead of BBA grievance/appeals policies? Does the Department of Insurance have additional state-specific regulations regarding grievances and appeals that are available to respondents? | <p>OHCA cannot speak to the intent of the legislative authors.</p> <p>OHCA is not knowledgeable of all Department of Insurance regulations. The Department of Insurance would be the more appropriate recipient of the second question.</p> |
| 9. | | | | | |
| 10. | RFI | General | | Will the SoonerCare benefit structure have to meet the CMS requirements for Medicaid HMOs? Or will OHCA petition for a waiver to offer alternative benefit | <p>Please see answer to question #5 above as it also applies to this question.</p> <p>No, health plans will not be designated as Medicaid HMO's for the purposes of the pilot</p> |

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| | | | | packages? | <p>program. OHCA will not apply for any waivers for alternative benefit packages since health plans must ensure all minimum SoonerCare requirements are met.</p> <p>As stated in the RFI Section 4.2.2. A) 2), the Private health plan coverage must meet the minimum access and coverage requirements (e.g. federal and state), commensurate with SoonerCare.</p> |
| 11. | RFI | 2 | 2 | Are Title XXI enrollees covered under a program separate from SoonerCare? Will they be excluded from the demonstration? | No, Title XXI members are not covered under a separate SoonerCare program. You will notice that for average member cost purposes certain groups were tracked separately. It is the intent of OHCA to allow respondents flexibility when proposing if these members could be included or excluded for cost-effectiveness purposes. |
| 12. | RFI | 3, 2 nd paragraph, #4 | 4 | Will OHCA employ an enrollment broker to accomplish the mission of enrollment counseling? | It is the intent of OHCA to supply members with enrollment counseling prior to their selection of a private health plan. Whether this service is performed by OHCA directly, or contracted out, has yet to be determined. |
| 13. | RFI | General | | The RFI references enrollment of individuals in "private health plans". Please confirm that private health plans include licensed insurers offering PPO products, and will not be limited to licensed HMOs. | Confirmed - Private health plans may include any health plan from a licensed insurer ensuring all minimum SoonerCare requirements are met. SoonerCare requirements can be found within policy and are available on the OKHCA website. As stated in the RFI Section 4.2.2. A) 2), the Private health plan coverage must meet the |

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| | | | | | <p>minimum access and coverage requirements (e.g. federal and state), commensurate with SoonerCare.</p> |
| 14. | RFI | General | | <p>For a participating private health plan, will the product be considered a commercial product or will the health plan be required to have a distinct Medicaid product?</p> | <p>OHCA does not require health plans to be made exclusively available to SoonerCare members participating in the pilot program. Membership in health plans participating in the pilot program will not be limited to SoonerCare members. The health plans will ensure all minimum SoonerCare requirements are met.</p> |
| 15. | RFI | 1.4 | 1 | <p>Has OHCA determined how it will proceed regarding selection of participants? Will there be an open call or will an RFP or some other procurement process be employed? To encourage bidders who may shy away from the development costs of a project this size for a single year contract, would the Department consider an initial 2 year contract with 3 one year renewals?</p> | <p>If OHCA decides to proceed with the program, an RFP or Invitation to Bid will be published through the Department of Central Services and interested vendors will be invited to respond. State agencies are not allowed to obligate State funds beyond one year; therefore any contract would only be for 12 month with options to renew.</p> |

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| 16. | RFI | General | | Does OHCA have any expectations of the form of "credit" or "instrument of value"? Does it need to be based on the family or the individual member? | OHCA would expect data and tracking to be available at the individual level. OHCA does not have a firm expectation but rather requests the respondent's proposal to suggest what form a "credit" or "instrument of value" could take. |
| 17. | RFI | 4.2.2.A4 | 6 | Does the OK Department of Insurance require special licensure for administration of HSAs? | The Department of Insurance would be the more appropriate recipient of this question. |
| 18. | RFI | 4.2.2 Item 3 | 6 | Does this provision require health plans to coordinate enrollment conversion for Medicaid consumers transitioning from strictly Medicaid coverage to coverage under EPIC or full commercial care? | No, OHCA does not require health plans to coordinate enrollment conversation for members transitioning to coverage under O-EPIC. It is the intent of OHCA that health plans would coordinate enrollment conversation for SoonerCare members transitioning to coverage under full commercial care. OHCA anticipates that appropriate outreach would accompany transitioning. |
| 19. | RFI | General | | Will the fee schedule be the Medicaid fee schedule or the commercial fee schedules? | This is at the discretion of the health plan. It is the intent of OHCA's role in the pilot program to be that of the premium payer. Please see answer to question #5 above as it also applies to this question. |

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| 20. | RFI | General | | <p>A significant component of cost for health care services is the unit cost at which services are paid. Typically, state fee for service Medicaid rates are at or below provider cost and are the lowest rates accepted by providers.</p> <p>What is the basis for Medicaid payment to physicians and to facilities for inpatient, outpatient, lab and radiology? Does OK Medicaid utilize a fee schedule, case rates (DRG), percent off charges? Are the schedules available to the public?</p> | <p>The basis for SoonerCare payment, as well as fee schedules, are available to the public. This information can be obtained on the OHCA website at www.okhca.org</p> |
| 21. | RFI | General | | <p>Does the Department have any plans to make provider participation mandatory? If so, will the OHCA Medicaid rates apply? If not, will the health plan be required to contract with the Medicaid providers based on specialty types?</p> | <p>No, it is the intent of the OHCA that members participating in the pilot program health plans would utilize the health plan provider network. SoonerCare rates would not apply since the providers are not contracted with OHCA. No, OHCA will not require the health plans to contract with SoonerCare providers.</p> |
| 22. | RFI | General | | <p>How will the Department policy handle federally qualified health centers (FQHCs)? If FQHCs accept rate less than their cost based reimbursement levels, will the Department pay the wrap around costs?</p> | <p>This is at the discretion of the health plan. It is the intent of OHCA's role in the pilot program to be that of the premium payer. The OHCA will not provide any wraparound services or payments.</p> <p>Please see answer to question #5 above as it also applies to this question.</p> |

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| 23. | RFI | General | | Will participating providers be required to become state Medicaid providers? | No, OHCA does not require providers to contract with the state. |
| 24. | RFI | General | | Can the health plan be assured of a minimum number of members? | No, members who meet the cost-effectiveness test will be allowed to choose their health plan. |
| 25. | RFI | General | | Describe the process for program transfers in cases where a member meets the initial eligibility requirements for participation but later is eligible for excluded programs, i.e. dual eligibles, long term care, etc. | It is the intent of OHCA to transition members no longer eligible for the pilot program into traditional SoonerCare coverage. Details of this process have yet to be determined. |
| 26. | RFI | General | | Will recipient participation be mandatory or will the county Medicaid recipients be allowed to choose PCCM or FFS instead of the new program? | Member participation in the pilot program will be mandatory if the member meets the cost-effectiveness test. |

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| 27. | RFI | General | | What are the expectations when the premium credit exceeds the cost of care or when it falls below the cost of care on a pmpm basis? | <p>Please see answer to question #5 above as it also applies to this question.</p> <p>It the intent of OHCA for pilot program members to engage in private health plan coverage in the same manner as other, non-SoonerCare consumers.</p> |
| 28. | RFI | General | | The premium excess or deficits will accrue to whom? Member? State? Health Plan? | <p>OHCA assumes the “premium excess or deficits” mentioned in this question directly relate to reasoning in question #27. As a result the same answer applies.</p> <p>Please see answer to question #5 above as it also applies to this question.</p> <p>It the intent of OHCA for pilot program members to engage in private health plan coverage in the same manner as other, non-SoonerCare consumers.</p> |
| 29. | RFI | General | | What are the Department's plans for rate increases in subsequent years? Will rates be actuarially sound as required by CMS? | <p>OHCA assumes “rate” mentioned in this question refers to premium paid by the OHCA to the health plan on behalf of members participating in the pilot program.</p> <p>OHCA anticipates that the average member costs, or “rate”, could potentially change as additional</p> |

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| | | | | | <p>studies of average member costs are performed with new data. Details of this process have yet to be determined. It is the intent of OHCA that premiums paid by the OHCA will remain consistent throughout the member's eligibility period regardless of their utilization. OHCA anticipates pilot program members will engage in private health plan coverage in the same manner as other, non-SoonerCare consumers.</p> <p>Yes, the initial average member costs, or "rate", identified in the Cost Study by PHPG (see bidder's library, page 2 of the RFI) are actuarially sound.</p> |
| 30. | RFI | General | | <p>Are the enhanced reimbursement levels due to Health Status limited to ESRD, Asthma, Behavioral Health, Congestive Heart Failure, Diabetes, and Hemophilia? Are others being considered such as Cancer, Transplants, High Cost Injectibles?</p> | <p>OHCA did not intend to limit respondent's decisions regarding which indicators of health status may be used. Respondent's response should offer a plan listing any requirements concerning enhanced reimbursement.</p> |
| 31. | RFI | General | | <p>Can commercial UM guidelines be utilized?</p> | <p>This is at the discretion of the health plan. It is the intent of OHCA's role in the pilot program to be that of the premium payer. The OHCA will not provide any wraparound services or payments.</p> <p>Please see answer to question #5 above as it also applies to this question.</p> |
| 32. | RFI | General | | <p>Will the Department provide utilization information on a per member basis to</p> | <p>OHCA will collaborate and coordinate with health plans to ensure a smooth transition for all members transitioning into the pilot program.</p> |

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| | | | | enable health plans to assess and develop treatment plans, enroll members into disease management programs, and allow a smooth transition of care between the current program and the pilot program? | Details of this process have yet to be determined. OHCA requests the respondent's proposal to suggest what information is needed to ensure a smooth transition. |
| 33. | RFI | General | | How will formulary Rx be coordinated with the Medication Management Therapy programs? | Please see answer to question #32 above as it also applies to this question. |
| 34. | HB 2842 | 4B | 5 | Does this section imply that pharmacy services are carved out of the MCO benefits/services? | <p>Section 4B of HB 2842 is not applicable to the pilot program.</p> <p>Only Section 2 and Section 3 #1-4 of HB 2842 apply to the pilot program.</p> <p>As stated in the RFI in Section 2 - Background, as well as Section 3 - Scope of the RFI, "See Bidder's Library for HB 2842, Section 2 and Section 3 #1-4 for additional specific language".</p> |

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