OKLAHOMA HEALTH CARE AUTHORITY
REGULARLY SCHEDULED BOARD MEETING
June 27, 2013 at 1:00 P.M.
The Samis Education Center
Level B, Conference Room B
1200 Phillips Avenue
Oklahoma City, Oklahoma

A G E N D A

Items to be presented by Ed McFall, Chairman

1. Call to Order / Determination of Quorum

2. Action Item – Approval of May 9, 2013 OHCA Board Minutes

3. Discussion Item – Reports to the Board by Board Committees

    a) Strategic Planning Committee – Vice Chairman Armstrong
    b) Legislative Committee – Member Bryant

Item to be presented by Nico Gomez, 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
    c) Legislative Update – Carter Kimble, Government Affairs Liaison
    d) Disaster Relief Update – Marlene Asmussen & Ed Long

Item to be presented by Kelly Shropshire, Program Integrity and Accountability Director

5. Discussion Item – Program Integrity Update

Item to be presented by Buffy Heater, Planning & Development Manager

6. Discussion Item – Presentation of Final Findings Report by Leavitt Partners.

    a) Discussion – Evaluation of SoonerCare's Acute Care Program: Initial Findings
    b) Discussion – Recommendations for a Medicaid Demonstration Proposal

Item to be presented by Tywanda Cox, Health Policy Director

7. Discussion - Presentation of the Insure Oklahoma Expiration Plan

Item to be presented by Howard Pallotta, General Counsel

8. Announcements of Conflicts of Interest Panel Recommendations for All Action Items Regarding This Board Meeting.

Item to be presented by Vickie Kersey, Director of Fiscal Planning & Procurement

9. Action Item – Consideration and Approval of the State Fiscal Year 2014 Budget Work Program.

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

10. Action Item – Consideration and Vote Upon the Recommendations of the State Plan Amendment Rate Committee.

a) Consideration and Vote for a 6% Rate Increase for the following services provided in the In-Home Support Waiver, Home and Community Based Waiver, Homeward Bound Waiver, and Children In-Home Support Waiver (all per rate brief):

1. Homemaker
2. Habilitation Training
3. Self-Directed Service
4. Intensive Supports
5. Daily Living Supports
6. Community Based Services
7. Center Based Pre Vocational
8. Community Based Pre Vocational
9. Employment Specialist
10. Enhanced Community Based Pre Vocational
11. Enhanced Job Coaching
12. Enhanced Job Coaching individual
13. Job Coaching service
14. Job Stabilization
15. Pre Vocational Habilitation Training Services

b) Consideration and Vote for a 5% to 6% (per rate brief) Not To Exceed rate for the following services:

1. Group Home Alternative
2. Group Home; 6-12 Beds inclusive
3. Group Home Community living Bed; 6 -12 Beds inclusive
4. Respite/Group Home; 6 – 12 Beds inclusive
5. Respite/Community living Home; 6 – 12 Beds inclusive

c) Consideration and Vote to change the State Medicaid Plan Methodology for Indirect Medical Education Costs from paying “hospitals” to paying “qualifying facilities”;

d) Consideration and Vote to change the State Medicaid Plan Methodology for Indirect Medical Education to eliminate the sunset provision regarding hospitals that qualify because they experience a significant volume decrease in Medicaid days;

e) Consideration and Vote to change the State Medicaid Plan Methodology for Nursing Facilities as follows:

1. Increase the Base Rate for 16 Bed or Less Intermediate Care Facilities for the Intellectually Disabled under OAC 317:30-3-43 from $154.81 per day to $155.28 per day.

2. Increase the Base rate for Regular Nursing Facilities under OAC 317:30-3-42 from $106.29 to $107.24 per day.

3. Increase the “Pool amount” from which Direct Care and other Care Components of the Regular Nursing Home Facilities Rate can be derived from $147,230,204.00 to $162,205,189.00.

4. Alter threshold levels for acquiring points under the Focus on Excellence Program under 56 § 1011.5(3) and (5) for Resident/Family Surveys and Employee Surveys per rate briefs.

5. Alter total points earned for the Focus on Excellence Program under 63 §§ 1925.2(I) sub. sec. (2)(e) by lowering points for Person Centered Case & Increasing Points for Certified Nurse Aide & Licensed Nursing Retention Rates.

6. Increase the Base Rate for Intermediate Care Facilities for the Intellectually Disabled under OAC 317:30-3-43 from $120.40 to $121.08 per day.

7. Increase the Rate paid to Nursing Facilities under OAC 317:30-5-133 (a) (1) (B) who serve persons with Acquired Immune Deficiency Syndrome from $193.04 to $196.95 per day.

f) Consideration and Vote for a 6.2% or 6.3% increase to the following Rates (per rate brief) under the ADvantage Waiver Program and the State Plan Personal Care Services as follows:

1. ADvantage Personal Care
2. Supportive/Restorative Care
3. In-Home Respite
4. Personal Services Assistance (PSA)
5. Advanced PSA
6. Assisted Living Tier 1
7. Assisted Living Tier 2
8. Assisted Living Tier 3
9. State Plan Personal Care

g) Consideration and Vote for an Increase in the Rate paid for Program for Assertive Community Treatment (PACT) from $24.28 per 15 minute of services to $32.11 per 15 minute of services.

h) Consideration and Vote for a 6.2% increase in the following Rates for the Medically Fragile, Sooner Senior, My Life-My Choice and Living Choice Waiver/Demonstrations:

1. Personal Care
2. Advance Supportive Restorative
3. In-Home Respite
4. Assisted Living Tier 1
5. Assisted Living Tier 2
6. Assisted Living Tier 3
7. Self-Directed Personal Care
8. Self-Directed Advance Supportive Restorative
9. Self-Directed Respite

Item to be presented by Beth VanHorn, Legal Operations Director

11. a) Action Item – Authority for Expenditure of Funds for Independent Evaluation of the Health Management Program.

Item to be presented by Chairman McFall

12. 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), (7) and (9).

a) Discussion of Pending Litigation, Investigations and Claims
b) Discussion of CEO Evaluation for 2014

13. New Business

14. ADJOURNMENT

NEXT BOARD MEETING
August 21, 2013
BOARD RETREAT
August 22 & 23, 2013
Quartz Mountain Conference Center
Lone Wolf, OK

MINUTES OF A REGULARLY SCHEDULED BOARD MEETING
OF THE HEALTH CARE AUTHORITY BOARD
May 9, 2013
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 May 8, 2013, 10:00 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 May 7, 2013, 11:30 a.m.

Pursuant to a roll call of the members, a quorum was declared to be present, and Chairman McFall 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 Robison
BOARD MEMBERS ABSENT:	Member McVay

OTHERS PRESENT:	OTHERS PRESENT:
Ray Miller, KI BOIS, The Oaks	Sally Carter, OSDH
Warren Tayes, Merck	Charles Brodt, HP
Will Widman, HP	Charlene Kaiser, Amgen
Katie Altshuler, Governor's office	David Ward, OHCA
Tom Adelson	Danielle Cox, OK Senate
Ben Kendrick, C2 Technologies	Tyler Hunter, Gilead
Eric Powell, Gilead	David Dude, American Cancer Society
Jerry Cothran, PMC	Anne, Integris
Rick Snyder, OHA	Dan Holtmeyer, AP
Barry Smith	Traylor Rains, ODMHSAS
Rebecca Ross, OID	Casey Dunham, OHCA
John Giles, OSDH	Patricia, OKPCA
Debbie Spaeth, Quest & OPBHAC	Ken, Quest
Margaret Phillips, Member of the public	Claudia Kamas, OAFP
Becky Moore, OAHCP	Catina Baker, OHCA
Diddy Nelson, OCALTHB	Monica Basu, GKFF
Tieu Dempsey, OK Policy Institute	KC Moon, OHCA
Shirley Russell, OKDHS	Edward, SFHS
Zela Campbell, Oklahoman	Lanette Long, St. Anthony
Trevor, Chickasaw Nation	Ryan Kilpatrick, FKG

DISCUSSION AND POSSIBLE VOTE ON APPROVAL OF BOARD MINUTES OF THE REGULARY SCHEDULED BOARD MEETING HELD ON APRIL 11, 2013.

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:	Member Bryant moved for approval of the April 11, 2013 board minutes as published. Member Robison seconded.
FOR THE MOTION:	Chairman McFall, Vice-Chairman Armstrong, Member Miller, Member Nuttle
ABSENT:	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 met with Oklahoma Inspector General's state auditors to review the annual audit done because we receive federal funds. This audit took about 8 months to

complete and determines if we are in compliance with the laws and regulations as it applies to Medicaid and the children's health insurance program (CHIP). There were 3 audit findings that were non reportable because of the amount of money involved did not warrant reporting. There were 6 reportable items, with none of them being major and some of them just exceeding the limit to avoid reporting. Member Miller noted that OHCA is content with the audit. He stated that they also discussed the state appropriation for our agency and thinks that our request will be adequate based on what we are doing now and that the issues that we've have with the memorandum of understanding and the funding of Department of Mental Health should be resolved with this appropriations process.

Strategic Planning Committee

Vice Chairman Armstrong stated that the Strategic Planning committee did not meet as a committee and will have a report by Leavitt Partners on the summary of findings.

Legislative Committee

Member Bryant noted that the Legislative committee met and as of May 1st, OHCA is tracking 46 bills and of those, 30 have a direct impact on OHCA and Ed Long will give a detailed report in item 4c.

ITEM 4 / CHIEF EXECUTIVE OFFICER'S REPORT
Nico Gomez, Chief Executive Officer

Mr. Gomez noted that it is public service recognition week and thanked the board members for their time and efforts given to OHCA. He stated that it is also Team Day at the Capitol, which is an opportunity to share with the public and legislature some of OHCA's successful projects accomplished by the agency's work teams. We have 6 teams that are presenting projects. Mr. Gomez recognized all of our nurses for all of the work that they provide because it is National Nurses Week. He stated that the leadership team recently met and updated the mission statement and goals for our agency and will spend more time on these in August at the board retreat. He noted that we received the letter from CMS in regard to our request for an extension to the Insure Oklahoma program and that in the current structure, it is not possible to move forward with the program. CMS has given guidelines if we wanted to move forward to comply with the federal laws and regulations.

4a. FINANCIAL UPDATE
Carrie Evans, Chief Financial Officer

Ms. Evans reported on the financial transactions through the month of March and stated that we continue to run under budget. We have $20.5 million state dollar budget variance. We continue to be 1.3% under budget in the Medicaid program spending and another 8.6% in administration. Ms. Evans stated that it appears we will continue to be under budget for the month of April and are looking good for the month of May as well. For more detailed information, see Item 4a in the board packet.

4b. MEDICAID DIRECTOR'S UPDATE
Sylvia Lopez, Chief Medical Director

Dr. Lopez reported on the data for the month of March noting that for Patient-Centered Medical Home, the enrollment is 515,200 with total spending of $143,015,321. Dr. Lopez noted the SoonerCare Traditional enrollment is at 212,491 with total spending of $167,568,534; SoonerPlan enrollment is at 49,205 with total spending of $596,960; Insure Oklahoma enrollment is 30,161 with total spending of $9,469,210. In summary, we have provided coverage for 807,057 members with total spending of $320,650,026. The month saw a 5,467 decrease in the net enrollee count and the total number of new enrollees was almost 19,000. She noted the OLL enrollment was 174,179; Dual Enrollees was 108,746; Long-Term Care Members enrollment was 15,643 with a facility cost per member per month cost of $3,327. Dr. Lopez stated that the total providers enrolled were 37,018 with 29,000 being in-state. She noted enrollment for physicians, pharmacies, mental health providers, dentists, hospitals, optometrists, extended care facilities, total primary care providers and patient-centered medical homes. Dr. Lopez said that for Electronic Health Records (EHR) for the end of April 2013, we have a total payment to providers of $111,243,111 since inception. For more detailed information, see Item 4b in the board packet.

Dr. Lopez discussed the development of the Health Management Program which included: SoonerCare HMP design, inpatient utilization trends, emergency department utilization trends, practice facilitation outcomes and aggregate cost avoidance – return on investment. For more detailed information, see Item 4b in the board packet.

4c. LEGISLATIVE UPDATE
Ed Long, Government Affairs Liaison

Mr. Long noted that we are approaching the May 31st sine die adjournment for the legislature. He discussed House Bill 1031 that extends the SHOPP program to the end of the calendar year 2017 and has been signed by the Governor. He discussed Senate Bill 272 that directs the OHCA to conduct a feasibility study of carious care coordination models that could be implemented for dually–eligible persons and to explore options for cost containment and deliver alternatives for those individuals and this has been signed by the Governor. There are 3 bills that are in the conference committee: House Bill 2055 is the rules bill alters the current process in which members of the legislature can approve our rules by not acting, this bill requires that they actively vote to approve our rules; Senate Bill 640 suggests an Arkansas type model looking at the potential to use Tobacco funds to purchase private coverage for those over 138% federal poverty level; Senate Bill 254 that utilizes IRS records to verify an individual's income for Medicaid eligibility. He noted House Joint Resolution 1049 that disapproves promulgated rules pertaining to Department of Mental Health regarding a certification process who works with adults and not children. For more detailed information, see Item 4c in the board packet.

ITEM 5 / ANNOUNCEMENTS OF CONFLICTS OF INTEREST PANEL RECOMMENDATIONS FOR ALL ACTION ITEMS
Howard Pallotta, General Counsel

Mr. Pallotta stated that there were no conflicts.

ITEM 6 / CONSIDERATION AND VOTE REGARDING RECOMMENDATIONS MADE BY THE DRUG UTLIZATION REVIEW BOARD UNDER 63 OKLAHOMA STATUTES 5030.3.
Nancy Nesser, Pharmacy Director

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 Eliquis® (Apixaban), Kuvan® (Sapropterin) and Gattex® (Teduglutide) to the utilization and scope prior authorization program under OAC 317:30-5-77.2(e)

MOTION:	Vice-Chairman Armstrong moved for approval of Item 6a as published. Member Nuttle seconded.
FOR THE MOTION:	Chairman McFall, Member Miller, Member Bryant, Member Robison
ABSENT:	Member McVay

ITEM 7 / DISCUSSION AND PRESENTATION OF PRELIMINARY FINDINGS BY LEAVITT PARTNERS
Michael Deily, Leavitt Partners

Mr. Gomez noted that in January OHCA had made a request for a consulting contract to look at the evaluation of the SoonerCare program to include current strategies, strengths, weaknesses and what value this program has given to the state and to think through different Medicaid demonstration waiver proposals to meet the Governor's strong commitment to develop an Oklahoma plan that would pursue a state based solution to improve health outcomes and contain cost for Oklahoma families. Mr. Gomez invited Michael Deily to give a progress report and noted that the final report will be in June.

Michael Deily, Senior Advisor at Leavitt Partners, introduced his team: Laura Summers, Director of State Intelligence; Robin Williams, Senior Advisor; Charlene Frizzera, Senior Advisor. Mr. Deily presented the initial findings of the evaluation of SoonerCare's acute care program which included discussing the program strengths such as feedback mechanisms, evaluation and response, application and enrollment processes, provider reimbursement, medical home model, Insure Oklahoma and cost control. He discussed the areas for continuing improvement which included board oversight and advisory committees, Healthcare Efficiency and Data Information Systems (HEDIS), program incentives, behavioral health, provider capacity and access and competition. Mr. Deily presented preliminary recommendations for a Medicaid demonstration proposal which included Medicaid realignment, foundational changes and numerous recommendations for a more efficient program. He noted that January, 2015 is a realistic time frame for the changes to be implemented, suggested not phasing in different components, and noted it best if Insure Oklahoma waivers are extended a year. For more detailed information, please see Leavitt Partners Presentation located on the Oklahoma Health Care Authority's website (www.okhca.org).

ITEM 8 / 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), (7) AND (9).
Howard Pallotta, General Counsel

Chairman McFall entertained a motion to go into Executive Session at this time.

MOTION:	Member Robison moved for approval to go into Executive Session. Vice-Chairman Armstrong seconded.
FOR THE MOTION:	Chairman McFall, Member Miller, Member Bryant, Member Nuttle
ABSENT:	Member McVay

8. 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

ITEM 9 / NEW BUSINESS

The board discussed the possibility of combining the June and July 2013 board meetings into one on June 27th to be held in Oklahoma City. Nico Gomez will update the board accordingly.

ITEM 10 / ADJOURNMENT

MOTION:	Vice-Chairman Armstrong moved for adjournment. Member Robison seconded.
FOR THE MOTION:	Chairman McFall, Member Miller, Member Nuttle, Member Bryant
ABSENT:	Member McVay

Meeting adjourned at 3:27 p.m., 5/9/2013

NEXT BOARD MEETING
June 27, 2013
The Samis Education Center
Oklahoma City, Oklahoma

Lindsey Bateman
Board Secretary

Minutes Approved: _____

*Initials:*_____

FINANCIAL REPORT

For the Ten Months Ended April 30, 2013
Submitted to the CEO & Board
June 27, 2013

- Revenues for OHCA through April, accounting for receivables, were **$3,132,740,162** or **(1.5%) under** budget.
- Expenditures for OHCA, accounting for encumbrances, were **$3,086,302,970** or **2.3% under** budget.
- The state dollar budget variance through April is **$24,990,261 positive.**
- The budget variance is primarily attributable to the following (in millions):

Expenditures:		
Medicaid Program Variance		27.7
Administration		6.7
Contingent Liability		(11.0)
Revenues:		
Taxes and Fees		(2.3)
Drug Rebate		2.6
Overpayments/Settlements		1.3
Total FY 13 Variance	**$**	**25.0**

ATTACHMENTS

OKLAHOMA HEALTH CARE AUTHORITY
Summary of Revenues & Expenditures: OHCA
Fiscal Year 2013, For the Ten Months Ended April 30, 2013

REVENUES	FY13 Budget YTD	FY13 Actual YTD	Variance	% Over/ (Under)
State Appropriations	$ 768,027,510	$ 768,027,510	$ -	0.0%
Federal Funds	1,645,980,552	1,599,368,015	(46,612,537)	(2.8)%
Tobacco Tax Collections	50,085,609	47,677,607	(2,408,002)	(4.8)%
Quality of Care Collections	53,422,525	53,422,525	-	0.0%
Prior Year Carryover	63,075,735	63,075,735	-	0.0%
Federal Deferral - Interest	102,386	102,386	-	0.0%
Contingent Liability	-	(11,000,000)	(11,000,000)	0.0%
Drug Rebates	163,866,219	171,201,954	7,335,735	4.5%
Medical Refunds	40,359,118	43,983,295	3,624,177	9.0%
SHOPP	382,830,479	382,830,479	-	0.0%
Other Revenues	13,875,669	14,050,657	174,987	1.3%
TOTAL REVENUES	**$ 3,181,625,802**	**$ 3,132,740,162**	**$ (48,885,639)**	**(1.5)%**

EXPENDITURES	FY13 Budget YTD	FY13 Actual YTD	Variance	% (Over)/ Under
ADMINISTRATION - OPERATING	**$ 39,602,361**	**$ 34,208,526**	**$ 5,393,835**	**13.6%**
ADMINISTRATION - CONTRACTS	**$ 105,663,511**	**$ 96,059,752**	**$ 9,603,759**	**9.1%**
MEDICAID PROGRAMS				
Managed Care:				
SoonerCare Choice	29,023,033	27,642,058	1,380,975	4.8%
Acute Fee for Service Payments:				
Hospital Services	747,902,520	707,565,087	40,337,433	5.4%
Behavioral Health	16,245,377	15,859,316	386,061	2.4%
Physicians	392,887,461	393,432,619	(545,157)	(0.1)%
Dentists	122,810,951	121,150,322	1,660,630	1.4%
Other Practitioners	61,009,858	62,545,545	(1,535,687)	(2.5)%
Home Health Care	18,630,385	17,654,393	975,992	5.2%
Lab & Radiology	49,731,194	48,536,037	1,195,157	2.4%
Medical Supplies	42,224,478	42,055,729	168,749	0.4%
Ambulatory/Clinics	92,320,753	89,162,209	3,158,545	3.4%
Prescription Drugs	329,284,298	327,881,671	1,402,627	0.4%
OHCA TFC	2,665,160	2,046,251	618,909	0.0%
Other Payments:				
Nursing Facilities	449,195,352	441,441,414	7,753,938	1.7%
ICF-MR Private	47,959,828	48,727,337	(767,508)	(1.6)%
Medicare Buy-In	109,465,850	108,708,870	756,980	0.7%
Transportation	52,004,582	50,701,509	1,303,073	2.5%
MFP-OHCA	1,319,714	1,266,860	52,853	0.0%
EHR-Incentive Payments	32,542,968	32,542,968	-	0.0%
Part D Phase-In Contribution	65,144,204	64,658,849	485,356	0.7%
SHOPP payments	352,455,649	352,455,649	-	0.0%
Total OHCA Medical Programs	**3,014,823,617**	**2,956,034,692**	**58,788,925**	**1.9%**
OHCA Non-Title XIX Medical Payments	89,382	-	89,382	0.0%
TOTAL OHCA	**$ 3,160,178,871**	**$ 3,086,302,970**	**$ 73,875,901**	**2.3%**
REVENUES OVER/(UNDER) EXPENDITURES	**$ 21,446,931**	**$ 46,437,193**	**$ 24,990,261**	

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

Category of Service	Total	Health Care Authority	Quality of Care Fund	HEEIA	Medicaid Program Fund	BCC Revolving Fund	Other State Agencies
SoonerCare Choice	$ 28,019,737	$ 27,626,005	$ -	$ 377,679	$ -	$ 16,052	$ -
Inpatient Acute Care	570,210,943	438,965,951	405,572	8,264,792	43,103,720	1,706,214	77,764,694
Outpatient Acute Care	232,200,407	219,338,706	34,670	8,816,778	-	4,010,253	-
Behavioral Health - Inpatient	19,294,441	10,005,129	-	519,812	-		8,769,501
Behavioral Health - Psychiatrist	5,854,187	5,854,187	-	-	-	-	-
Behavioral Health - Outpatient	17,864,205	-	-	-	-	-	17,864,205
Behavioral Health Facility- Rehab	228,176,747	-	-	-	-	81,329	228,176,747
Behavioral Health - Case Management	6,622,317	-	-	-	-	-	6,622,317
Behavioral Health - PRTF	82,052,367	-	-	-	-	-	82,052,367
Residential Behavioral Management	15,932,387	-	-	-	-	-	15,932,387
Targeted Case Management	55,671,312	-	-	-	-	-	55,671,312
Therapeutic Foster Care	2,046,251	2,046,251	-	-	-	-	-
Physicians	438,481,998	335,185,271	48,417	11,617,150	52,735,087	5,463,843	33,432,229
Dentists	121,222,038	114,386,517	-	71,716	6,724,327	39,478	-
Mid Level Practitioners	3,202,950	3,123,738	-	75,084	-	4,128	-
Other Practitioners	59,632,963	58,185,893	371,970	215,284	847,077	12,739	-
Home Health Care	17,654,429	17,638,214	-	35	-	16,179	-
Lab & Radiology	51,360,354	47,965,463	-	2,824,317	-	570,575	-
Medical Supplies	42,706,419	39,853,881	2,152,012	650,690	-	49,836	-
Clinic Services	93,335,518	80,551,197	-	1,283,801	-	218,788	11,281,732
Ambulatory Surgery Centers	8,794,432	8,372,057	-	402,209	-	20,166	-
Personal Care Services	10,241,686	-	-	-	-	-	10,241,686
Nursing Facilities	441,441,414	265,110,260	142,476,414	-	33,845,663	9,077	-
Transportation	50,443,555	45,635,089	2,140,113	-	2,620,430	47,924	-
GME/IME/DME	100,457,716	-	-	-	-	-	100,457,716
ICF/MR Private	48,727,337	39,679,892	8,355,600	-	691,845	-	-
ICF/MR Public	44,619,571	-	-	-	-	-	44,619,571
CMS Payments	173,367,718	171,689,021	1,678,697	-	-	-	-
Prescription Drugs	344,285,333	288,350,119	-	16,403,662	38,106,685	1,424,866	-
Miscellaneous Medical Payments	258,578	254,532	-	624	-	3,422	-
Home and Community Based Waiver	133,407,157	-	-	-	-	-	133,407,157
Homeward Bound Waiver	71,870,200	-	-	-	-	-	71,870,200
Money Follows the Person	2,845,426	1,266,860	-	-	-	-	1,578,566
In-Home Support Waiver	18,817,380	-	-	-	-	-	18,817,380
ADvantage Waiver	147,083,765	-	-	-	-	-	147,083,765
Family Planning/Family Planning Waiver	8,610,673	-	-	-	-	-	8,610,673
Premium Assistance*	42,689,929	-	-	42,689,929		-	-
EHR Incentive Payments	32,542,968	32,542,968	-	-	-	-	-
SHOPP Payments**	352,455,649	352,455,649	-	-	-	-	-
Total Medicaid Expenditures	**$ 4,124,502,457**	**$2,253,627,201**	**$ 157,663,466**	**$ 94,213,563**	**$ 178,674,834**	**$ 13,694,870**	**$1,074,254,203**

* Includes $42,377,406.65 paid out of Fund 245 and **$352,455,649.09 paid out of Fund 205

OKLAHOMA HEALTH CARE AUTHORITY

Summary of Revenues & Expenditures:
Other State Agencies
Fiscal Year 2013, For the Ten Months Ended April 30, 2013

		FY13 Actual YTD
REVENUE		
Revenues from Other State Agencies	$	439,067,793
Federal Funds		689,672,806
TOTAL REVENUES	**$**	**1,128,740,599**
EXPENDITURES		**Actual YTD**
Department of Human Services		
Home and Community Based Waiver	$	133,407,157
Money Follows the Person		1,578,566
Homeward Bound Waiver		71,870,200
In-Home Support Waivers		18,817,380
ADvantage Waiver		147,083,765
ICF/MR Public		44,619,571
Personal Care		10,241,686
Residential Behavioral Management		12,818,829
Targeted Case Management		41,390,893
Total Department of Human Services		**481,828,047**
State Employees Physician Payment		
Physician Payments		33,432,229
Total State Employees Physician Payment		**33,432,229**
Education Payments		
Graduate Medical Education		55,616,817
Graduate Medical Education - PMTC		2,225,302
Indirect Medical Education		30,449,271
Direct Medical Education		12,166,326
Total Education Payments		**100,457,716**
Office of Juvenile Affairs		
Targeted Case Management		2,716,520
Residential Behavioral Management		3,113,557
Total Office of Juvenile Affairs		**5,830,077**
Department of Mental Health		
Case Management		6,622,317
Inpatient Psych FS		8,769,501
Outpatient		17,864,205
PRTF		82,052,367
Rehab		228,176,747
Total Department of Mental Health		**343,485,137**
State Department of Health		
Children's First		1,786,707
Sooner Start		1,633,057
Early Intervention		4,749,002
EPSDT Clinic		1,869,039
Family Planning		47,503
Family Planning Waiver		8,543,307
Maternity Clinic		38,781
Total Department of Health		**18,667,396**
County Health Departments		
EPSDT Clinic		632,910
Family Planning Waiver		19,863
Total County Health Departments		**652,773**
State Department of Education		**87,492**
Public Schools		**4,940,699**
Medicare DRG Limit		**69,688,192**
Native American Tribal Agreements		**7,107,944**
Department of Corrections		**1,102,467**
JD McCarty		**6,974,035**
Total OSA Medicaid Programs	**$**	**1,074,254,203**
OSA Non-Medicaid Programs	**$**	**61,850,248**
Accounts Receivable from OSA	**$**	**7,363,851**

OKLAHOMA HEALTH CARE AUTHORITY

SUMMARY OF REVENUES & EXPENDITURES:

Fund 205: Supplemental Hospital Offset Payment Program Fund

Fiscal Year 2013, For the Ten Months Ended April 30, 2013

REVENUES		FY 13 Revenue
SHOPP Assessment Fee	$	157,230,926
Federal Draws		225,468,462
Interest		38,740
Penalties		92,351
State Appropriations		(22,700,000)
TOTAL REVENUES	$	360,130,479

EXPENDITURES	Quarter	Quarter	Quarter	Quarter		FY 13 Expenditures
Program Costs:	**7/1/12 - 9/30/12**	**10/1/12 - 12/31/12**	**1/1/13 - 3/31/13**	**4/1/13 - 6/30/13**		
Hospital - Inpatient Care	76,857,805	76,538,280	81,236,442	81,236,442	$	**315,868,970**
Hospital -Outpatient Care	3,224,900	3,217,022	2,815,812	2,815,812	$	**12,073,546**
Psychiatric Facilities-Inpatient	5,660,381	5,636,765	6,128,236	6,128,236	$	**23,553,618**
Rehabilitation Facilities-Inpatient	217,066	216,157	263,146	263,146	$	**959,515**
Total OHCA Program Costs	**85,960,153**	**85,608,224**	**90,443,636**	**90,443,636**	$	**352,455,649**
Total Expenditures					$	**352,455,649**
CASH BALANCE					$	**7,674,830**

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

REVENUES	Total Revenue	State Share
Quality of Care Assessment	$ 52,736,680	$ 52,736,680
Interest Earned	30,566	30,566
TOTAL REVENUES	**$ 52,767,246**	**$ 52,767,246**

EXPENDITURES	FY 13 Total $ YTD	FY 13 State $ YTD	Total State $ Cost
Program Costs			
NF Rate Adjustment	$ 139,305,753	$ 50,191,863	
Eyeglasses and Dentures	238,761	86,026	
Personal Allowance Increase	2,931,900	1,056,364	
Coverage for DME and supplies	2,152,012	775,370	
Coverage of QMB's	860,630	310,085	
Part D Phase-In	1,678,697	1,678,697	
ICF/MR Rate Adjustment	4,171,324	1,502,928	
Acute/MR Adjustments	4,184,275	1,507,594	
NET - Soonerride	2,140,113	771,083	
Total Program Costs	**$ 157,663,466**	**$ 57,880,010**	**$ 57,880,010**
Administration			
OHCA Administration Costs	$ 464,427	$ 232,214	
DHS - QOC Exp	80,353	80,353	
OSDH-NF Inspectors	-	-	
Mike Fine, CPA	4,500	2,250	
Total Administration Costs	**$ 549,280**	**$ 314,817**	**$ 314,817**
Total Quality of Care Fee Costs	**$ 158,212,747**	**$ 58,194,826**	
TOTAL STATE SHARE OF COSTS			**$ 58,194,826**

Note: Expenditure amounts are for informational purposes only. Actual payments are made from Fund 340. Revenues deposited into the fund are tranferred 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 Ten Months Ended April 30, 2013

REVENUES	FY 12 Carryover	FY 13 Revenue	Total Revenue
Prior Year Balance	$ 27,390,790	$ -	$ 19,810,585
State Appropriations			$ (23,500,000)
Tobacco Tax Collections	-	39,212,988	39,212,988
Interest Income	-	574,251	574,251
Federal Draws	684,936	28,802,148	28,802,148
All Kids Act	(7,033,146)	249,375	249,375
TOTAL REVENUES	$ 21,042,580	$ 68,838,763	$ 64,899,972

EXPENDITURES		FY 12 Expenditures	FY 13 Expenditures	Total $ YTD
Program Costs:				
	Employer Sponsored Insurance		$ 41,829,529	$ 41,829,529
	College Students		312,523	312,523
	All Kids Act		547,877	547,877
Individual Plan				
	SoonerCare Choice	$ 363,624	$ 131,014	
	Inpatient Hospital	8,190,087	2,950,888	
	Outpatient Hospital	8,679,825	3,127,341	
	BH - Inpatient Services-DRG	489,117	176,229	
	BH -Psychiatrist	-	-	
	Physicians	11,499,880	4,143,407	
	Dentists	51,346	18,500	
	Mid Level Practitioner	73,462	26,468	
	Other Practitioners	210,954	76,007	
	Home Health	35	13	
	Lab and Radiology	2,787,199	1,004,228	
	Medical Supplies	633,906	228,396	
	Clinic Services	1,263,933	455,395	
	Ambulatory Surgery Center	397,926	143,373	
	Prescription Drugs	16,136,987	5,814,156	
	Miscellaneous Medical	624	624	
	Premiums Collected	-	(1,849,263)	
Total Individual Plan		**$ 50,778,906**	**$ 16,446,777**	
	College Students-Service Costs	**$ 600,473**	**$ 216,350**	
	All Kids Act- Service Costs	**$ 144,255**	**$ 51,975**	
Total OHCA Program Costs		**$ 94,213,563**	**$ 59,405,031**	
Administrative Costs				
	Salaries	$ 30,032	$ 1,339,299	$ 1,369,331
	Operating Costs	48,746	363,053	411,799
	Health Dept-Postponing	-	-	-
	Contract - HP	1,153,217	1,809,440	2,962,657
Total Administrative Costs		**$ 1,231,995**	**$ 3,511,792**	**$ 4,743,787**
Total Expenditures				**$ 64,148,819**
NET CASH BALANCE		**$ 19,810,585**		**$ 751,153**

*State Appropriations include $20,000,000 from SFY 2012 and $3,500,000 from SFY 2013

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 Ten Months Ended April 30, 2013

REVENUES	FY 13 Revenue	State Share
Tobacco Tax Collections	$ 782,633	$ 782,633
TOTAL REVENUES	**$ 782,633**	**$ 782,633**

EXPENDITURES	FY 13 Total $ YTD	FY 13 State $ YTD	Total State $ Cost
Program Costs			
SoonerCare Choice	$ 16,052	$ 4,048	
Inpatient Hospital	1,706,214	430,307	
Outpatient Hospital	4,010,253	1,011,386	
Inpatient Services-DRG	-	-	
Psychiatrist	-	-	
TFC-OHCA	-	-	
Nursing Facility	9,077	2,289	
Physicians	5,463,843	1,377,981	
Dentists	39,478	9,956	
Mid-level Practitioner	4,128	1,041	
Other Practitioners	12,739	3,213	
Home Health	16,179	4,080	
Lab & Radiology	570,575	143,899	
Medical Supplies	49,836	12,569	
Clinic Services	218,788	55,178	
Ambulatory Surgery Center	20,166	5,086	
Prescription Drugs	1,424,866	359,351	
Transportation	47,924	12,086	
Miscellaneous Medical	3,422	863	
Total OHCA Program Costs	$ 13,613,541	$ 3,433,335	
OSA DMHSAS Rehab	$ 81,329	$ 20,511	
Total Medicaid Program Costs	$ 13,694,870	$ 3,453,846	

TOTAL STATE SHARE OF COSTS	**$ 3,453,846**

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

SoonerCare Programs

April 2013 Data for June 2013 Board Meeting

SOONERCARE ENROLLMENT/EXPENDITURES

Delivery System			Monthly Enrollment Average SFY2012	Enrollment April 2013	Total Expenditures April 2013	Average Dollars Per Member Per Month April 2013
SoonerCare Choice Patient-Centered Medical Home			468,268	**537,037**	**$134,900,540**	
	Lower Cost	*(Children/Parents; Other)*		490,669	$96,861,150	$197
	Higher Cost	*(Aged, Blind or Disabled; TEFRA; BCC)*		46,368	$38,039,390	$820
SoonerCare Traditional			241,278	**193,588**	**$169,067,211**	
	Lower Cost	*(Children/Parents; Other)*		86,170	$38,829,156	$451
	Higher Cost	*(Aged, Blind or Disabled; TEFRA; BCC & HCBS Waiver)*		107,418	$130,238,054	$1,212
SoonerPlan			41,378	**49,882**	**$725,185**	$15
Insure Oklahoma			31,502	**29,984**	**$8,920,149**	
	Employer-Sponsored Insurance		17,728	16,699	$4,228,437	$253
	Individual Plan		13,773	13,285	$4,691,711	$353
TOTAL			**782,425**	**810,491**	**$313,613,084**	

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 $63,994,383 are excluded.

Net Enrollee Count Change from Previous Month Total	3,434

New Enrollees	18,620

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

Qualifying Group	Age Group	Enrollment
Aged/Blind/Disabled	*Child*	19,690
Aged/Blind/Disabled	*Adult*	132,791
Other	*Child*	150
Other	*Adult*	20,955
PACE	*Adult*	122
TEFRA	*Child*	459
Living Choice	*Adult*	94
OLL Enrollment		**174,261**

The "Other" category includes DDSD State, PKU, Q1, Q2, Refugee, SLMB, Soon-to-be-Sooners (STBS) and TB members.

Medicare and SoonerCare	Monthly Average SFY2012	Enrolled April 2013
Dual Enrollees	**107,504**	**108,700**

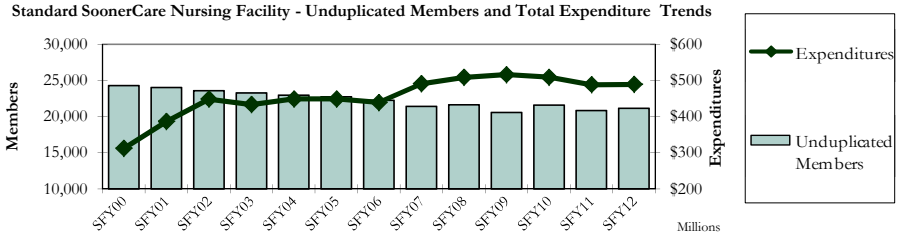
		Monthly Average SFY2012	Enrolled April 2013	FACILITY PER MEMBER PER MONTH
Long-Term Care Members		**15,770**	**15,570**	**$3,545**
	Child	87	57	
	Adult	15,683	15,513	

SFY2012 Long-Term Care

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

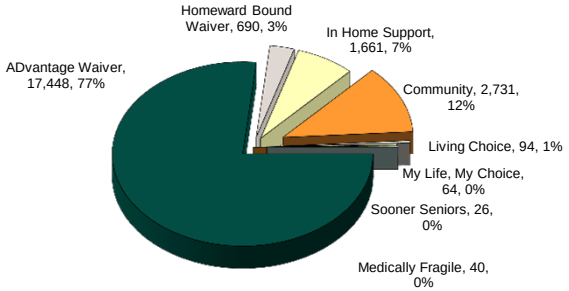
Data as of September 2012

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 April 2013*
Total Providers		**29,723**	**37,101**
	In-State	20,881	29,393
	Out-of-State	8,842	7,708

*Effective July 2012, the methodology for counting providers has changed to count provider network. Previous counts 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	44%
SoonerCare Choice I/T/U	17%
Insure Oklahoma IP	3%

Select Provider Type Counts	*In-State*		*Totals*	
	Monthly Average SFY2012	*Enrolled April 2013**	Monthly Average SFY2012	Enrolled April 2013
Physician***	*7,497*	*7,863*	*13,790*	12,046
Pharmacy	*874*	*911*	*1,153*	1,224
Mental Health Provider**	*3,395*	*6,262*	*3,449*	6,333
Dentist	*986*	*1,229*	*1,124*	1,412
Hospital	*194*	*175*	*934*	426
Optometrist	*550*	*497*	*587*	522
Extended Care Facility	*375*	*358*	375	358

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

Total Primary Care Providers***	*4,915*	*5,073*	6,955	6,540
Patient-Centered Medical Home	*1,711*	*1,990*	1,739	2,069

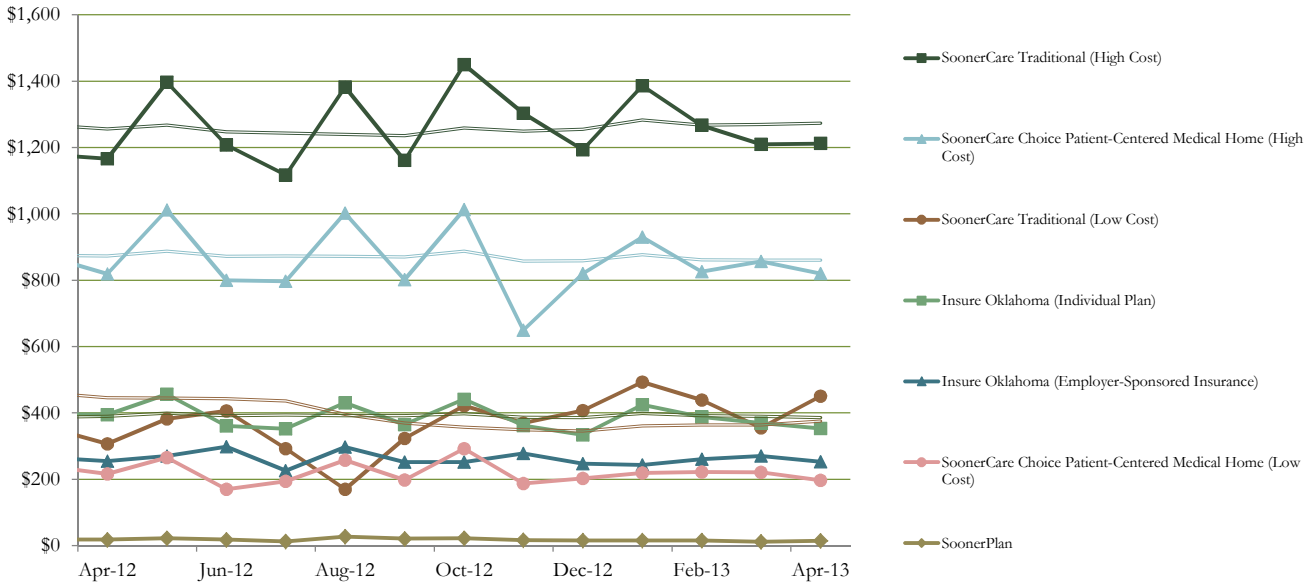
Including Physicians, Physician Assistants and Advance Nurse Practitioners.

*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.

SOONERCARE PER MEMBER PER MONTH (PMPM) TRENDS



In November and December 2012, there was a large increase in Patient-Centered Medical Home enrollment and related decrease in Traditional enrollment due to system changes.

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 6/3/2013	May 2013		Since Inception	
	Number of Payments	Payment Amount	Total Number of Payments	Total Payment Amount
Eligible Professionals	120	$1,670,250	1,692	$38,420,001
Eligible Hospitals	0*	$0	90	$74,208,610
Totals	120	$1,670,250	1,782	$112,628,611

*Current Eligible Hospitals Paid

2013 OHCA LEGISLATIVE SUMMARY

June 21, 2013

The First Session of the 54rd Oklahoma Legislature adjourned a week early on May 24, 2013. With a newly elected Speaker of the House of Representatives, T.W. Shannon, Governor Mary Fallin and Senate Pro Tempore Brian Bingman faced an Oklahoma economy that continued to perform relatively well in State Fiscal Year FY-2013.

As a result, the Legislature had a moderate increase in revenues to consider while crafting the FY-2014 budget. An additional $285 million, a 4.2 percent increase over last year, was appropriated in the budget, much of which was directed at education, health and mental health, human services and maintenance and repair of state buildings.

As a recognized priority of this leadership, the Oklahoma Health Care Authority budget was treated very well this year. Our agency received $953,701,274 for FY-2014 appropriations.

Appropriations

HB2301 and HB2305

Authors: Representative Scott Martin (Norman), Senator Clark Jolley (Edmond)

HB 2301 housed the general appropriation in which OHCA was appropriated $904,196,008 from general revenue, $12,130,266 from the Special Cash Fund, $21,375,000 from Tobacco Settlement Funds, $3,000,000 from the HEEIA fund and $13,000,000 in other money for a total appropriation of $953,701,274. This met the OHCA's budget request of just under $40 million in new money. Governor Signed 5-20-13.

HB 2305 was the companion budget limits bill for OHCA which allows the agency to pay for professional expenses for employed agency physicians and the agency administrator in addition to provisions for cash management for federal grants and the transfers of monies by Office of Management and Enterprise Services between various funds. Status: Signed by the Governor 5-24-13.

OHCA Request Bill

SB 254

Authors: Senator Kim David (Porter), Representative Dr. Doug Cox (Grove)

SB 254 was an OHCA Request bill to use IRS data for determining income for Medicaid eligibility. Status: Passed through Senate and House was unable to receive necessary committee signatures to be advanced.

Insure Oklahoma

SB 640

Authors: Senator Brian Crain (Tulsa), Representative Dr. Doug Cox (Grove)

SB 640 was a proposal to use Insure Oklahoma as a platform to use newly available Medicaid dollars to expand the Insure Oklahoma program to cover all adults under 133 percent of the federal poverty level. The proposal included various requirements dealing with cost sharing and work requirements.

Status: Passed Senate and House as Insure Oklahoma sliding scale proposal and then never was signed out of conference committee once amended expansion language was added.

SB 700

Authors: Senator Kim David (Porter), Representative Glen Mulready (Tulsa)

SB 700 gave OHCA the authority to continue to use tobacco tax revenue for a state funds only Insure Oklahoma program. It allowed for the existing program to operate for currently enrolled Insure Oklahoma members up until the threshold where they became eligible for federal tax credits for qualified plans on the federal marketplace.

Status: Pass through Senate and House as a bill requiring insurance companies to provide certain notice but was unable to receive necessary committee signatures to be advanced once language dealing with Insure Oklahoma was added.

HCR 1023

Authors: Representative Glen Mulready (Tulsa), Senator Patrick Anderson (Enid)

House concurrent resolution **1023** directed OHCA to continue to run Insure Oklahoma independent of federal funds and prohibited OHCA from expanding any eligibility criteria for Insure Oklahoma or successor program.

Status: Passed out of the House after Senate had already adjourned for the year.

Managed Care

HB 1552

Authors: Representative Mark McCullough (Sapulpa), Senator A.J. Griffin (Guthrie)

This bill directed OHCA to apply for and implement a state plan amendment and a 1915(b) waiver to establish a statewide, integrated managed care program. OHCA would enter into contracts with private managed care companies to manage the care of all SoonerCare members including those receiving long-term care services.

Status: Passed out of House, never heard in Senate committee.

SB 272

Authors: Senator Kim David (Porter), Representative Dr. Doug Cox (Grove)

SB 272 instructs OHCA to conduct a feasibility study of current and potential care coordination models for individuals with Medicare and Medicaid. The study will contain analysis and recommendations for current and potential models and will be delivered to Appropriations subcommittee chairs by December 31, 2013.

Status: Signed by the Governor on 4-22-13.

Rules

HB 2055

Authors: Representative Mike Jackson (Enid), Senator Greg Treat (Oklahoma City)

HB 2055 changes the process for how state agencies and the legislature promulgate permanent rules. This bill changes a rules approval from being passive to active. In order for the legislature to now approve an agency rule, it must be a part of an omnibus bill with all agency rules in it. If no such bill is passed, then the governor may approve rules. The emergency promulgation process stays similar with added criteria for what agencies have to demonstrate to the Governor's office in order to gain approval.

Status: Signed by the Governor 5-29-13.

Other significant OHCA legislation:

SB27 amends the Medicaid False Claims Act to include language to require providers to display information about how to report providers suspected fraudulent activity relating to SoonerCare. It provides requirements for anonymous reporting and includes the information that must be displayed. Governor Signed 4-22-13.

SB292 states that the county treasurers will provide OHCA with a list of properties that will be sold at tax resales in their respective counties. OHCA will produce a list of properties from each county with OHCA liens to be made available to potential buyers at tax resales and we will file a lien release on properties in blighted areas. The measure does not allow the filing of the lien release to extinguish debt owed to OHCA. Governor Signed 4-24-13.

HB1031 amends the Supplementary Hospital Offset Payment Program (SHOPP) by extending the program to 2017 as well as clarifying cost reporting requirements to determine fee calculations. Governor Signed 4-24-13.

HB1021, HB2073, SB93, and SB203 all contained language that made it illegal to implement any portion of the ACA. HB1021 was passed off the house floor with no criminal penalty in the bill and was never heard in Senate committee. The rest never received committee hearings in their original chambers. **SB777**, a bill to expand Medicaid authored by Democratic leadership, also was never heard in committee.

Disaster Response Update
June 27, 2013

The Oklahoma Health Care Authority family, including our vendors and partners, united to dedicate time, resources, energy and support to those affected by the recent tornadoes in our state. Assistance has been ongoing for members, providers, employees and others in the affected communities. Though it does not do justice to all of the acts of kindness and support provided, this brief overview illustrates the rapid mobilization that occurred at a time of great need. The OHCA family is incredibly grateful to all of those who have volunteered to make a difference.

Member and Provider Assistance

- OHCA Public Information distributed a press release with important contact information for affected members.
- OHCA Pharmacy Unit and OU College of Pharmacy approved early refill requests for affected members and communicated with pharmacies to ensure member needs were met.
- OHCA Population Care Management identified 185 members in the affected zip codes, and reached out to each individual member to offer assistance.
- 110 members of the Health Management Program were contacted and provided assistance—primarily related to lost medications.
- OHCA Member Services established a process for identifying affected members on inbound calls and providing individual assistance for each member's unique circumstances.
- OHCA Provider Services reached out to affected practices and worked with them to help guide members to other practices if necessary.
- OHCA Medical Authorization Unit established a protocol for approving requests for the replacement of lost or damaged durable medical equipment and extending private duty nursing services as necessary.
- OHCA Durable Medical Equipment Unit collaborated with OKDMERP and other states offering assistance to assist with the replacement of lost or damaged durable medical equipment.
- Staff from across the agency, including Behavioral Health, Tribal Relations, Community Relations, Population Care Management and Provider Services, have provided on-site assistance at Red Cross Multi-Agency Resource Centers for the past four weeks. They have connected members and nonmembers to much needed resources and enrolled qualified families in SoonerCare.

Employee Assistance

- OHCA teams of volunteers have come together to assist employees affected by the tornadoes. Volunteers came from across agency divisions and units to recover items from damaged homes, clean up damaged property, prepare and deliver meals, gather and distribute donated items (e.g., food, clothing, toys), raise funds and provide a support system.

Oklahoma Health Care Authority Board Meeting
June 27, 2013
Insure Oklahoma Expiration Plan

Expiration Plan Requirements

- All action steps and documents must be approved by CMS prior to implementation of the Expiration Plan.

➢ Notifications

OHCA will send monthly notification letters to Insure Oklahoma members, providers, employers, and agents. The letters will provide information about the program's termination. In addition, OHCA will utilize other communication tools to disseminate information regarding termination processes.

➢ Application Considerations

- ✓ August 31, 2013 – Last day to apply for Employer Sponsored Insurance (ESI) and Individual Plan (IP) ***via online application***.
- ✓ October 1, 2013 – Last day to apply for IP ***via paper application*** (members).
- ✓ October 31, 2013 – Contract termination notification for IP Providers (60 days).
- ✓ November 1, 2013 – Last day to apply for ESI ***via paper application*** (members).
- ✓ November 15, 2013 – Last day to apply ***via paper application*** (employers).
- ✓ November 28, 2013 – Last day for automatic renewal (existing small businesses).
- ✓ December 31, 2013 – Program ends.

➢ Claims Adjudication

- ✓ March 31, 2014 – Last day for submission of out-of-pocket expenses for reimbursement (members).
- ✓ April 30, 2014 – Last day for submission of invoices for reimbursement (employers).
- ✓ December 31, 2014 – Last day to establish timely filing of claims (providers).
- ✓ December 31, 2016 – Last day for adjudication of claims.

Developmental Disabilities Services Division – June 19, 2013

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

Rate Change

IS THIS CHANGE AN INCREASE, DECREASE OR NO IMPACT?

Increase

2. PRESENTATION OF ISSUE – WHY IS CHANGE BEING MADE?

The Developmental Disabilities Services Division (DDSD) has not significantly increased rates since 2009; however, the bulk of the rates have not been significantly increased since 2006. In November of 2012 these services were increased by an average of 1.5%. The average Consumer Price Index (CPI) has increased at an annual rate of 2.2% since 2006, and the Federal Minimum Wage Rate has increased 40% during this same period. SB1120 authorized $8 million in appropriated funds "to provide an increase in reimbursement rates for home- and community-based services administered by Developmental Disabilities Services Division (DDSD) and Aging Services Division (ASD). The rate increase will be effective July 1, 2013. It is the intent of the Oklahoma Legislature that the rate increase for home- and community-based services shall be provided to direct care staff". The proposed rate increases honor this legislative intent.

3. CURRENT METHODOLOGY AND/OR RATE STRUCTURE

The current rate structure for which an increase is requested is fixed and uniform, and established through the State Plan Amendment Rate Committee. The current service codes and rates are as follows:

SERVICE DESCRIPTION	CODE	UNIT	RATE	DATE ESTABLISHED
HOMEMAKER	S5130	15 Minutes	$3.14	11/01/2012
HOMEMAKER - SF	S5130 SE	15 Minutes	$3.14	11/01/2012
HOMEMAKER RESPITE	S5150	15 Minutes	$3.14	11/01/2012
HTS - HABILITATION TRAINING SPECIALIST	T2017	15 Minutes	$3.69	11/01/2012
HTS - HABILITATION TRAINING SPECIALIST - SF	T2017 SE	15 Minutes	$3.69	11/01/2012
HTS - SELF DIRECTED SERVICE	T2017 U1 TF	15 Minutes	$14.76	11/01/2012
INTENSIVE PERSONAL SUPPORTS	T2017 TF	15 Minutes	$3.69	11/01/2012
INTENSIVE PERSONAL SUPPORTS - SF	T2017 TF SE	15 Minutes	$3.69	11/01/2012
DAILY LIVING SUPPORTS	T2033	1 Day	$141.83	11/01/2012
DAILY LIVING SUPPORTS - THER LEAVE	T2033 TV	1 Day	$141.83	11/01/2012
ES - COMMUNITY BASED INDIVIDUAL SERVICES	T2015 U4	1 Hour	$14.76	11/01/2012
ES - COMMUNITY BASED INDIVIDUAL SERVICES - SF	T2015 U4 SE	1 Hour	$14.76	11/01/2012
ES - CENTER BASED PREVOCATIONAL SVS	T2015 U1	1 Hour	$4.56	11/01/2012
ES - CENTER BASED PREVOCATIONAL SVS - SF	T2015 U1 SE	1 Hour	$4.56	11/01/2012

SERVICE DESCRIPTION	CODE	UNIT	RATE	DATE ESTABLISHED
ES - COMMUNITY BASED PREVOC SERVICES	T2015 TF	1 Hour	$9.12	11/01/2012
ES - COMMUNITY BASED PREVOC SERVICES - SF	T2015 TF SE	1 Hour	$9.12	11/01/2012
ES - EMPLOYMENT SPECIALIST	T2019	15 Minutes	$5.53	11/01/2012
ES - ENHANCED COMMUNITY BASED PREVOC	T2015	1 Hour	$12.16	11/01/2012
ES - ENHANCED COMMUNITY BASED PREVOC - SF	T2015 SE	1 Hour	$12.16	11/01/2012
ES - ENHANCED JOB COACHING SVS	T2019 TG	15 Minutes	$3.54	11/01/2012
ES - JOB COACHING INDIVIDUAL SVS	T2019 U4	15 Minutes	$4.05	11/01/2012
ES - JOB COACHING INDIVIDUAL SVS - SF	T2019 U4 SE	15 Minutes	$4.05	11/01/2012
ES - JOB COACHING SERVICE	T2019 TF	15 Minutes	$3.04	11/01/2012
ES - JOB STABILIZATION / EXTENDED SVS	T2019 U1	15 Minutes	$1.26	11/01/2012
ES - PRE-VOC. HTS - SUPP. SUPPORTS	T2015 TG	1 Hour	$11.48	11/01/2012
ES - PRE-VOC. HTS - SUPP. SUPPORTS - SF	T2015 TG SE	1 Hour	$11.48	11/01/2012
GROUP HOME ALT. LIVING HOME, 4 BED	T1020	1 Day	$268.65	11/01/2012
GROUP HOME, 6 BED	T1020	1 Day	$66.65	11/01/2012
GROUP HOME, 7 BED	T1020	1 Day	$57.02	11/01/2012
GROUP HOME, 8 BED	T1020	1 Day	$49.92	11/01/2012
GROUP HOME, 9 BED	T1020	1 Day	$45.61	11/01/2012
GROUP HOME, 10 BED	T1020	1 Day	$42.07	11/01/2012
GROUP HOME, 11 BED	T1020	1 Day	$39.28	11/01/2012
GROUP HOME, 12 BED	T1020	1 Day	$37.00	11/01/2012
GROUP HOME COMM. LIVING HOME, 6 BED	T1020	1 Day	$123.17	11/01/2012
GROUP HOME COMM. LIVING HOME, 7 BED	T1020	1 Day	$119.37	11/01/2012
GROUP HOME COMM. LIVING HOME, 8 BED	T1020	1 Day	$109.48	11/01/2012
GROUP HOME COMM. LIVING HOME, 9 BED	T1020	1 Day	$102.00	11/01/2012
GROUP HOME COMM. LIVING HOME, 10 BED	T1020	1 Day	$95.80	11/01/2012
GROUP HOME COMM. LIVING HOME, 11 BED	T1020	1 Day	$90.73	11/01/2012
GROUP HOME COMM. LIVING HOME, 12 BED	T1020	1 Day	$85.66	11/01/2012
RESPITE IN - GROUP HOME, 6 BED	S5151	1 Day	$66.65	11/01/2012
RESPITE IN - GROUP HOME, 7 BED	S5151	1 Day	$57.02	11/01/2012
RESPITE IN - GROUP HOME, 8 BED	S5151	1 Day	$49.92	11/01/2012
RESPITE IN - GROUP HOME, 9 BED	S5151	1 Day	$45.61	11/01/2012
RESPITE IN - GROUP HOME, 10 BED	S5151	1 Day	$42.07	11/01/2012
RESPITE IN - GROUP HOME, 11 BED	S5151	1 Day	$39.28	11/01/2012
RESPITE IN - GROUP HOME, 12 BED	S5151	1 Day	$37.00	11/01/2012
RESPITE IN - COMMUNITY LIVING HOME, 6 BED	S5151	1 Day	$123.17	11/01/2012
RESPITE IN - COMMUNITY LIVING HOME, 7 BED	S5151	1 Day	$119.37	11/01/2012
RESPITE IN - COMMUNITY LIVING HOME, 8 BED	S5151	1 Day	$109.48	11/01/2012
RESPITE IN - COMMUNITY LIVING HOME, 9 BED	S5151	1 Day	$102.00	11/01/2012
RESPITE IN - COMMUNITY LIVING HOME, 10 BED	S5151	1 Day	$95.80	11/01/2012
RESPITE IN - COMMUNITY LIVING HOME, 11 BED	S5151	1 Day	$90.73	11/01/2012

RESPITE IN - COMMUNITY LIVING HOME, 12 BED	S5151	1 Day	$85.66	11/01/2012

4. NEW METHODOLOGY OR RATE

The table below indicates the services and proposed rate increases to implement the legislative intent of SB1120. After reviewing the cost indices, the recommended rates were developed by distributing the available funding across the services using the current utilization estimates.

SERVICE DESCRIPTION	CODE	RATE	PROPOSED RATE	INCREASE	%
HOMEMAKER	S5130	$3.14	$3.32	$0.18	6%
HOMEMAKER - SF	S5130 SE	$3.14	$3.32	$0.18	6%
HOMEMAKER RESPITE	S5150	$3.14	$3.32	$0.18	6%
HTS - HABILITATION TRAINING SPECIALIST	T2017	$3.69	$3.92	$0.23	6%
HTS - HABILITATION TRAINING SPECIALIST - SF	T2017 SE	$3.69	$3.92	$0.23	6%
HTS - SELF DIRECTED SERVICE	T2017 U1 TF	$14.76	$15.68 **	$0.92	6%
INTENSIVE PERSONAL SUPPORTS	T2017 TF	$3.69	$3.92	$0.23	6%
INTENSIVE PERSONAL SUPPORTS - SF	T2017 TF SE	$3.69	$3.92	$0.23	6%
DAILY LIVING SUPPORTS	T2033	$141.83	$149.19	$7.36	5%
DAILY LIVING SUPPORTS - THER LEAVE	T2033 TV	$141.83	$149.19	$7.36	5%
ES - COMMUNITY BASED INDIVIDUAL SERVICES	T2015 U4	$14.76	$15.68	$0.92	6%
ES - COMMUNITY BASED INDIVIDUAL SERVICES - SF	T2015 U4 SE	$14.76	$15.68	$0.92	6%
ES - CENTER BASED PREVOCATIONAL SVS	T2015 U1	$4.56	$4.84	$0.28	6%
ES - CENTER BASED PREVOCATIONAL SVS - SF	T2015 U1 SE	$4.56	$4.84	$0.28	6%
ES - COMMUNITY BASED PREVOC SERVICES	T2015 TF	$9.12	$9.68	$0.56	6%
ES - COMMUNITY BASED PREVOC SERVICES - SF	T2015 TF SE	$9.12	$9.68	$0.56	6%
ES - EMPLOYMENT SPECIALIST	T2019	$5.53	$5.87	$0.34	6%
ES - ENHANCED COMMUNITY BASED PREVOC	T2015	$12.16	$12.92	$0.76	6%
ES - ENHANCED COMMUNITY BASED PREVOC - SF	T2015 SE	$12.16	$12.92	$0.76	6%
ES - ENHANCED JOB COACHING SVS	T2019 TG	$3.54	$3.76	$0.22	6%
ES - JOB COACHING INDIVIDUAL SVS	T2019 U4	$4.05	$4.30	$0.25	6%
ES - JOB COACHING INDIVIDUAL SVS - SF	T2019 U4 SE	$4.05	$4.30	$0.25	6%
ES - JOB COACHING SERVICE	T2019 TF	$3.04	$3.23	$0.19	6%
ES - JOB STABILIZATION / EXTENDED SVS	T2019 U1	$1.26	$1.34	$0.08	6%
ES - PRE-VOC. HTS - SUPP. SUPPORTS	T2015 TG	$11.48	$12.20	$0.72	6%
ES - PRE-VOC. HTS - SUPP. SUPPORTS - SF	T2015 TG SE	$11.48	$12.20	$0.72	6%
GROUP HOME ALT. LIVING HOME, 4 BED	T1020	$268.65	$282.75 *	$14.10	5%
GROUP HOME, 6 BED	T1020	$66.65	$70.25 *	$3.60	5%
GROUP HOME, 7 BED	T1020	$57.02	$60.00 *	$2.98	5%
GROUP HOME, 8 BED	T1020	$49.92	$52.50 *	$2.58	5%

GROUP HOME, 9 BED	T1020	$45.61	$48.00 *	$2.39	5%
GROUP HOME, 10 BED	T1020	$42.07	$44.25 *	$2.18	5%

SERVICE DESCRIPTION	CODE	RATE	PROPOSED RATE	INCREASE	%
GROUP HOME, 11 BED	T1020	$39.28	$41.50 *	$2.22	6%
GROUP HOME, 12 BED	T1020	$37.00	$39.00 *	$2.00	5%
GROUP HOME COMM. LIVING HOME, 6 BED	T1020	$123.17	$130.00 *	$6.83	6%
GROUP HOME COMM. LIVING HOME, 7 BED	T1020	$119.37	$125.75 *	$6.38	5%
GROUP HOME COMM. LIVING HOME, 8 BED	T1020	$109.48	$115.50 *	$6.02	5%
GROUP HOME COMM. LIVING HOME, 9 BED	T1020	$102.00	$107.50 *	$5.50	5%
GROUP HOME COMM. LIVING HOME, 10 BED	T1020	$95.80	$101.00 *	$5.20	5%
GROUP HOME COMM. LIVING HOME, 11 BED	T1020	$90.73	$95.50 *	$4.77	5%
GROUP HOME COMM. LIVING HOME, 12 BED	T1020	$85.66	$90.25 *	$4.59	5%
RESPITE IN - GROUP HOME, 6 BED	S5151	$66.65	$70.25 *	$3.60	5%
RESPITE IN - GROUP HOME, 7 BED	S5151	$57.02	$60.00 *	$2.98	5%
RESPITE IN - GROUP HOME, 8 BED	S5151	$49.92	$52.50 *	$2.58	5%
RESPITE IN - GROUP HOME, 9 BED	S5151	$45.61	$48.00 *	$2.39	5%
RESPITE IN - GROUP HOME, 10 BED	S5151	$42.07	$44.25 *	$2.18	5%
RESPITE IN - GROUP HOME, 11 BED	S5151	$39.28	$41.50 *	$2.22	6%
RESPITE IN - GROUP HOME, 12 BED	S5151	$37.00	$39.00 *	$2.00	5%
RESPITE IN - COMMUNITY LIVING HOME, 6 BED	S5151	$123.17	$130.00 *	$6.83	6%
RESPITE IN - COMMUNITY LIVING HOME, 7 BED	S5151	$119.37	$125.75 *	$6.38	5%
RESPITE IN - COMMUNITY LIVING HOME, 8 BED	S5151	$109.48	$115.50 *	$6.02	5%
RESPITE IN - COMMUNITY LIVING HOME, 9 BED	S5151	$102.00	$107.50 *	$5.50	5%
RESPITE IN - COMMUNITY LIVING HOME, 10 BED	S5151	$95.80	$101.00 *	$5.20	6%
RESPITE IN - COMMUNITY LIVING HOME, 11 BED	S5151	$90.73	$95.50 *	$4.77	5%
RESPITE IN - COMMUNITY LIVING HOME, 12 BED	S5151	$85.66	$90.25 *	$4.59	5%

* Manual priced

** Manual priced not to exceed rate

HTS – Habilitation Training Specialist, Intensive Personal Supports, and Daily Living Supports represent 80% of the costs in the DDSD program and the proposed rates maintain the parity between the waiver service programs for HTS and Personal Care.

5. BUDGET ESTIMATE

The estimated total annualized state share for the proposed rate increase is $4,883,502 with a total federal plus state annualized cost for the rate increase of $13,451,860. The Oklahoma Department of Human Services attests that it has adequate funds to cover the state share of the projected cost of services. The budget impact is budget neutral for the Oklahoma Health Care Authority.

6. AGENCY ESTIMATED IMPACT ON ACCESS TO CARE.

Under (a)(30)(A) of the Medicaid Act, the agency expects a minimal but increased impact on access for these services.

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 increase to be effective July 1, 2013 upon Board approval.

8. EFFECTIVE DATE OF CHANGE.

July 1, 2013 upon Board approval and subject to federal approval.

Rates & Standards
June 2013
Hospital Supplemental Payments

1. **Is this a rate change or a method change?**
   These changes are needed to facilitate payments already being made. The Indirect Medical Education (IME) needs to be generic and the supplemental payment to *Hospitals Experiencing a Significant Volume Decrease* (referred to specifically as the OSU Medical Center) needs to be changed to annual from date specific.

2. **Is this change an increase, decrease or no impact?**
   The change will impact annual expenditures in that the $9 million supplemental for the OSU Medical Center will be continued past the current year.

3. **Presentation of Issue**
   The change to the IME program is to take out reference to specific hospitals and make the reference of payment to "qualifying" hospitals. This change is needed to allow the OKHCA to keep up with any changes in qualifications of hospitals for the IME program without having to make State Plan changes. The qualifying standards or amounts of payment are not being changed.
   The change to the OSU Medical Center Supplemental payment is to continue the payment that we are currently making on an annual basis, which at the current time is date specific.

4. **Current Methodology/Rate Structure:**
   For the IME program the structure is to make equal payments to qualifying hospitals from a pool of money, the amount defined in the State Plan. The Plan has the specific qualifying hospitals listed. The proposal is to delete the reference to specific hospitals and refer to "qualifying" hospitals.
   The change needed for the supplemental payment to the OSU Medical Center is to delete the time-specific date of payment and replace it with an annual payment.

5. **Budget Estimate:**
   The annual state share and federal share of the budget will increase by an estimated $9 million, the OSU Supplemental Payment, the State Share amount of $3.3 million to be paid by the OSU Medical Center Trust.

6. **Estimated impact on access to care:**
   The OSU Supplemental changes will insure access to SoonerCare clients in the Tulsa and surrounding areas and support the teaching mission of the OSU School of Osteopathic Medicine which uses this facility as its main conduit for its' teaching mission (rotations of interns and residents). The IME changes will insure the ongoing support of the teaching mission of both OSU and OU, the major education programs in the state.

7. **Requested change:**
   The agency requests approval to change the state plan methodology to go from paying a time limited annual Supplemental for "Hospitals Experiencing a Significant Volume Decrease" to an annual basis and to change the state plan methodology for Indirect Medical Education payments from listing specific facilities to referring to payments being made to "Qualifying" facilities.

8. **Effective Date of Change: July 1, 2013**

Rates & Standards
June 2013
Acute (16 Bed-or-Less) ICF/IID Facilities

1. **Is this a rate change or a method change?**
   This is a rate change.

2. **Is this change an increase, decrease or no impact?**
   The change will increase the annual expenditures by an estimated $123,665.

3. **Presentation of Issue**
   The change is made to implement the previously approved Tax Waiver and Plan Changes needed to enhance funding for the nursing facilities. These changes allow the OHCA to collect additional fees and match them through rate increases to providers. The fees are recalculated annually and the increase of $0.16 per day when matched with federal funds will mean an increase of $0.47 to the daily rate for this facility type.

4. **Current Methodology/Rate Structure:**
   The current rate methodology calls for the establishment of a prospective rate which is based on the reported allowable cost per day.

5. **Budget Estimate:**
   The annual budget will increase by an estimated $123,665 funded by $44,165 in state matching funds coming from the increased QOC Fee and $79,500 in federal matching funds.

6. **Estimated impact on access to care:**
   This change will help to insure access for this fragile population by paying an appropriate amount for these services.

7. **Requested change:**
   The agency requests approval of a change in the state plan to implement the following:
   - *Base Rate*-to increase the base rate by 0.3036% ($.0.47) from $154.81 to $155.28.
   - *See Attachment I*

8. **Effective Date of Change:** July 1, 2013

Quality of Care Fee (QOC) Calculation	Nursing & Aids Facilities	MR	AMR
Total SFY 12 Gross Receipts*	$ 76,800,666	$ 1,628,856	$ 2,343,629
Total SFY 12 Days	7,150,900	226,230	257,825
Recalculated QOC Fee Per Day	$ 10.74	$ 7.20	$ 9.09
Current QOC Fee	$ 9.79	$ 6.96	$ 8.93
Increase In QOC Fee	$ 0.95	$ 0.24	$ 0.16

*Note - Gross Receipts based on Actual Gross Receipts inflated for rate increases occurring 9/1/12.

Average Current Rate (9/1/12)	$ 139.61	$ 120.40	$ 154.81
Rate Increases	$ 3.91	$ 0.68	$ 0.47
Proposed Rate (7/1/13)	$ 143.52	$ 121.08	$ 155.28
Aids Current Rate (9/1/12)	$ 193.04		
Aids Rate Increase	$ 3.91		
Proposed AidsRate (7/1/13)	$ 196.95		
Rate Changes from QOC Increases Above Matched with Federal Funding	$ 3.91	$ 0.68	$ 0.47
Base Rate Change from QOC Increase	$ 0.95	$ 0.68	$ 0.47
Focus on Excellence Component Increase (FOE)	$ 0.34		
Other Cost Component Increase	$ 0.78		
Direct Care Cost Component Increase	$ 1.84		

Budget Impact			
Estimated Total Medicaid Days	4,849,970	222,982	263,117
Estimated Budget Increase	$ 18,963,383	$ 151,628	$ 123,665
Estimated Amount for FOE and Base Rate	3,988,398		
Net Additional to Pool	14,974,985		
Current Pool	147,230,204		
Proposed New Pool	162,205,189		

Rates & Standards
May 2013
Regular Nursing Facilities

1. **Is this a rate change or a method change?**
   Both

2. **Is this change an increase, decrease or no impact?**
   The change will increase the annual expenditures by an estimated $18.9 million.

3. **Presentation of Issue**
   The change is made to implement the previously approved Tax Waiver and Plan Changes needed to enhance funding for the nursing facilities. These changes allow the OHCA to collect additional fees and match them through rate increases to providers. Also, changes are being made to the Focus on Excellence (FOE) Program to enhance the processes and utilize data to establish more equitable and sound rates for payment.

4. **Current Methodology/Rate Structure:**
   The current rate methodology calls for the establishment of a prospective rate which consists of the following four components:
   (A) A Base Rate Component defined as $106.29 per day.
   (B) A Focus on Excellence (FOE) Component defined by the points earned under this performance program as defined in the state plan. The bonus component paid may be from $1.00 to $5.00 per day based on points earned.
   (C) An Other Component which is defined as the per day amount derived from dividing 30% of the pool of funds available after meeting the needs of the Base and FOE Components by the total estimated Medicaid days for the rate period.
   (D) A Direct Care Component which is defined as the per day amount derived from allocating 70% of the pool of funds available after meeting the needs of the Base and FOE Components to the facilities. This component is determined separately and is different for each facility. The method (as approved in the State Plan) allocates the 70% pool funds to each facility (on a per day basis) based on their relative expenditures for direct care.

5. **Budget Estimate:**
   The annual budget will increase by an estimated $18.9 million funded by $6.8 million in state funds coming from the increased QOC Fee collections and the federal matching funds of $12.1 million.

6. **Estimated impact on access to care:**
   This change will help insure access for this elderly population by paying an appropriate amount for these services.

7. **Requested changes:**
   The agency requests approval of these changes in the state plan to implement the following:
   - ***Base Rate*** - increases the base rate component from $106.29 to $107.24 which matches the increase in the Quality of Care Fee of $0.95 ($9.79 to $10.74).—See Attachment I.
   - ***Pool Amount*** – increases the pool amount in the state plan for the "Other" and "Direct Care" Components from $ 147,230,204 to $162,205,189 to account for the increase in available funds from the SSI and QOC Fee increases.—See Attachment I.

- ***FOE Point Changes*** *- To change the point totals earned for meeting the thresholds for Person Centered Care, Licensed Nurse Retention and CNA Retention from 120 to 90, 50 to 65 and 50 to 65, respectively. These changes will allow appropriate values to be assigned to these metrics versus other metrics, gained through experience through the first year under the new system.—See Attachment II.*
- ***FOE Threshold Changes*** *- To change the thresholds for earning points under the Resident/Family surveys and the Employee surveys from 72 to 76 and 65 to 70, respectively. These changes will better reflect the current results and raise the bar to more appropriate levels.—See Attachment II.*

6. Effective Date of Change: **Data Gathering** July 1, 2013
Payment Period January 1, 2014

OKLAHOMA HEALTH CARE AUTHORITY
RATES AND STANDARDS MAY 2013
Attachment II

Focus on Excellence Program Plan Changes

- FOE Point Changes – Proposal to change the point totals earned for Person Centered Care from 120 to 90, Licensed Nurse Retention from 50 to 65 and CNA Retention from 50 to 65. This reallocation of points is needed to more accurately reflect the overall value of these measurements to the quality of the provision of services in the FOE Program because direct care staffing drives quality improvement.

- FOE Threshold Changes – Proposal to change the thresholds for earning points under the Resident/Family Surveys from 72 to 76 and the Employee Surveys from 65 to 70. Under the new surveys the point totals exceeded previous survey totals due to changes in the surveys and in the calculation processes. The results under the current thresholds resulted in too many facilities earning the points. This change is to establish thresholds that reflect previous percentages of success and move the bar to a level that encourages improvement.

- Proposed changes to take effect for data collection period beginning July 1, 2013 which will affect payment totals beginning January 1, 2014.

Rates & Standards
June 2013

Regular ICF/IID Facilities

1. **Is this a rate change or a method change?**
   This is a rate change.

2. **Is this change an increase, decrease or no impact?**
   The change will increase the annual expenditures by $151,628.

3. **Presentation of Issue**
   The change is made to implement the previously approved Tax Waiver and Plan Changes needed to enhance funding for these facilities. These changes allow the OHCA to collect additional fees and match them through rate increases to providers. The QOC fees are recalculated annually and the increase of $0.24 per day when matched with federal funds will mean an increase of $0.68 to the daily rate for this facility type.

4. **Current Methodology/Rate Structure:**
   The current rate methodology calls for the establishment of a prospective rate which is based on the reported allowable cost per day.

5. **Budget Estimate:**

   The annual budget will increase by an estimated $151,628 funded by $44,165 in state matching funds coming from the increased QOC Fee and $107,463 in federal matching funds.

6. **Estimated impact on access to care:**

   This change will help to insure access for this fragile population by paying an appropriate amount for these services.

7. **Requested change:**

   The agency requests approval of a change in the state plan to implement the following:
   - *Base Rate*-to increase the base rate by 0.5648% ($0.68) from $120.40 to $121.08.
   - *See Attachment I*

8. **Effective Date of Change:** July 1, 2013

Attachment I

Quality of Care Fee (QOC) Calculation	Nursing & Aids Facilities	MR	AMR
Total SFY 12 Gross Receipts*	$ 76,800,666	$ 1,628,856	$ 2,343,629
Total SFY 12 Days	7,150,900	226,230	257,825
Recalculated QOC Fee Per Day	$ 10.74	$ 7.20	$ 9.09
Current QOC Fee	$ 9.79	$ 6.96	$ 8.93
Increase In QOC Fee	$ 0.95	$ 0.24	$ 0.16

*Note - Gross Receipts based on Actual Gross Receipts inflated for rate increases occurring 9/1/12.

Average Current Rate (9/1/12)	$ 139.61	$ 120.40	$ 154.81
Rate Increases	$ 3.91	$ 0.68	$ 0.47
Proposed Rate (7/1/13)	$ 143.52	$ 121.08	$ 155.28
Aids Current Rate (9/1/12)	$ 193.04		
Aids Rate Increase	$ 3.91		
Proposed AidsRate (7/1/13)	$ 196.95		
Rate Changes from QOC Increases Above Matched with Federal Funding	$ 3.91	$ 0.68	$ 0.47
Base Rate Change from QOC Increase	$ 0.95	$ 0.68	$ 0.47
Focus on Excellence Component Increase (FOE)	$ 0.34		
Other Cost Component Increase	$ 0.78		
Direct Care Cost Component Increase	$ 1.84		

Budget Impact			
Estimated Total Medicaid Days	4,849,970	222,982	263,117
Estimated Budget Increase	$ 18,963,383	$ 151,628	$ 123,665
Estimated Amount for FOE and Base Rate	3,988,398		
Net Additional to Pool	14,974,985		
Current Pool	147,230,204		
Proposed New Pool	162,205,189		

Rates & Standards
June 2013
Aids Rate for Nursing Facilities

1. **Is this a rate change or a method change?**
   This is a rate change.

2. **Is this change an increase, decrease or no impact?**
   The change will increase the annual expenditures by an estimated $37,024.

3. **Presentation of Issue**
   The change is made to implement the previously approved Tax Waiver and Plan Changes needed to enhance funding for the nursing facilities. These changes allow the OHCA to collect additional fees and match them through rate increases to providers. The fees are recalculated annually and the increase of $0.95 per day when matched with federal funds will mean an increase of $3.91 to the daily rate for this facility type.

4. **Current Methodology/Rate Structure:**
   The current rate methodology calls for the establishment of a prospective rate based on reported allowable costs.

5. **Budget Estimate:**
   The annual budget will increase by an estimated $37,024 funded by $13,404 state funds coming from the increased QOC Fee collections and federal matching funds of $23,620.

6. **Estimated impact on access to care:**
   This change will help to insure access for this fragile population by paying an appropriate amount for these services.

7. **Requested change:**
   The agency requests approval of a change in the state plan to implement the following:
   - *Base Rate*-to increase the base rate component by 2.0255% ($3.91) from $193.04 to $196.95.
   - *See Attachment I*

8. **Effective Date of Change:** July 1, 2013

Attachment 1

Total SFY 12 Days		7,150,900		226,230		257,825
Recalculated QOC Fee Per Day	$	10.74	$	7.20	$	9.09
Current QOC Fee	$	9.79	$	6.96	$	8.93
Increase In QOC Fee	$	0.95	$	0.24	$	0.16

*Note - Gross Receipts based on Actual Gross Receipts inflated for rate increases occurring 9/1/12.

Average Current Rate (9/1/12)	$	139.61	$	120.40	$	154.81
Rate Increases	$	3.91	$	0.68	$	0.47
Proposed Rate (7/1/13)	$	143.52	$	121.08	$	155.28
Aids Current Rate (9/1/12)	$	193.04				
Aids Rate Increase	$	3.91				
Proposed AidsRate (7/1/13)	$	196.95				

Rate Changes from QOC Increases Above Matched with Federal Funding	$	3.91	$	0.68	$	0.47
Base Rate Change from QOC Increase	$	0.95	$	0.68	$	0.47
Focus on Excellence Component Increase (FOE)	$	0.34				
Other Cost Component Increase	$	0.78				
Direct Care Cost Component Increase	$	1.84				

Budget Impact

Estimated Total Medicaid Days		4,849,970		222,982		263,117
Estimated Budget Increase	$	18,963,383	$	151,628	$	123,665
Estimated Amount for FOE and Base Rate		3,988,398				
Net Additional to Pool		14,974,985				
Current Pool		147,230,204				
Proposed New Pool		162,205,189				

ADvantage Program Rate Brief – June 19, 2013

IS THIS A "RATE CHANGE" OR A "METHOD CHANGE"?
This is a rate change.

IS THIS CHANGE AN INCREASE, DECREASE OR NO IMPACT?
This is an increase.

1. PRESENTATION OF ISSUE-WHY IS CHANGE BEING MADE?

ADvantage in-home service rates that are proposed for increase have not significantly increased since 2006. Last year the Personal Care service rate increased by 1.5%. The average Consumer Price Index (CPI) has increased at an annual rate of 2.2% since 2006 and the price of gasoline which is a major cost center for these services have increased at an annual rate of 4.8% since 2006. The Nursing Facility Medicaid per diem reimbursement, the comparable institutional service option rate, has increased at an annual rate of 3.7% since 2006. SB1120 authorized $8 million in appropriated funds "shall be used to provide an increase in reimbursement rates for home- and community- based services administered by Developmental Disabilities Services Division (DDSD) and Aging Services Division (ASD). The rate increase will be effective July 1, 2013. It is the intent of the Oklahoma Legislature that the rate increase for home- and community- based services shall be provided to direct care staff". The proposed rate increases honor this legislative intent.

2. CURRENT METHODOLOGY AND/OR RATE STRUCTURE.

The current services rate structure for services for which a rate increase is being requested are fixed and uniform rates established through the State Plan Amendment Rate Committee process. The services and current service codes and rates are as follows:

Service	Code	Service Unit	Current Rate	Date Established
ADvantage Personal Care	T1019	15 minutes	$3.69	11/01/2012
Supportive/Restorative Assistance	T1019-TF	15 minutes	$3.97	11/01/2012
In-Home Respite	T1005	15 minutes	$3.69	11/01/2012
Personal Services Assistance (PSA)	S5125	15 minutes	$3.14	11/01/2012
Advanced PSA	S5125-TF	15 minutes	$3.77	11/01/2012
Assisted Living Low (Tier 1)	T2031	1 Day	$42.94	11/01/2012
Assisted Living Medium (Tier 2)	T2031-TF	1 Day	$57.94	11/01/2012
Assisted Living High (Tier 3)	T2031-TG	1 Day	$81.05	11/01/2012
State Plan Personal Care	T1019	15 minutes	$3.69	11/01/2012

3. NEW METHODOLOGY OR RATE.

The table below indicates the services and per service rate increases proposed to carry out the legislative intent of SB1120.

OAC 317:30-5-764 ties many ADvantage service rates to the State Plan Personal Care rate. Those service rates determined in policy by the Personal Care rate are indicated in yellow

highlight in the table. The proposed rate increase for Personal Care linked services is $0.23 per unit ($0.92 per hour).

Service	Code	Current Rate	New Rate	Increase	% Increase
ADvantage Personal Care	T1019	$3.69	$3.92	$0.23	6.2%
Supportive/Restorative Assistance	T1019-TF	$3.97	$4.22	$0.25	6.3%
In-Home Respite	T1005	$3.69	$3.92	$0.23	6.2%
Personal Services Assistance (PSA)	S5125	$3.14	$3.32	$0.18	6.2%
Advanced PSA	S5125-TF	$3.77	$3.98	$0.21	6.2%
Assisted Living Low (Tier 1)	T2031	$42.94	$45.61	$2.67	6.2%
Assisted Living Medium (Tier 2)	T2031-TF	$57.94	$61.55	$3.61	6.2%
Assisted Living High (Tier 3)	T2031-TG	$81.05	$86.10	$5.05	6.2%
State Plan Personal Care	T1019	$3.69	$3.92	$0.23	6.2%

The proposed rates were determined by utilization of services, the last time a rate increase was done for that service, comparison with inflation since last significant rate setting and a comparable of rates in other states. The proposed rates for services bring the rates to approximately 90% of what the CPI indexed rate would be.

4. BUDGET ESTIMATE.

The effective date for the rate increases is July 1, 2013. The estimated total FY14 state share for the proposed rate increases is $2.47 million with a total Federal plus State FY14 cost for the service rate increases of $6.48 million. The Oklahoma Department of Human Services attests that it has adequate funds to cover the state share of the projected cost of services. The budget impact is budget neutral for the Oklahoma Health Care Authority.

5. AGENCY ESTIMATED IMPACT ON ACCESS TO CARE.

Under (a)(30)(A) of the Medicaid Act, the agency expects a minimal but increased impact on access for these services.

6. 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 July 1, 2013 upon Board approval.

7. EFFECTIVE DATE OF CHANGE.

July 1, 2013 upon Board approval and subject to federal approval

SPARC, 2013

Programs of Assertive Community Treatment (PACT) Payment Rate Change

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?
   The Oklahoma Department of Mental Health and Substance Abuse Services (ODMHSAS) proposes to increase the rate paid for Programs of Assertive Community Treatment (PACT) from $24.28 per 15 min unit to $32.11 per 15 min unit. The last rate adjustment was in July 2010. A PACT must be a self-contained clinical program that assures the fixed point of responsibility for providing treatment, rehabilitation and support services to consumers with Serious Mental Illnesses (SMI). PACT provides access to a variety of interventions twenty-four (24) hours, seven days a week. The service utilizes a multidisciplinary mental health team from the fields of psychiatry, nursing, psychology, social work, substance abuse, and vocational rehabilitation; additionally, a Certified Peer Specialist is an active member of the PACT team providing assistance with the development of natural supports, promoting socialization, and the strengthening of community living skills. There is one statewide rate, and programs operate in both urban and rural areas. There are 6 urban teams and 6 rural teams in the state. The current rate assumes low staff-to-consumer ratios (1:10), and that a team will average 3 contacts per week per consumer as expected, based on fidelity of the model. At least 75% of all contacts occur out of the office. However, low population densities, limited services, and shortages of professionals challenge service delivery to persons with SMI in rural areas. Rural teams therefore have lower caseloads and spend a lot of "windshield" time (that is not reimbursable) to contact consumers in order to be able to bill a 15-minute unit. The current statewide rate does not account for these factors.

3. Current methodology and/or rate structure.
   Currently, the agency pays for a PACT at a rate of $24.28 per 15 min unit. The rate is based on the following: average salaries and wages and employee benefits[1] of a PACT with 10 FTE (urban model), administrative support costs, a clinical staff to consumer ratio of 1:10, and an average contact frequency of 3 per week, per consumer. Psychiatrist contacts are separately billable and paid using the Title XIX fee schedule.

4. New methodology or rate.
   ODMHSAS proposes to increase the rate paid for PACT to $32.11 per 15 min unit. The basis for the new rate is an adjustment to the caseload assumptions. Because Medicaid enrollment for adults enrolled in PACT may not be continuous, the average caseload of 100 for a team of 10 assumed in the current rate method was adjusted by a factor of .756 to account for lapses in coverage[2]. It also will take into account for the fact that PACT team members in rural areas have smaller caseloads (5-7 per team member) and have to spend more time driving to reach the consumer, which results in fewer billable hours per month. While caseloads may vary, the revenue must be adequate to sustain the round the clock staffing of a multidisciplinary team of professionals and maintain the fidelity of the model for positive outcomes.

[1] Sources: Provider survey data. Fringe benefits were calculated at 39% of direct costs.
[2] Source: Improving Medicaid's Continuity Of Coverage And Quality Of Care, Accessed May 2013.

5. Budget estimate.
   The budget impact for state fiscal year 2014 is estimated to be approximately $1,296,077 total dollars; $430,588 state dollars. The Oklahoma Department of Mental Health and Substance Abuse Services attests that it has adequate funds to cover the state share of the projected cost of services. This assumes a 32% increase in the rate and an 11.7% change in utilization due to anticipated increased staffing. All of the increase is represented by increased payments to providers. The budget impact is budget neutral for Oklahoma Health Care Authority.

6. Agency estimated impact on access to care.
   It is believed that this rate increase will encourage providers to continue to support PACT teams and thus have a positive impact on access to care to individuals with severe mental illness.

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 for all PACT teams.

8. Effective date of change.
   July 1, 2013

9. Is this a "Rate Change" or a "Method Change"?
   Rate change

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

10. Presentation of issue – Why is change being made?
    The Oklahoma Department of Mental Health and Substance Abuse Services (ODMHSAS) proposes to increase the rate paid for Programs of Assertive Community Treatment (PACT) from $24.28 per 15 min unit to $32.11 per 15 min unit. The last rate adjustment was in July 2010. A PACT must be a self-contained clinical program that assures the fixed point of responsibility for providing treatment, rehabilitation and support services to consumers with Serious Mental Illnesses (SMI). PACT provides access to a variety of interventions twenty-four (24) hours, seven days a week. The service utilizes a multidisciplinary mental health team from the fields of psychiatry, nursing, psychology, social work, substance abuse, and vocational rehabilitation; additionally, a Certified Peer Specialist is an active member of the PACT team providing assistance with the development of natural supports, promoting socialization, and the strengthening of community living skills. There is one statewide rate, and programs operate in both urban and rural areas. There are 6 urban teams and 6 rural teams in the state. The current rate assumes low staff-to-consumer ratios (1:10), and that a team will average 3 contacts per week per consumer as expected, based on fidelity of the model. At least 75% of all contacts occur out of the office. However, low population densities, limited services, and shortages of professionals challenge service delivery to persons with SMI in rural areas. Rural teams therefore have lower caseloads and spend a lot of "windshield" time (that is not reimbursable) to contact consumers in order to be able to bill a 15-minute unit. The current statewide rate does not account for these factors.

11. Current methodology and/or rate structure.
    Currently, the agency pays for a PACT at a rate of $24.28 per 15 min unit. The rate is based on the following: average salaries and wages and employee benefits[3] of a PACT with 10 FTE

[3] Sources: Provider survey data. Fringe benefits were calculated at 39% of direct costs.

(urban model), administrative support costs, a clinical staff to consumer ratio of 1:10, and an average contact frequency of 3 per week, per consumer. Psychiatrist contacts are separately billable and paid using the Title XIX fee schedule.

12. New methodology or rate.
    ODMHSAS proposes to increase the rate paid for PACT to $32.11 per 15 min unit. The basis for the new rate is an adjustment to the caseload assumptions. Because Medicaid enrollment for adults enrolled in PACT may not be continuous, the average caseload of 100 for a team of 10 assumed in the current rate method was adjusted by a factor of .756 to account for lapses in coverage[4]. It also will take into account for the fact that PACT team members in rural areas have smaller caseloads (5-7 per team member) and have to spend more time driving to reach the consumer, which results in fewer billable hours per month. While caseloads may vary, the revenue must be adequate to sustain the round the clock staffing of a multidisciplinary team of professionals and maintain the fidelity of the model for positive outcomes.

13. Budget estimate.
    The budget impact for state fiscal year 2014 is estimated to be approximately $1,296,077 total dollars; $430,588 state dollars. The Oklahoma Department of Mental Health and Substance Abuse Services attests that it has adequate funds to cover the state share of the projected cost of services. This assumes a 32% increase in the rate and an 11.7% change in utilization due to anticipated increased staffing. All of the increase is represented by increased payments to providers. The budget impact is budget neutral for Oklahoma Health Care Authority.

14. Agency estimated impact on access to care.
    It is believed that this rate increase will encourage providers to continue to support PACT teams and thus have a positive impact on access to care to individuals with severe mental illness.

15. Rate or Method change in the form of a motion.
    The agency requests the State Plan Amendment Rate Committee to approve a rate change for all PACT teams.

16. Effective date of change.
    July 1, 2013

[4] Source: Improving Medicaid's Continuity Of Coverage And Quality Of Care, Accessed May 2013.

OHCA Waiver Services Rate Change
June 2013

IS THIS A "RATE CHANGE" OR A "METHOD CHANGE"?

Rate Change

lb. 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 has received funding for specified rate increases, OHCA proposes to do the same for 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 providers in an equivalent manner.

3. CURRENT METHODOLOGY AND/OR RATE STRUCTURE.

OHCA adopted OKDHS reimbursement methodology from OKDHS programs when originally implementing its programs, and most recently increased rates to match OKDHS on November 1, 2012.

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

Service	Code	Service Unit	Current Rate	Date Established
Personal Care	T1019	15 minutes	$3.69	11/1/2012
Advanced Supportive Restorative (ASR)	T1019-TF	15 minutes	$3.97	11/1/2012
In-Home Respite (2-7 hours)	T1005	15 minutes	$3.69	11/1/2012
Assisted Living Low (Tier 1)	T2031	1 Day	$42.94	11/1/2012

Assisted Living Medium (Tier 2)	T2031-TF	1 Day	$57.94	11/1/2012
Assisted Living High (Tier 3)	T2031-TG	1 Day	$81.05	11/1/2012
Self-Directed Personal Care	S5125	15 minutes	$3.69	11/1/2012
Self-Directed Advanced Supportive Restorative	S5125-TF	15 minutes	$3.97	11/1/2012
Self-Directed Respite (2-7 hours)	T1005-UF	15 minutes	3.69	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**
Personal Care	T1019	$3.69	$3.92	$0.23	6.2%
Advanced Supportive Restorative (ASR)	T1019-TF	$3.97	$4.22	$0.25	6.3%
In-Home Respite (2-7 hours)	T1005	$3.69	$3.92	$0.23	6.2%
Assisted Living Low (Tier 1)	T2031	$42.94	$45.61	$2.67	6.2%
Assisted Living Medium (Tier 2)	T2031-TF	$57.94	$61.55	$3.61	6.2%
Assisted Living High (Tier 3)	T2031-TG	$81.05	$86.10	$5.05	6.2%
Self-Directed Personal Care	S5125	$3.69	$3.92	$0.23	6.2%
Self-Directed Advanced Supportive Restorative (ASR)	S5125-TF	$3.97	$4.22	$0.25	6.3%
Self-Directed Respite (2-7 hours)	T1005-UF	$3.69	$3.92	$0.23	6.2%

5. BUDGET ESTIMATE.

Estimated State Dollars based on estimated .047 impact to OHCA programs is $116, 330.

6. AGENCY ESTIMATED IMPACT ON ACCESS TO CARE.

Increase will allow for members to have more options available for access of 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 July 1, 2013, upon Board approval.

8. EFFECTIVE DATE OF CHANGE.

July 1, 2013, upon Board approval.

Submitted to the C.E.O. and Board on June 27, 2013

AUTHORITY FOR EXPENDITURE OF FUNDS FOR INDEPENDENT EVALUATION OF HEALTH MANAGEMENT PROGRAM

PACIFIC HEALTH POLICY GROUP

BACKGROUND

OHCA awarded a competitively-bid contract to Pacific Health Policy Group (PHPG) in 2009 for independent evaluation of the Health Management Program. At that time, the Board authorized expenditure of funds for this contract through June 30, 2013.

Because the Health Management Program started later than expected, PHPG needs an additional contract year to complete the evaluation of the Program.

SCOPE OF WORK

- No change in scope from the original contract
- Annual and final evaluation of program success and cost savings
- Member satisfaction and self-management impact report
- Prepare journal articles for publication

CONTRACT PERIOD

July 1, 2013 through June 30, 2014

CONTRACT AMOUNT AND PROCUREMENT METHOD

- Not-to-exceed $295,000
- Sole source procurement for one additional year approved by the Office of Management and Enterprise Services Central Purchasing Division

RECOMMENDATION

Board approval for OHCA to expend funds for PHPG's independent evaluation of the Health Management Program as discussed above