

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE &amp; MEDICAID SERVICES</b>	1. TRANSMITTAL NUMBER <b>1 0 - 3 6</b>	2. STATE <b>Oklahoma</b>
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE <b>October 1, 2010</b>	
5. TYPE OF PLAN MATERIAL ( <i>Check One</i> )		
<input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS A NEW PLAN <input checked="" type="checkbox"/> AMENDMENT		

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate transmittal for each amendment*)

6. FEDERAL STATUTE/REGULATION CITATION 42 CFR 440.10, 42 CFR 440.50, 42 CFR 440.60, 42 CFR 440.166	7. FEDERAL BUDGET IMPACT a. FFY <u>2010</u> \$0 b. FFY <u>2011</u> \$0
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT  Attachment 4.19-B, Page 1b Attachment 4.19-B, Page 1c	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT ( <i>If Applicable</i> )  Same Page, Revised 04-01-10 TN# 10-22 Delete


10. SUBJECT OF AMENDMENT  
  
Remove outpatient hospital supplemental payment

11. GOVERNOR'S REVIEW (*Check One*)

<input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT	<input checked="" type="checkbox"/> OTHER, AS SPECIFIED
<input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED	The Governor does not review State Plan material.
<input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL	

12. SIGNATURE OF STATE AGENCY OFFICIAL	16. RETURN TO  Oklahoma Health Care Authority Attn: Cindy Roberts 4545 N. Lincoln Blvd., Suite 124 Oklahoma City, OK 73105
13. TYPED NAME Mike Fogarty	
14. TITLE Chief Executive Officer	
15. DATE SUBMITTED October 30, 2010	

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED 26 October, 2010	18. DATE APPROVED 14 January, 2011
<b>PLAN APPROVED - ONE COPY ATTACHED</b>	
19. EFFECTIVE DATE OF APPROVED MATERIAL 1 October, 2010	20. SIGNATURE OF REGIONAL OFFICIAL 
21. TYPED NAME Bill Brooks	22. TITLE Associate Regional Administrator Division of Medicaid & Children's Health

23. REMARKS  
c. Mike Fogarty  
Cindy Roberts  
Tywanda Cox  
Traylor Rains

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES  
OTHER TYPES OF CARE

I. Outpatient Hospital Reimbursement (continued)

E. Therapeutic Services

- 1. Payment is made for drugs and supplies for outpatient chemotherapy. A separately billable facility fee payment is made for administration based on Medicare APC group 0117. Claims cannot be filed for an observation room, clinic, or ER visits on the same day.
- 2. For each therapeutic radiology service or procedure, payment will be the technical component of the Medicare RBRVS. All rates are published on the agency's website at www.okhca.org. A uniform rate is paid to governmental and non-governmental providers.
- 3. Effective for services provided on or after 04-01-10, the rates in effect on 03-31-10 will be decreased by 3.25%.

F. Clinic Services and Observation/Treatment Room

A fee will be established for clinic visits and certain observation room visits. Reimbursement is limited to one unit per day per patient, per provider. The payment rates are based on APC groups 601 and 0339, respectively. Separate payment will not be made for observation room following outpatient surgery. All rates are published on the agency's website at www.okhca.org. A uniform rate is paid to governmental and non-governmental providers.

Effective for services provided on or after 04-01-10, the rates in effect on 03-31-10 will be decreased by 3.25%.

G. Hospital-based Community Mental Health Centers (CMHCs) Operated by Units of Government

- 1. CMHCs will be paid on the basis of cost in accordance with the following methodology: An overall outpatient cost- to- charge ratio (CCR) for each hospital will be calculated using the most recently available cost reports, with data taken from Worksheet C, Part 1. The overall CCR for each hospital will be applied to the Medicaid charges for the state fiscal year to determine the Medicaid costs for the year.
- 2. The agency's fee schedule rates are set as of July 1, 2006 and in effect for services provided on or after that date. All rates are published on the agency's website located at www.okhca.org. A uniform rate is paid to governmental and non-governmental providers.
- 3. Effective for services provided on or after 04-01-10, the rates in effect on 03-31-10 will be decreased by 3.25%.

H. Partial Hospitalization Services (PHP)

PHP services are provided in accordance with 42CFR 410.43

Any child 0-20 that is an eligible member and who meets the medical necessity and programmatic criteria for behavioral health services qualifies for PHP. Treatment is time limited and must be offered a minimum of 3 hours per day, 5 days a week. Therapeutically intensive clinical services are limited to 4 billable hours per day as authorized. Services are prior authorized for 1-3 months based on medical necessity criteria.

The service must be ordered by a physician, licensed psychologists, physician's assistant or nurse vendor. An initial prior authorization will be required via the statewide Quality Improvement Organization (QIO) vendor. This initial prior authorization will ensure that the level of the service is appropriate and concurrent reviews will determine the ongoing medical necessity for the service or the need to move up or down the continuum of services to another level of care.

Revised 10-01-10

TN# 10-36  
Supersedes  
TN# 10-22

Approval Date 1-14-11  
Effective Date: 10-1-10

STATE <u>Oklahoma</u>	<b>A</b>
DATE REC'D <u>10-26-10</u>	
DATE APP'D <u>1-14-11</u>	
DATE EFF <u>10-1-10</u>	
HC:FA 179 <u>10-36</u>	