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State/Territory Name: Oklahoma

State Plan Amendment (SPA) #: 14-10

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved SPA Page

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, Maryland 21244-1850



AUG 15 2014

Dr. Garth Splinter
State Medicaid Director
2401 NW 23rd Street, Suite 1A
Oklahoma City, Oklahoma 73107

RE: Oklahoma 14-10

Dear Dr. Splinter:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 14-10. This amendment proposes to include a fee for service payment for long-acting reversible contraception (LARC) in inpatient hospital settings.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903(a), and 1923 of the Social Security Act and the implementing Federal regulations at 42 CFR 447 Subpart C. As part of the review process the State was asked to provide information regarding funding of the State share of expenditures under Attachment 4.19-A.

Based upon your assurances, Medicaid State plan amendment 14-10 is approved effective July 1, 2014. We are enclosing the Form CMS-179 and the new plan page.

If you have any questions, please call Tamara Sampson at (214) 767-6431.

Sincerely,

A large black rectangular redaction box covers the signature of Cindy Mann.

Cindy Mann
Director

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

1 4 - 1 0

2. STATE

Oklahoma

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

July 1, 2014

5. TYPE OF PLAN MATERIAL (Check One)

NEW STATE PLAN

AMENDMENT TO BE CONSIDERED AS A NEW PLAN

AMENDMENT

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

6. FEDERAL STATUTE/REGULATION CITATION

CFR 447.253(1)(i)&(ii)(C)

7. FEDERAL BUDGET IMPACT

a. FFY 2014 \$0

b. FFY 2015 \$0

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-A Page 10

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

Same Page Revised 10-01-05 TN#05-006

10. SUBJECT OF AMENDMENT

Provision of Long-Acting Reversible Contraception Outside of the Diagnostic Related Group Payment

11. GOVERNOR'S REVIEW (Check One)

GOVERNOR'S OFFICE REPORTED NO COMMENT

COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED

The Governor does not review State Plan material.

12. SIGNATURE OF STATE AGENCY OFFICIAL

[Redacted Signature]

13. TYPED NAME

Nico Gomez

14. TITLE

Chief Executive Officer

15. DATE SUBMITTED

July 14, 2014

16. RETURN TO

Oklahoma Health Care Authority
Attn: Cindy Roberts
4345 N. Lincoln
Oklahoma City, OK 73105

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

14 July, 2014

18. DATE APPROVED:

AUG 15 2014

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

1 July, 2014

20. SIGNATURE OF OFFICIAL:

[Redacted Signature]

21. TYPED NAME:

Perry Thompson

22. TITLE:

Deputy Director, Policy Financial Mgt. CMCS

23. REMARKS:

C: Nico Gomez
Cindy Roberts
Tywanda Cox

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES
INPATIENT HOSPITAL SERVICES

VI. PER DISCHARGE PROSPECTIVE PAYMENT METHODOLOGY FOR HOSPITALS
(continued)

A. Services Included in or Excluded from the Prospective Rate(continued)

3. Services which may be billed separately include:

- a. Ambulance service when the patient is transferred from one hospital to another and is admitted as an inpatient in the second hospital
- b. Physician services furnished to individual patients
- c. Long Acting Reversible Contraception (LARC)

The agency's fee schedule rate is updated annually in July. All rates are published on the agency's website at www.okhca.org. A uniform rate is paid to governmental and non-governmental providers.

B. Computation of DRG Relative Weights

1. Relative weights used for determining rates for cases paid by DRG under the State Plan shall be derived, to the greatest extent possible, from Oklahoma hospital claim data. All such claims are included in the relative weight computation, except as described below.

2. Hospital fee-for-service (FFS) claims and adjusted managed care encounter data for discharges occurring from July 1, 2000, through June 30, 2003, are included in the computation and prepared as follows:

a. All interim and final claims for single inpatient stay were combined into a single record per discharge.

b. All Medicaid inpatient discharges were classified using the Diagnostic Related Group (DRG) methodology, a patient classification system that reflects clinically cohesive groupings of inpatient resources. Input files were created for the Medicare Version 22 grouper software. Lines containing detail ICD-9 procedure codes were transposed and attached to the claim header record to produce a single claim record per line. Historical diagnosis and procedure codes that are no longer valid and not recognized by the CMS Medicare Version 22 grouper were updated to reflect their placement codes.

c. Claims that were grouped into Major Diagnostic Category 15 "Newborns and other Neonates with Conditions Originating in the Perinatal Period" were further grouped using enhanced neonate logic. The enhanced neonate logic creates 20 groupings. The groupings are hierarchical based on discharge state, transfer status, neonate weight, major operating room procedure performed, and the existence of a major or minor diagnosis.

Revised 07-01-14

TN# 14-10
Supersedes
TN# 05-06

Approval Date **AUG 15 2014**

Effective Date 7/1/14

State: Oklahoma
Date Received: 7/14/14
Date Approved: AUG 15 2014
Date Effective: 7/1/14
Transmittal Number: 14-10