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State/Territory Name: Oklahoma NIRT

State Plan Amendment (SPA) #: 14-18

This file contains the following documents in the order listed:

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

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S3-14-28
Baltimore, Maryland 21244-1850



Financial Management Group

AUG 04 2015

Dr. Garth Splinter
State Medicaid Director
Oklahoma Health Care Authority
4345 North Lincoln Blvd.
Oklahoma City, OK, 73105

RE: Oklahoma 14-18

Dear Dr. Splinter:

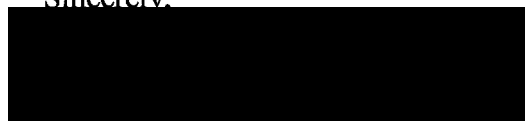
We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 14-18. This amendment proposes to move the prescription drugs from ancillary services to routine services for the one long term care hospital (LTCH) that serves children. The effect of this change is to incorporate the pharmacy services into the hospital's per diem rate.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), and 1903(a) 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 on the information provided by the State, the Medicaid State plan amendment 14-18 is approved effective September 1, 2014. We are enclosing the CMS-179 and the new plan page.

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

Sincerely,



Timothy Hill
Director 

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES	1. TRANSMITTAL NUMBER 1 4 - 1 8	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 September 1, 2014
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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 42 CFR 440.10, 42 CFR 440.50, 42 CFR 440.60, 42 CFR 440.166	7. FEDERAL BUDGET IMPACT a. FFY <u>2014</u> \$0 b. FFY <u>2015</u> \$0
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8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.19-A, Page 06	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>) Same Page, Revised 07-01-14, TN # 14-13
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10. SUBJECT OF AMENDMENT

Incorporating payment for pharmacy services into the per diem for long-term care hospitals serving children.

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

GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED The Governor does not review State Plan material.
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL 	16. RETURN TO Oklahoma Health Care Authority Attn: Cindy Roberts 4345 N. Lincoln Blvd., Suite 124 Oklahoma City, OK 73105
13. TYPED NAME Joel Nico Gomez	
14. TITLE Chief Executive Officer	
15. DATE SUBMITTED September 30, 2014	

FOR REGIONAL OFFICE USE ONLY	
17. DATE RECEIVED 09/30/2014	18. DATE APPROVED AUG 04 2015
PLAN APPROVED - ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL 09/01/2014	20. SIGNATURE OF REGIONAL OFFICIAL 
21. TYPED NAME <i>Kristen Fan</i>	22. TITLE <i>Deputy Director, FMG</i>
23. REMARKS c: Joel Nico Gomez Cindy Roberts Tywanda Cox Joseph Fairbanks	

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES
INPATIENT HOSPITAL SERVICES

III. PAYMENT METHODOLOGY FOR FREESTANDING REHABILITATION, AND FREESTANDING PSYCHIATRIC HOSPITALS (continued)

C. Updates

1. The level of care operating and fixed capital per diem rates in effect on December 31, 2006, for psychiatric hospitals will be updated by a factor of 9.76% and 22.9% for rehabilitation hospitals. The rates in effect on December 31, 2007, will be updated by a factor of 3.2%.
2. Effective 05-01-09, Valir Rehab Hospital will be paid at a fixed rate per-diem based on its reported cost per day reported on the 12-31-07 cost report brought forward to the base rate period of Calendar year 2009 by the latest available Global Insight published "2002 Based CMS Hospital Prospective Reimbursement Market Basket" forecasts.
3. The rates will be reviewed annually and any annual updates will not exceed the marketbasket increase in rehabilitation, psychiatric and long term care facilities (RPL) marketbasket index for the current rate year.
4. Effective 04-01-10, the rate in effect as of 03-31-10 will be decreased by 3.25%.
5. Effective 07-01-14, the rate in effect as of 06-30-14 will be decreased by 7.75%.

IV. PAYMENT METHODOLOGY FOR LONG TERM CARE HOSPITALS SERVING CHILDREN (LTCHs-C)

Effective for services provided on or after July 1, 2012, payment will be made to freestanding long term care hospitals serving children for sub-acute care level of services.

A. Definitions

1. Ancillary Services. Refers to those services that are not considered inpatient routine services. Ancillary services include laboratory and radiology. Ancillary services may also include other special items and services for which charges are customarily made in addition to a routine service charge.
2. Average Length of Stay. To be determined a long term care hospital, the hospital must have a Medicaid average length of stay of greater than 25 days.
3. Children. For the purpose of this reimbursement rate, children are defined as individuals under the age of 21.
4. Routine Services. Services include but are not limited to: regular room, prescription drugs, dietary and nursing services, minor medical and surgical supplies, over-the-counter medications, transportation, and the use and maintenance of equipment and facilities essential to the provision of routine care. Routine services should be patient specific and in accordance with standard medical care.

State: Oklahoma
Date Received: September 30, 2014
Date Approved: AUG 04 2015
Date Effective: September 1, 2014
Transmittal Number: 14-18

Revised 09-01-14

TN# 14-18 Approval Date **AUG 04 2015** Effective Date 1-1-2014

Supersedes TN # 14-13