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State/Territory Name: Oklahoma NIRT

State Plan Amendment (SPA) #: 16-0004

This file contains the following documents in the order listed:

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

SEP 27 2016

Ms. Becky Pasternik-Ikard
State Medicaid Director
2401 NW 23rd Street, Suite 1A
Oklahoma City, Oklahoma 73107

Our Reference: SPA OK 15-04

Dear Ms. Pasternik-Ikard:

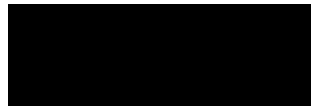
We have reviewed the proposed State plan amendment (SPA) to Attachment 4.19-A and 3.1-A of your Medicaid State plan submitted under transmittal number (TN) 15-04. This amendment proposes to incorporate transitional services for individuals under age 21 in Psychiatric Residential Treatment Facilities (PRTF).

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.

Based upon the information provided by the State, Medicaid State plan amendment 15-04 is approved effective July 1, 2015. We are enclosing the Form CMS-179 and the new plan pages.

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

Sincerely,



Kristin Fan
Director

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES	1. TRANSMITTAL NUMBER 1 5 0 4	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, 2015	

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 440.160	7. FEDERAL BUDGET IMPACT a. FFY 2015 \$1,898 b. FFY 2016 \$20,054
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 3.1-A, Page 7a-2; Attachment 4.19-A, Page 33; Attachment 4.19-A, Page 34; Attachment 4.19-A, Page 35; Attachment 4.19-B, Page 13; Attachment 4.19-B, Page 13a; and Attachment 4.19-B, Page 13e	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Attachment 3.1-A, Page 7a-2, TN# 07-19; Attachment 4.19-A, Page 33, TN# 10-16; Attachment 4.19-A, Page 34, TN# 13-22; Attachment 4.19-A, Page 35, TN# 10-16; Attachment 4.19-B, Page 13, TN# 06-12; ** (Delete) Attachment 4.19-B, Page 13a, TN# 07-19; (DELETE) and Attachment 4.19-B, Page 13e, TN# 04-08 (DELETE)

10. SUBJECT OF AMENDMENT

Services Provided through arrangement in Inpatient Psych Setting

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
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL Plan material.

12. SIGNATURE OF STATE AGENCY OFFICIAL 	16. RETURN TO Oklahoma Health Care Authority Attn: Tywanda Cox 4345 N. Lincoln Blvd. Oklahoma City, OK 73105
13. TYPED NAME Joel Nico Gomez	
14. TITLE Chief Executive Officer	
15. DATE SUBMITTED June 30, 2015	

FOR REGIONAL OFFICE USE ONLY	
17. DATE RECEIVED 30-Jun-15	18. DATE APPROVED SEP 27 2016
PLAN APPROVED - ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL 01-Jul-15	20. SIGNATURE OF REGIONAL OFFICIAL
21. TYPED NAME KRISTIN FAN	22. TITLE Director, FMC
23. REMARKS cc Tywanda Cox ** Pen and Ink change confirmed in email 9-20-2016	

**AMOUNT, DURATION AND SCOPE OF MEDICAL AND REMEDIAL CARE AND SERVICES PROVIDED
CATEGORICALLY NEEDED**

16. Inpatient Psychiatric Facility Services for individuals under Age 21

(A) Eligible Providers (42 CFR 441.151; 42 CFR 440.160)

Inpatient psychiatric facility services for individuals under age 21 (or age 22 if the individual was receiving services prior to reaching age 22) are provided under the direction of a physician pursuant to an individual's plan of care and are limited to those who are receiving such services in an institution which is:

- A psychiatric hospital that meets requirements for participation in Medicare as a psychiatric hospital, or that is accredited by The Joint Commission (TJC), American Osteopathic Association (AOA), or Commission on Accreditation of Rehabilitation Facilities (CARF); or
- A hospital with an in-patient psychiatric program that meets participation in Medicare; or
- A psychiatric facility that is not a hospital (defined as a Psychiatric Residential Treatment Facility (PRTF) in 42 CFR 483.352) that is accredited by TJC, AOA or CARF.

(B) Prior Authorization

Inpatient psychiatric services for individuals under age 21 will be prior authorized for an approved length of stay by the Medicaid Agency or its designated agent. Extensions beyond the approved length of stay may be granted when medically necessary and approved by the Medicaid agency or its agent. Medical documentation must be submitted by the facility and/or physician for consideration.

The State assures that it meets all requirements in 42 CFR 440.160, 42 CFR 441, Part D, 42 CFR 441.151(b) and 42 CFR 483.350.

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**METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES
INPATIENT HOSPITAL SERVICES**

16. Inpatient Psychiatric Facility Services for individuals under age 21

16.a. Acute Level of Care

Private and Government hospitals are paid in accordance with the methodologies described in Attachment 4.19-A of this plan.

16.b. Residential Level of Care

(A) General

Except as otherwise noted in the plan, all Medicaid services furnished to individuals receiving residential services in Institutions for Mental Disease (IMDs) are considered all-inclusive of the service, i.e., all medical services provided to residents of IMDs with more than 16 beds should be billed to the IMD.

(B) Payment to Government Providers

State-Owned psychiatric hospitals are paid an interim rate based on the previous year's cost report (HCFA 2552) data and settled to total allowable costs based on the current year's cost report. Total allowable cost will be determined in accordance with Medicare principles of reimbursement.

(C) Payment to State-licensed, Private Psychiatric Hospitals (IMDs) and General Hospitals with Psychiatric Units

i. Base Rate

A prospective per diem payment is made for covered services based on facility peer group. State licensure requires RN staffing 24 hours per day for hospitals.

Peer Group	Psychiatric Hospital	Hospital Psychiatric Unit
Standard	\$345.05	\$345.05
Specialty 1 – Sexual Offender	\$345.05	\$345.05
Specialty 2 - Eating Disorder, TBI	\$432.26	\$432.26

ii. The base rate also includes the following when included in the plan of care:

- Dental (excluding orthodontia)
- Vision;
- Prescription Drugs;
- Practitioner Services;
- Other medically necessary services not otherwise specified

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**METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES
INPATIENT HOSPITAL SERVICES**

16. Inpatient Psychiatric Facility Services for individuals under age 21 (cont'd)

16.b. Residential Level of Care (cont'd)

(C) Payment to State-licensed, Private Psychiatric Hospitals (IMDs) and General Hospitals with Psychiatric Units (cont'd)

III. Add-on Payments

(a) Intensive Treatment Services (ITS) Add-on Per Diem

An ITS per diem of **\$110.99** will be allowed for children requiring intensive staffing supports in private, specialized programs. These services must be medically necessary, documented in the facilities' records, and prior authorized.

(b) Prospective Complexity Add-on Per diem for Non-verbal Children

A per diem of **\$77.51** will be allowed to recognize the increased cost of serving children with a mental health diagnosis complicated with non-verbal communication. These services must be medically necessary, documented in the facilities' record, and prior authorized.

IV. Services Provided under Arrangement

Separate payment may be made directly to individual practitioners or suppliers for services provided under arrangement using existing State plan methodologies and fees. The State assures there is no duplication of payment between the PRTF base rate and the items paid for separately. The State also assures that no duplication of payment will be made for transitioning services to both a community Case Manager provider and a Health Home provider for the same person.

(a) Case Management Transitioning Services – Transitional case management services for the provision of comprehensive transitional care to existing members, are considered to be PRTF services, when services exceed and do not duplicate PRTF discharge planning during the last 30 days of a covered stay. Case management transitioning services to assist children transitioning from a PRTF to a community setting will not duplicate PRTF discharge planning services. Case management transitioning services will be billed by the PRTF as PRTF services and claimed as PRTF services. Payment for Case Management transition services provided under arrangement with the PRTF will be directly reimbursed to a qualified community-based Case Management provider. Payment is made to Outpatient Behavioral Health Agencies with qualified case managers in accordance with the methodology in Attachment 4.19 B Page 22.

(b) Health Home Transitioning Services – Health Home services for the provision of comprehensive transitional care to existing members, are considered to be PRTF services, when services exceed and do not duplicate PRTF discharge planning during the last 30 days of a covered stay. Payment for Health Home transitioning services provided under arrangement with the PRTF will be directly reimbursed to the Health Home. Payment is made to certified Health Homes at the Tier 2 Resource Coordination level of care rate, in accordance with the methodology in OK HHA Page 22.

(c) Evaluation and psychological testing by a licensed Psychologist - Payment is made in accordance with the methodology in Attachment 4.19 B page 8.

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of services provided under arrangement. The agency's fee schedule rate was set as of January 1, 2015 and is effective for services provided on or after that date. All rates are published on the Agency's website www.okhca.org.

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**METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES
OTHER TYPES OF CARE**

16. Inpatient Psychiatric Facility Services for individuals under age 21 (cont'd)

16.b. Residential Level of Care (cont'd)

(D) Payment to Private, in-state PRTFs with 17 beds or more (IMDs)

i. Base Rate.

A prospective per diem payment is made based on facility peer group for a comprehensive package of services and room and board.

- ii. The base rate is inclusive of other medically necessary services when included in the plan of care. Refer to paragraph (C)- ii for a description of these services. Refer to paragraph (C)-iii-IV for add-on services, and for services provided under arrangement.

Peer Group	Base Rate
Special Populations (Developmental Delays, Eating Disorders)	\$400.05
Standard	\$336.57
Extended	\$319.54

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The service requirements for PRTFs with 16 beds or less are less intense. Individuals in PRTFs with 17 beds or more must receive 14 hours of documented active treatment services each week; the requirement for individuals in PRTFs with 16 beds or less is 10 hours per week.

(E) Payment to Private, in-state PRTFs with 16 beds or less

i. Base Rate

A prospective per diem payment of **\$220.49** is made for a comprehensive package of services provided under the direction of a physician, as well as and room and board. The rate was developed from a market-based study.

ii. Physician and Other Ancillary Services

All other medical services are separately billable. Payment is made in accordance with the applicable State plan payment methodologies and fees.

The service requirements for PRTFs with 16 beds or less are less intense. Individuals in PRTFs with 17 beds or more must receive 14 hours of documented active treatment services each week; the requirement for individuals in PRTFs with 16 beds or less is 10 hours per week.

(F) Payment for Out-of-State Services

Reimbursement for out-of-state placements shall be made in the same manner as in-state providers. In the event that comparable services cannot be purchased from an out-of-state provider, a rate may be negotiated that is acceptable to both parties. The rate will generally be the lesser of usual and customary charges or the Medicaid rate in the state in which services are provided. Reimbursement shall not be made for private PRTF services provided in out of state unless the services are medically necessary and are not available within the State and prior authorization has been granted.

State developed fee schedule rates are the same for both public and private providers. The fee schedule(s) and any annualized/period adjustments to the fee schedule are published on the agency website.

Revised 4/1/15

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**METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES
OTHER TYPES OF CARE**

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OTHER TYPES OF CARE**

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