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State/Territory Name: Oklahoma

State Plan Amendment (SPA) #: 16-0026

This file contains the following documents in the order listed:

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

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Dallas Regional Office
1301 Young Street, Suite 833
Dallas, Texas 75202



DIVISION OF MEDICAID & CHILDREN'S HEALTH - REGION VI

February 13, 2017

Our Reference: SPA OK 16-26

Becky Pasternik-Ikard
Chief Executive Officer
2401 NW 23rd Street, Suite 1A
Oklahoma City, Oklahoma 73107

Dear Ms. Pasternik-Ikard:

Enclosed is a copy of approved Oklahoma State Plan Amendment (SPA) No. 16-26, with an effective date of May 1, 2016. This amendment was submitted to implement a ten percent rate reduction for Behavioral Health Professional Licensure Candidates in an outpatient behavioral health clinic setting.

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 (the Act) and the implementing Federal regulations at 42 CFR 447 Subpart C.

Because the proposed SPA would reduce or restructure provider payment rates, Oklahoma is required to provide documentation in support of its determination that the payments are consistent with efficiency, economy and quality of care and sufficient to enlist enough providers so that services under the plan are available to beneficiaries at least to the extent that these services are available to the general population, as established in Section 1902(a)(30)(A) of the Act and codified in 42 CFR 447.203(b)(6) and 42 CFR 447.204. To demonstrate compliance with these requirements, the state submitted the following to the Centers for Medicare & Medicaid Services (CMS) with the proposed SPA:

1. With respect to the public process requirements at 42 CFR 447.204(a)(2), Oklahoma provided documentation to show that the state considered input from beneficiaries, providers and other affected stakeholders on beneficiary access to the affected services and the impact of the proposed rate change. Specifically, the state posted a notification of the proposed rate reduction for Licensure Candidates on the Oklahoma Health Care

Authority (OHCA) website on March 29, 2016. The proposed rate reduction was also presented to the Medicaid Behavioral Health Advisory Council on March 21, 2016. On April 25, 2016, the state conducted a Rates and Standards public hearing regarding the proposed rate reduction. The state reported it received multiple comments from providers, some of which suggested that reductions across all provider types and services would be more equitable. The state considered alternatives and concluded the more targeted cuts would lessen the impact to Medicaid beneficiaries and the overall statewide service delivery system.

2. With respect to the access review requirements at 42 CFR 447.204(b), Oklahoma submitted an analysis of the effect of the change in payment rates on access, and an analysis of the information and concerns expressed through stakeholder input. Specifically, the state determined that payments are sufficient to enlist enough providers to ensure access to care and services for the SoonerCare population based the nature of the reduction and on the extensive education work that was done with affected provider groups. In Oklahoma, services provided by Licensure Candidates are only paid through outpatient behavioral health clinics contracted with Medicaid. Until this proposed rate reduction, candidates were paid on the same level as fully licensed Level 2 Licensed Behavioral Health Providers (LBHP). Based on information received through provider outreach and stakeholder engagements, the state believes that outpatient behavioral health clinics will continue to recruit and retain Licensure Candidates in order to provide services to Medicaid clients to such an extent that access to care will not be negatively impacted. The state also maintained payments, at current levels, for fully licensed Level 2 LBHPs in outpatient behavioral health clinic settings in order to protect the state's comprehensive safety-net provider network.
3. Consistent with 42 CFR 447.203(b)(6), the state established procedures to monitor continued access to care after implementation of these rate reductions. To monitor the impact of the new rates, the state developed standardized reports to track the number of pre-authorizations and the number of clients served per month. Each month OHCA will review the previous month's data against established thresholds to ensure that access to treatment has not been compromised. Monitoring will also be performed to determine if crisis unit or inpatient visits are increasing, possibly indicating a lack of proper outpatient services. Allowances will need to be made for seasonality.

In addition to monitoring utilization data, OHCA and the Oklahoma Department of Mental Health and Substance Abuse Services (ODMHSAS) will monitor complaints from beneficiaries and advocates to determine the existence of access problems. If the analyses and complaints from providers and beneficiaries indicate an increase in problems with access, the agency will intensify interventions to improve access and assist with each situation on a case-by-case basis.

4. The state also demonstrated that it has ongoing mechanisms for beneficiary and provider input on access to care. The Medicaid agency has implemented two toll-free statewide member telephone numbers which allow beneficiaries to raise access issues as needed and to assist providers with resolution of claims, policy issues, and other concerns. In addition, Care Management, Behavioral Health, and Medical Authorization statewide

toll-free numbers are also available for assistance. All customer service representatives are trained in assisting members with access to care issues and supervisors are available for assistance in more complex circumstances.

CMS is approving this SPA as the state has reasonably substantiated its conclusion that access for these services is sufficient through a process consistent with the requirements of 42 CFR 447.203 and conducted the public process and notice described in 42 CFR 447.204 and 42 CFR 447.205. Consistent with the aforementioned regulations, the state has committed to monitoring access and CMS will be periodically contacting the state to understand how the state's monitoring activities are progressing. If access deficiencies are identified, the state will submit a corrective action plan within 90 days of identification.

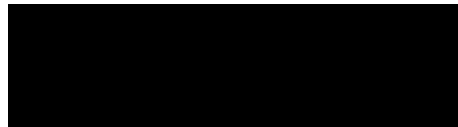
This letter affirms that the Oklahoma Medicaid state plan amendment 16-26 is approved effective May 1, 2016 as requested by the state.

We are enclosing the HCFA-179 and the following amended plan pages.

- o Attachment 4.19-B, Page 3

If you have any questions regarding this matter you may contact Stacey S. Shuman at (214) 767-6479 or by email at stacey.shuman@cms.hhs.gov

Sincerely,



Bill Brooks
Associate Regional Administrator

Cc: Billy Bob Farrell, DMCH
Jeremy Silanskis, CMS Baltimore
Linda Tavener, CMS Baltimore
Mark Pahl, CMS Baltimore

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| TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES | 1. TRANSMITTAL NUMBER 1 6 - 2 6 | 2. STATE Oklahoma |
| | 3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID) | |

| | |
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| TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES | 4. PROPOSED EFFECTIVE DATE May 1, 2016 |
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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 Social Security Act § 1902(a)(30)(A) | 7. FEDERAL BUDGET IMPACT a. FFY 2016 (\$1,035,878) b. FFY 2017 (\$5,179,393) |
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| 8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.19-B, Page 3 | 9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Attachment 4.19-B, Page 3, TN# 16-25 |
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10. SUBJECT OF AMENDMENT


Rate Methodology/Budget Reduction Change for Behavioral Health Practitioner Licensure Candidates

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: Tywanda Cox 4345 N. Lincoln Blvd. Oklahoma City, OK 73105 |
| 13. TYPED NAME Becky Pasternik-Ikard | |
| 14. TITLE Chief Executive Officer | |
| 15. DATE SUBMITTED June 24, 2016 | |

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|---|---|
| FOR REGIONAL OFFICE USE ONLY | |
| 17. DATE RECEIVED 24 June, 2016 | 18. DATE APPROVED 13 February, 2017 |

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| PLAN APPROVED - ONE COPY ATTACHED | |
| 19. EFFECTIVE DATE OF APPROVED MATERIAL 1 May, 2016 | 20.  |
| 21. TYPED NAME Bill Brooks | 22. TITLE Division of Medicaid and Children's Health Associate Regional Administrator, Region VI Dallas |

23. REMARKS

c: **Becky Pasternik-Ikard
Tywanda Cox**

FORM CMS-179 (07/92)

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

1. Payment for physicians' services (includes medical and remedial care and services)

Payment for physician's services, radiology services and services rendered by other practitioners under the scope of their practice under State law, are covered under the Agency fee schedule. The payment amount for each service paid for under the fee schedule is the product of a uniform relative value unit (RVU) for each service and a conversion factor (CF). The CF converts the relative values into payment amounts. The general formula for calculating the fee schedule can be expressed as:

$$RVU \times CF = Rate$$

EPSDT screenings and eye exams by optometrists have been incorporated into the fee schedule.

The fee schedule is uniformly applied to public and private providers unless otherwise described in the plan. The fee schedules for the above listed services are maintained in the Agency database and posted to the Agency's website (www.okhca.org).

Effective February 1, 2010, payment will not be made to physicians or other practitioners for three national coverage determinations which relate to serious, preventable errors in medical care. These errors include surgery performed on wrong body part, surgery performed on wrong patient, and wrong surgery performed on patient.

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

Effective for services provided on or after 07-01-14, the rates in effect on 06-30-14 will be decreased by 7.75%.

Effective 07-01-15, payment for physician services is based on place of service and utilizes both facility and non-facility Medicare physician fee schedule total RVUs to determine reimbursement.

Effective for services provided on or after 01-01-16, the rates in effect on 12-31-15 will be decreased by 3%.

Effective for Private Duty Nursing services provided on or after 09-01-16, the rate paid will be the rate in effect as of 12-31-15.

Effective for services provided by Behavioral Health Professional Licensure Candidates in an outpatient behavioral health clinic setting on or after 05-01-16, the rates in effect on 04-30-16 will be decreased by 10%.

State: Oklahoma
Date Received: 24 June, 2016
Date Approved: 13 February, 2017
Effective Date: 1 May, 2016
Transmittal Number: 16-26

Revised 05-01-16

TN# 16-26

Approval Date 02/13/17

Effective Date 05/01/16

Supersedes
TN# 16-25