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State/Territory Name: Oklahoma

State Plan Amendment (SPA) #: 19-013

This file contains the following documents in the order listed:

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

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



## **Regional Operations Group**

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June 17, 2019

Our Reference: SPA OK 19-0013

Becky Pasternik-Ikard  
Chief Executive Officer  
4345 N. Lincoln Blvd.  
Oklahoma City, Oklahoma 73105

Dear Ms. Pasternik-Ikard:

Enclosed is a copy of approved Oklahoma State Plan Amendment (SPA) No. 19-0013, with a proposed effective date of April 1, 2019. The primary purpose of this SPA is to change the current reimbursement methodology for Partial Hospitalization Program (PHP) Services from a one hour unit of service to a single daily payment for all services provided in a day.

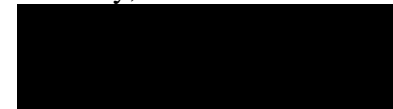
This letter affirms that OK 19-0013 is approved effective April 1, 2019 as requested by the State.

We are also including the CMS-179 and the following amended plan pages:

- Attachment 3.1-A, Page 1a-6.5e
- Attachment 3.1-A, Page 1a-6.5f
- Attachment 4.19-B, Introduction Page 1
- Attachment 4.19-B, Page 1b
- Attachment 4.19-B, Page 17

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

Sincerely,



Bill Brooks  
Director  
Centers for Medicaid & CHIP Services  
Regional Operations Group

Cc: Billy Bob Farrell, Branch Manager, ROG Dallas  
Nancy Kirchner, CMS Baltimore  
Tia Lyles, CMS Baltimore

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

1. TRANSMITTAL NUMBER

1 9 — 0 0 13

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

April 1, 2019

5. TYPE OF PLAN MATERIAL (*Check One*)

NEW STATE PLAN

AMENDMENT TO BE CONSIDERED AS 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 440.130

7. FEDERAL BUDGET IMPACT

a. FFY 2019 \$ 0  
b. FFY 2020 \$ 0

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 3.1-A, Page 1a-6.5e  
Attachment 3.1-A, Page 1a-6.5f  
Attachment 4.19-B, Introduction Page 1  
Attachment 4.19-B, Page 1b  
Attachment 4.19-B, Page 17

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

Attachment 3.1-A, Page 1a-6.5e, TN#13-12  
Attachment 3.1-A, Page 1a-6.5f, TN#13-12  
Attachment 4.19-B, Introduction Page 1, TN#19-0019  
Attachment 4.19-B, Page 1b, TN#18-026  
Attachment 4.19-B, Page 17, TN#13-11

10. SUBJECT OF AMENDMENT

Partial Hospitalization Program (PHP) Services Reimbursement

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

GOVERNOR'S OFFICE REPORTED NO COMMENT

OTHER, AS SPECIFIED

COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL

13. TYPED NAME

Becky Pasternik-Ikard

14. TITLE

Chief Executive Officer

15. DATE SUBMITTED

May 1, 2019

16. RETURN TO

Oklahoma Health Care Authority  
Attn: Nicole Nantois  
4345 N. Lincoln Blvd.  
Oklahoma City, OK 73105

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED

May 1, 2019

18. DATE APPROVED

June 17, 2019

**PLAN APPROVED - ONE COPY ATTACHED**

19. EFFECTIVE DATE OF APPROVED MATERIAL

April 1, 2019

20. SIGNATURE OF REGIONAL OFFICIAL

21. TYPED NAME

Bill Brooks

22. TITLE

Director, Regional Operations Group (ROG), Dallas

23. REMARKS

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

4b. Early and Periodic Screening, Diagnosis and Treatment of Conditions Found (continued)

B. Diagnosis and Treatment (continued)

8. Rehabilitative Services: Outpatient Behavioral Health

(c) Covered Services (continued)

- x. **Partial Hospitalization (PHP) / Intensive Outpatient (IOP)** – PHP / IOP is an intermediary, stabilizing step for children/adolescents that have had inpatient hospitalization prior to returning to school and community supports or as a less restrictive alternative to children and adolescents when inpatient treatment may not be indicated. PHP/IOP services are services that (1) are reasonable and necessary for the diagnosis or active treatment of the individual’s condition, (2) are reasonably expected to improve the individual’s condition and functional level and to prevent relapse or hospitalization.

(A) Eligible Providers: PHP/IOP

All outpatient behavioral health providers eligible for reimbursement must be an accredited organization, be an incorporated organization governed by a board of directors and have a current contract on file with the Oklahoma Health Care Authority. The staffs providing PHP/IOP services are employees or contractors of the enrolled agency. The agency is responsible for ensuring that all services are provided by properly credentialed clinicians.

(B) PHP/IOP Team

All services in the PHP/IOP program are provided by a clinical team consisting of the following required professionals: a licensed physician, registered nurse, behavioral health practitioners (BHP). BHPs include any credentialed practitioner licensed for independent practice or under supervision. The clinical team may also include any QBHT. The number of professionals and paraprofessionals required on the clinical team is dependent on the size of the program. Team members must meet the individual qualifications, as applicable, listed in the provider qualifications section.

(C) PHP/IOP Service Components

- Assessment, diagnostic and care plan for mental illness and/or substance abuse disorders by BHP (that do not duplicate the services provided by the inpatient setting)
- Plans of care must be strength-based and address the goals listed in the child’s IEP. The plan of care is directed under the supervision of a physician; however physician direct supervision is not required;
- Individual/family/group psychotherapies provided by BHPs (family therapy is directed toward treatment of the individual’s condition);
- Substance abuse specific services provided by individuals qualified to provide these services (Alcohol and Drug Counselors);
- Drugs and biologicals furnished for therapeutic purposes;
- CPSR groups and educational services to the extent the intervention and education services are closely and clearly related to the individual’s care and treatment;
- Medication management;
- Monitoring and follow-up activities including activities and contacts that are necessary to ensure that the plan of care is effectively implemented, and adequately addresses the needs, including education needs of the individual, so that the child can make a successful transition back to home and/or school. This service can be performed by a BHP or a qualified Behavioral Health Case Manager;
- Referral and linking activities (such as scheduling appointments for the individual) to help the eligible individual obtain needed services by a qualified Behavioral Health Case Manager.

Revised 04-01-19

TN# 19-0013

Approval Date 06/17/2019

Effective Date 04/01/2019

Supersedes

TN# 13-0012

State: Oklahoma  
 Date Received: 1 May, 2019  
 Date Approved: 17 June, 2019  
 Effective Date: 1 April, 2019  
 Transmittal Number: 19-0013

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

**4b. Early and Periodic Screening, Diagnosis and Treatment of Conditions Found** *(continued)*

**B. Diagnosis and Treatment** *(continued)*

**8. Rehabilitative Services: Outpatient Behavioral Health**

**(c) Covered Services** *(continued)*

**(D) Eligibility Criteria: PHP/IOP**

Any child 0-21 who is an eligible client and meets the medical necessity criteria and programmatic criteria for behavioral health services quality for PHP/IOP. This service must be ordered by a physician, physician's assistant, or advanced registered nurse practitioner, within their scope of practice, and be prior authorized by OHCA or its designated agent. 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.

**(E) Billing Limits: PHP/IOP**

1. Treatment is time limited and must be offered a minimum of 3 hours per day, 5 days a week.
2. PHP/IOP is all-inclusive of the service components. PHP/IOP cannot be billed in conjunction with the following:
  - Children's Psychosocial Rehabilitation Services;
  - Residential Services (PRTF or RBMS);
  - Targeted Case Management;
  - Individual, family, or group therapy;
  - Mobile crisis intervention;
  - Peer-to-Peer services;
  - Therapeutic Day Treatment (TDT);
  - MST

**(d) Exclusions and Limitations**

- i. All behavioral health services must be subject to the medical necessity criteria. The services listed in 8(c) iv - x are initiated following the completion of a diagnostic screen or assessment and subsequent development of a plan of care.
- ii. Only specialized, rehabilitation or psychological treatment services to address unique, unusual or severe symptoms or disorders will be authorized. Concurrent documentation must be provided that these services are not duplicative in nature.
- iii. A QBHT who also provides case management services must document case management separately from rehabilitation services and may not refer to their own agency.

**(e) Non-Covered Services**

- i. Room and Board;
- ii. Educational costs;
- iii. Services to inmates of public institutions;
- iv. Services to clients in Institutions for Mental Diseases (IMDs);
- v. Routine supervision and non-medical support services in school setting;
- vi. Child care;
- vii. Respite;
- viii. Personal Care

State: Oklahoma  
Date Received: 1 May, 2019  
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Revised 04-01-19

TN# 19-0013

Approval Date 06/17/2019

Effective Date 04/01/2019

Supersedes TN# 13-0012

### DATES FOR ESTABLISHING PAYMENT RATES FOR ATTACHMENT 4.19-B SERVICES

#### Effective Dates for Reimbursement Rates for Specified Services:

Reimbursement rates for the services listed on this introduction page are effective for services provided on or after that date with two exceptions:

1. Medicaid reimbursement using Medicare rates are updated annually based on the methodology specified in Attachment 4.19-B, Methods and Standards for Establishing Payment Rates.
2. Medicaid reimbursement using Medicare codes are updated and effective on the first of each quarter based on the methodology specified in Attachment 4.19-B, Methods and Standards for Establishing Payment Rates.

Payment methods for each service are defined in Attachment 4.19-B, Methods and Standards for Establishing Payment Rates, as referenced. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of outpatient services. The fee schedule is published on the agency's website at [www.okhca.org/feeschedules](http://www.okhca.org/feeschedules).

Service	State Plan Page	Effective Date
Outpatient Hospital Services	Attachment 4.19-B, Page 1	October 1, 2018
A. Emergency Room Services		October 1, 2018
B. Outpatient Surgery	Attachment 4.19-B, Page 1a	October 1, 2018
C. Dialysis Services		October 1, 2018
D. Ancillary Services, Imaging and Other Diagnostic Services		October 1, 2018
E. Therapeutic Services	Attachment 4.19-B, Page 1b	October 1, 2018
F. Clinic Services and Observation/Treatment Room		October 1, 2018
H. Partial Hospitalization Program Services		April 1, 2019
Clinical Laboratory Services	Attachment 4.19-B, Page 2b	October 1, 2018
Physician Services	Attachment 4.19-B, Page 3	October 1, 2018
Home Health Services	Attachment 4.19-B, Page 4	October 1, 2018
Free-Standing Ambulatory Surgery Center-Clinic Services	Attachment 4.19-B, Page 4b	October 1, 2018
Dental Services	Attachment 4.19-B, Page 5	October 1, 2018
Transportation Services	Attachment 4.19-B, Page 6	October 1, 2018
Eyeglasses	Attachment 4.19-B, Page 10.1	October 1, 2018
Nurse Midwife Services	Attachment 4.19-B, Page 12	October 1, 2018
Family Planning Services	Attachment 4.19-B, Page 15	October 1, 2018
Renal Dialysis Facilities	Attachment 4.19-B, Page 19	October 1, 2018
Other Practitioners' Services		
• Anesthesiologists	Attachment 4.19-B, Page 20	October 1, 2018
• Certified Registered Nurse Anesthetists (CRNAs) and Anesthesiologist Assistants	Attachment 4.19-B, Page 20a	October 1, 2018
• Physician Assistants	Attachment 4.19-B, Page 21	October 1, 2018
Nutritional Services	Attachment 4.19-B, Page 21-1	October 1, 2018
4.b. EPSDT		
• Partial Hospitalization Program Services	Attachment 4.19-B, Page 17	April 1, 2019
• Emergency Hospital Services	Attachment 4.19-B, Page 28.1	October 1, 2018
• Speech and Audiologist Therapy Services, Physical Therapy Services, and Occupational Therapy Services	Attachment 4.19-B, Page 28.2	October 1, 2018
• Hospice Services	Attachment 4.19-B, Page 28.4	October 1, 2018

Revised 04-01-19

TN# 19-0013

Approval Date 06/17/2019

Effective Date 04/01/2019

Supersedes TN # 19-0019

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

**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.

**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.

**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 Program (PHP) Services**

PHP services are provided in accordance with 42 CFR 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. 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 by OHCA or its designated agent. This initial prior authorization will ensure that the level of 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.

State: Oklahoma
Date Received: 1 May, 2019
Date Approved: 17 June, 2019
Effective Date: 1 April, 2019
Transmittal Number: 19-0013

Revised 04-01-19

TN# 19-0013 Approval Date 06/17/2019 Effective Date 04/01/2019

Supersedes TN # 18-0026



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

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**4b. Early and Periodic screening, diagnostic and treatment** *(continued)***Partial Hospitalization Program (PHP)**

A uniform rate is paid to governmental and non-governmental providers and to hospital and non-hospital providers.

The reimbursement rate is \$160.50 per encounter up to 23 hours and 59 minutes, converted from a blend of the 2010 Medicare two tiered per diem payment approach for partial hospitalization services: one for days with three services (APC172) and one for days with four or more services (APC173).

Physician services, physician assistant services, nurse practitioner and clinical nurse specialist services, qualified psychologist services and services furnished to SNF residents are separately covered and not paid as partial hospitalization services.

State: Oklahoma  
Date Received: 1 May, 2019  
Date Approved: 17 June, 2019  
Effective Date: 1 April, 2019  
Transmittal Number: 19-0013

Revised 04-01-19

TN# 19-0013Approval Date 06/17/2019Effective Date 04/01/2019Supersedes TN# 13-0011