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State/Territory Name: Oklahoma

State Plan Amendment (SPA) #: 19-023

This file contains the following documents in the order listed:

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

Regional Operations Group

October 8, 2019

Our Reference: SPA OK 19-0023

Melody Anthony
State Medicaid Director
4345 N. Lincoln Blvd.
Oklahoma City, Oklahoma 73105

Dear Ms. Anthony:

Enclosed is a copy of approved Oklahoma State Plan Amendment (SPA) No. 19-0023, with an effective date of July 1, 2019. This amendment was submitted to revise the reimbursement methodology for Rural Health Clinics.

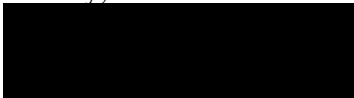
This letter affirms that OK 19-0023 is approved effective July 1, 2019 as requested by the State.

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

- Attachment 4.19-B, Page 2

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.

Sincerely,



Bill Brooks
Director
Regional Operations Group

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

1. TRANSMITTAL NUMBER

1 9 — 0 0 23

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, 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

Section 1902 (bb) of the Social Security Act -Payment for Services Provided by FQHCs and RHCs.

7. FEDERAL BUDGET IMPACT

a. FFY 2019 \$ 2,753,679

b. FFY 2020 \$ 11,657,446

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-B, Page 2

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (*If Applicable*)

Attachment 4.19-B, Page 2; TN # ~~19-0007~~ 01-0004*

* Pen and Inn correction per SPA communication
6.G.2 OK1923 CORRECTED Approved 179 Communication sss
(10/16/19)

10. SUBJECT OF AMENDMENT

REIMBURSEMENT METHODOLOGY CHANGE FOR RURAL HEALTH CLINICS

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

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

July 12, 2019

18. DATE APPROVED

October 8, 2019

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL

July 1, 2019

20. SIGNATURE OF REGIONAL OFFICIAL

21. TYPED NAME

Bill Brooks

22. TITLE

Director, Regional Operations Group

23. REMARKS

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

Payment for Rural Health Clinic Services and Other Ambulatory Services furnished by Rural Health Clinics

Effective January 1, 2001 payments to Rural Health Clinics (RHCs) for Medicaid covered services during RHC fiscal year 2001 will be paid on a per visit basis. The methodology described below is in accordance with the provisions of the Benefits Improvement and Protection Act (BIPA) of 2000.

A per visit rate for each facility will be determined based on 100 percent of the average facility's reasonable costs for providing all Medicaid covered services (including other ambulatory services) during RHC fiscal year 1999 and RHC fiscal year 2000. RHC fiscal year means cost reports ending in 1999 and 2000. The averaging methodology is as follows: total costs for 1999 and 2000 will be added together and divided by the number of visits.

The per-visit rate will be adjusted to account for any increase or decrease in the scope of services furnished during RHC fiscal year 2001. This adjustment will be calculated based on a review of available financial or statistical information, including data submitted on cost reports and special surveys to calculate any base rate adjustment. Each facility will be responsible for supplying the needed documentation to the OHCA

Beginning with RHC fiscal year 2002 and each RHC fiscal year thereafter, each facility's per visit rate will be inflated by the percentage increase in the Medicare Economic Index (MEI) for primary care services. Each facility's per visit rate will also be adjusted to account for any increase or decrease in the scope of services using the methodology described in paragraph 3 above.

Rural Health Clinics that enroll in Medicaid after RHC fiscal year 2000 will have their initial per visit rate established either by reference to payments to other RHCs in the same or adjacent areas.

Effective July 1, 2019, RHCs have the option to be paid using an alternative payment methodology (APM) if the RHC elects. RHC services paid using the APM are reimbursed at the rate indicated on the facilities periodic rate notification letter from the Medicare Fiscal Intermediary. In order to receive this rate, a RHC must agree to the APM and forward a copy of the facilities' periodic rate notification letter for its most recent full cost reporting year received from the fiscal intermediary to the state agency. The APM rate a facility receives will not be less than prospective payment system (PPS). There is no retroactive cost settlement.

Other ambulatory services are defined and furnished in accordance with the approved State Plan and recognized by the state under the FQHC benefit.

State: Oklahoma
Date Received: 12 July, 2019
Date Approved: 8 October, 2019
Effective Date: 1 July, 2019
Transmittal Number: 19-0023

Revised 07-01-19

TN: 19-0023

Approval Date 10/08/2019

Effective Date: 07/01/2019

Superseded TN: ~~19-0007~~ 01-0004