

Ellen M. Buettner | Chief Executive Officer

J. Kevin Stitt | Governor

State Plan Amendment Rate Committee (SPARC)
Agenda
March 11, 2024
1:00 PM
OHCA Board Room
4345 N. Lincoln Blvd
Oklahoma City, OK

I. <u>Welcome and Roll Call:</u> Chair, Josh Richards

This meeting will occur at the OHCA building at 4345 N. Lincoln Blvd., Oklahoma City, OK 73105. All Committee members will participate in person.

Committee Members:

- Josh Richards (Chair, OHCA)
- Aaron Morris (OHCA)
- Sandra Puebla (OHCA)
- Toney Welborn (OHCA)
- Sharon Butler (OSDH)
- Melissa Miller (ODMHSAS)
- Jennifer King (OHS)

Public access via Zoom:

https://www.zoomgov.com/webinar/register/WN 5JtMGjM1TQi-svopLKrGjA

*Please note: Since the physical address for the OHCA SPARC Meeting has resumed, any live-streaming option provided is provided as a courtesy. Should such live-streaming option fail or have technical issues, the OHCA SPARC Meeting will not be suspended or reconvened because of this failure or technical issue.

- II. Public Comments (2-minute limit): Chair, Josh Richards
- III. Rate issues to be addressed: Presentation, discussion, and vote
 - A. Per Diem Rate for Freestanding Rehabilitation Hospitals (Presented by **Jimmy Witcosky**, OHCA)
 - B. Urine Drug Testing for CW Members (Presented by **Kevin Haddock,** OHS)
- IV. Adjournment: Chair, Josh Richards

FUTURE SPARC MEETING March 11, 2024 1:00 pm









STATE PLAN AMENDMENT RATE COMMITTEE

PER DIEM RATE FOR FREESTANDING REHABILITATION HOSPITALS OPERATED BY UNITS OF GOVERNMENT

1. IS THIS A RATE CHANGE OR A METHOD CHANGE?

Rate and Method Change

2. IS THIS CHANGE AN INCREASE, DECREASE, OR NO IMPACT?

No Impact

3. PRESENTATION OF ISSUE – WHY IS THIS CHANGE BEING MADE?

The Oklahoma Health Care Authority is proposing to increase the per diem rate for freestanding rehabilitation hospitals operated by units of government to \$2,325.00 effective 3/1/2024.

4. CURRENT METHODOLOGY AND/OR RATE STRUCTURE.

The current rate structure for freestanding rehabilitation hospitals operated by units of government is paid a per diem rate of \$1,065.67 and then a cost settlement is completed at the end of the year. According to the Oklahoma State Plan to not exceed 100% of their allowable costs under Medicare payment principles.

5. NEW METHODOLOGY OR RATE STRUCTURE.

The proposed rate structure for freestanding rehabilitation hospitals operated by units of government would still be paid under a per diem rate and receive a cost settlement at the end of the year that would not exceed 100% of their allowable costs under Medicare payment principles. Since the per diem has not been updated in several years, the cost settlement is now larger than the per diem payment. The new per diem rate would be \$2,325.00 and would be updated annually to not exceed 100% of their allowable costs under Medicare payment principles. This would reduce the cost settlement and spread the amount of the cost settlement out over the entire year.

6. BUDGET ESTIMATE.

The estimated budget impact for SFY 2024 and SFY2024 will be budget neutral.

The state share is paid by freestanding rehabilitation hospitals operated by units of government, for example, J D McCarty Center.



STATE PLAN AMENDMENT RATE COMMITTEE

7. AGENCY ESTIMATED IMPACT ON ACCESS TO CARE.

This will have no impact on access to care.

8. RATE OR METHOD CHANGE IN THE FORM OF A MOTION.

Oklahoma Health Care Authority requests the State Plan Amendment Rate Committee approve the proposed per diem rate increase to freestanding rehabilitation hospitals operated by units of government to \$2,325.00 and be updated annually to not exceed 100% of their allowable costs under Medicare payment principles.

9. EFFECTIVE DATE OF CHANGE.

March 1, 2024



STATE PLAN AMENDMENT RATE COMMITTEE

URINE DRUG TESTING FOR CW MEMBERS

1. IS THIS A RATE CHANGE OR A METHOD CHANGE? Rate Change

2. IS THIS CHANGE AN INCREASE, DECREASE, OR NO IMPACT? Increase

3. PRESENTATION OF ISSUE – WHY IS THIS CHANGE BEING MADE?

Oklahoma Human Services is proposing a rate increase for urine drug test claims and to have these claims pay through the system. The drug test rate has not been used in recent years, these costs were paid through a contract.

4. CURRENT METHODOLOGY AND/OR RATE STRUCTURE.

The current rate for urine drug test is \$19.10.

5. NEW METHODOLOGY OR RATE STRUCTURE.

The proposed rate for urine drug test would be up to \$40.

6. BUDGET ESTIMATE.

The estimated budget impact for SFY 2024 will be an increase in the total amount of \$40,000; with \$0 in state share.

The estimated budget impact for SFY 2025 will be an increase in the total amount of \$156,750; with \$0 in state share.

OHS attests that it has adequate funds to cover the state share of the projected cost of services.

This service is not paid with Medicaid funding and OHS will cover 100% of the total cost.

7. AGENCY ESTIMATED IMPACT ON ACCESS TO CARE.

This will have no impact on access to care.

8. RATE OR METHOD CHANGE IN THE FORM OF A MOTION.

Oklahoma Human Services requests the State Plan Amendment Rate Committee approve the proposed rate increase for urine drug testing from \$19.10 to up to \$40.

9. EFFECTIVE DATE OF CHANGE.

April 1, 2024