



# OKLAHOMA

## Health Care Authority

SoonerCare 1115(a) Research and Demonstration Waiver  
Amendment Request

***Enrollment of Pregnant Women with Income between 133% &  
185% FPL and AI/AN Members with IHS Creditable Coverage***

Project Number: 11-W00048/6

DRAFT FOR PUBLIC COMMENT

Posted: January 27, 2023

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# Section 1 Executive Summary

## Demonstration Background

The Oklahoma Health Care Authority (OHCA) is the State's Single State Agency for Medicaid. The SoonerCare Demonstration has operated under Section 1115 waiver authority since 1996. The current Demonstration is approved for the period from November 1, 2019 through December 31, 2023.

On December 28, 2022, the OHCA submitted an application to the Centers for Medicare and Medicaid Services (CMS) to renew the SoonerCare Demonstration for another five years, to run from January 1, 2024 to December 31, 2028. The application requested an extension of the Demonstration with no revisions to the existing SoonerCare Special Terms and Conditions.

These amendments are being requested separately because the requested effective date differs from the renewal effective date.

## Summary of Amendment Request

The OHCA seeks modifications to the SoonerCare 1115 Demonstration's Special Terms and Conditions upon CMS approval through December 31, 2028, to authorize the following program changes:

- Add Pregnant Women with incomes between 134 percent and 185 percent of Federal Poverty Level (FPL) converted to the Modified Adjusted Gross Income (MAGI) equivalent plus applicable disregards (210 percent of FPL) under the Demonstration for the purpose of enrolling this Group in the SoonerCare fee-for-service Patient Centered Medical Home (PCMH) model;
- Extend the retroactive eligibility waiver exclusion for Pregnant Women with incomes up to 185 percent of Federal Poverty Level (FPL) converted to the Modified Adjusted Gross Income (MAGI) equivalent plus applicable disregards (210 percent of FPL), from 60-days postpartum to 12-months postpartum;
- Add American Indian/Alaska Native (AI/AN) members with IHS creditable coverage under the Demonstration for the purpose of enrolling this Group on a voluntary basis in the SoonerCare Choice fee-for-service Patient Centered Medical Home (PCMH) model; and
- Exclude individuals enrolled in risk-based managed care from the Demonstration, unless they are subject to the waiver of retroactive eligibility.

## Section 2 Demonstration Amendment Goals and Description

### Demonstration Amendment Goals

The proposed amendment will allow the State to continue to advance its health system reform objectives for the covered populations, including:

- Provide each member with a medical home;
- Improve access to primary and preventive care services;
- Integrate IHS eligible beneficiaries and IHS and tribal providers into the SoonerCare delivery system;
- Optimize quality of care and associated health outcomes through effective care management; and
- Expand access to affordable health insurance for low income working adults and spouses not eligible for Medicaid.

### Amendment Description

The OHCA seeks Demonstration authority to implement the following program changes:

- Add Pregnant Women with incomes between 134 percent and 185 percent of Federal Poverty Level (FPL) converted to the Modified Adjusted Gross Income (MAGI) equivalent plus applicable disregards (210 percent of FPL) under the Demonstration for the purpose of enrolling this Group in the SoonerCare fee-for-service Patient Centered Medical Home (PCMH) model.
- Extend the retroactive eligibility waiver exclusion for Pregnant Women with incomes up to 185 percent of Federal Poverty Level (FPL) converted to the Modified Adjusted Gross Income (MAGI) equivalent plus applicable disregards (210 percent of FPL), from 60-days postpartum to 12-months postpartum.
- Add American Indian/Alaska Native (AI/AN) members with IHS creditable coverage under the Demonstration for the purpose of enrolling this Group on a voluntary basis in the SoonerCare fee-for-service Patient Centered Medical Home (PCMH) model.
- Exclude individuals served within risk-based managed care delivery systems within the State who are not within the waiver of retroactive eligibility under this Demonstration.

These changes are described below.

## *SoonerCare Patient Centered Medical Home (PCMH) Model and Care Management Systems*

The following coordinated care models currently operate under authority of the SoonerCare Demonstration:

- *Patient Centered Medical Home (PCMH)*: A statewide enhanced Primary Care Case Management (PCCM) model in which OHCA contracts directly with primary care providers to serve as PCMHs. PCMH providers are arrayed into three levels, or tiers, depending on the number of standards they agree to meet. OHCA pays monthly care management fees (in addition to regular fee-for-service payments) that increase at the higher tiers. Providers can also earn “SoonerExcel” quality incentives for meeting or exceeding various quality-of-care targets within an area of clinical focus selected by OHCA.
- *Health Access Network (HAN)*: Non-profit, administrative entities that work with affiliated providers to coordinate and improve the quality of care provided to members. The HANs employ care managers to provide telephonic and in-person care management and care coordination to members with complex health care needs who are enrolled with affiliated PCMH Providers. The HANs also work to establish new initiatives to address complex medical, social and behavioral health issues.
- *Health Management Program (HMP)*: The SoonerCare HMP is an initiative developed to offer care management to members most at-risk for chronic disease and other adverse health events. The program is administered by OHCA and is managed by a vendor selected through a competitive procurement. The SoonerCare HMP serves members Ages four through 63 who are not enrolled with a HAN and have one or more chronic illnesses and are at high risk for adverse outcomes and increased health care expenditures. The program is holistic, rather than disease specific, but prominent conditions of members in the program include asthma, cardiovascular disease, chronic obstructive pulmonary disorder, diabetes, heart failure and hypertension.

### *Inclusion of Pregnant Women up to 185% of FPL under the Demonstration*

The State is expanding Medicaid eligibility for full-scope pregnancy benefits by increasing the income standard from 133% of the Federal Poverty Level (FPL) to 185% FPL, or 210% once converted to MAGI and applying the applicable MAGI disregards. Additionally, the proposed revisions will extend Medicaid postpartum coverage from 60 days to 12 months. This new postpartum coverage option was temporarily afforded through the American Rescue Plan Act of 2021 and was made permanent with the passing of the 2023 Consolidated Appropriations Act.

The State seeks authority to add these women under the Demonstration. The State also seeks to extend the retroactive eligibility waiver exclusion for these women from 60-days postpartum to 12-months postpartum.

### *Inclusion of American Indian/Alaska Native members with IHS Creditable Coverage under the Demonstration*

The State seeks authority to add American Indian/Alaska Native (AI/AN) members with IHS creditable coverage under the Demonstration.

## Beneficiary Impact

### *Eligibility Requirements and Benefit Coverage*

The proposed amendment will expand Medicaid eligibility for full-scope pregnancy benefits by increasing the income standard from 133% of the Federal Poverty Level (FPL) to 185% FPL, or 210% once converted to MAGI and applying the applicable MAGI disregards. Additionally, the proposed revisions will extend Medicaid postpartum coverage from 60 days to 12 months.

### *Cost Sharing*

The proposed amendment will have no impact on beneficiary cost sharing requirements.

## Requested Waivers

The OHCA seeks to extend currently approved waivers and requests any additional waivers necessary, including:

*Comparability Section 1902(a)(10)(B) and 1902(a)(17)*. To permit the State to offer a different benefit package to individuals enrolled in SoonerCare Choice.

*Freedom of Choice Section 1902(a)(23)(A)*: To permit the State to restrict beneficiaries' freedom of choice of care management providers and to use selective contracting that limits freedom of choice of certain providers to the extent that the selective contracting is consistent with beneficiary access to quality services.

*Retroactive Eligibility Section 1902(a)(34)*: To permit the State to waive retroactive eligibility for Demonstration participants, with the exception of pregnant women (and during the 12-month postpartum period beginning on the last day of pregnancy), children described in section 1902(l)(4) of the Act, the Tax Equity and Fiscal Responsibility Act (TEFRA) and Aged, Blind, and Disabled populations.

## Conforming State Plan Amendment

The OHCA seeks authority to increase the income limit for pregnant women and expand postpartum coverage from 60 days to 12 months within the Title XIX State Plan. Amendments were submitted to CMS on December 30, 2022.

## Requested Expenditure Authority

The OHCA does not believe any additional expenditure authorities are needed.

## Reporting, Quality and Evaluation

The OHCA proposes to continue the currently approved monitoring and evaluation components identified in the STCs and will collaborate with CMS to modify monitoring and evaluation activities as appropriate to address the program modifications described in this amendment request.

### *Quarterly and Annual Progress Reports*

The OHCA will continue to prepare and submit quarterly and annual progress reports.

### *Demonstration Evaluation*

Following approval of the SoonerCare renewal application and this amendment request, the OHCA will prepare and submit an Evaluation Design for CMS review and approval, in accordance with requirements and timelines specified by CMS.

The proposed design will include hypotheses related to evaluation of access, quality and cost effectiveness under the Demonstration. It will address populations covered under the Demonstration through a methodology that evaluates members receiving care coordination to a comparison group selected using a statistically valid matching methodology.

The proposed design also will include hypotheses related to waiving of retroactive eligibility for a portion of the SoonerCare population. The design will be in accordance with CMS recommendations for evaluation of retroactive eligibility waivers.

## Section 3 Budget Neutrality

The requested amendment does not change the budget neutrality model submitted with the SoonerCare extension. The final allocation of expenditures between the 1115 Demonstration and the separate SoonerSelect 1915b waiver will be established in consultation with CMS.

The tables below present estimated enrollment (member months) and expenditures with and without the Demonstration. (The Adult expansion Group is included within TANF-urban and TANF-rural.)

*Projected Enrollment (Member Months) and Expenditures: Without Waiver*

Demonstration Year		29	30	31	32	33	Total
Calendar Year		2024	2025	2026	2027	2028	
<b>Medicaid Per Capita</b>							
	TANF-Urban						
	Total	\$ 2,393,503,043	\$ 2,586,863,435	\$ 2,795,844,546	\$ 3,021,708,305	\$ 3,265,818,586	\$ 14,063,737,916
	PMPM	\$ 500.50	\$ 524.53	\$ 549.71	\$ 576.09	\$ 603.74	
	Member Months	4,782,187	4,931,793	5,086,078	5,245,191	5,409,281	
TANF-Rural	Total	\$ 1,497,510,465	\$ 1,614,919,681	\$ 1,741,534,124	\$ 1,878,075,511	\$ 2,025,322,143	\$ 8,757,361,923
	PMPM	\$ 507.65	\$ 532.02	\$ 557.56	\$ 584.32	\$ 612.37	
	Member Months	\$ 2,949,881	\$ 3,035,458	\$ 3,123,518	\$ 3,214,133	\$ 3,307,376	
ABD-Urban	Total	\$ 629,089,430	\$ 669,840,151	\$ 713,230,595	\$ 759,431,755	\$ 808,625,702	\$ 3,580,217,634
	PMPM	\$ 1,713.35	\$ 1,795.60	\$ 1,881.78	\$ 1,972.11	\$ 2,066.77	
	Member Months	\$ 367,168	\$ 373,046	\$ 379,018	\$ 385,086	\$ 391,251	
ABD-Rural	Total	\$ 369,040,856	\$ 382,821,617	\$ 397,116,980	\$ 411,946,162	\$ 427,329,097	\$ 1,988,254,712
	PMPM	\$ 1,368.01	\$ 1,433.67	\$ 1,502.49	\$ 1,574.61	\$ 1,650.19	
	Member Months	\$ 269,765	\$ 267,022	\$ 264,306	\$ 261,618	\$ 258,958	
<b>TOTAL</b>		<b>\$ 4,889,143,794</b>	<b>\$ 5,254,444,884</b>	<b>\$ 5,647,726,245</b>	<b>\$ 6,071,161,733</b>	<b>\$ 6,527,095,529</b>	<b>\$ 28,389,572,185</b>

*Projected Expenditures: With Waiver*

Demonstration Year		29	30	31	32	33	Total
Calendar Year		2024	2025	2026	2027	2028	
<b>Medicaid Per Capita</b>							
TANF-Urban		\$ 1,292,854,506	\$ 1,397,298,431	\$ 1,510,179,914	\$ 1,632,180,585	\$ 1,764,037,145	\$ 7,596,550,582
TANF-Rural		\$ 822,355,956	\$ 846,553,087	\$ 987,533,902	\$ 1,170,635,016	\$ 1,028,717,828	\$ 4,855,795,788
ABD-Urban		\$ 556,862,616	\$ 592,934,679	\$ 631,343,393	\$ 672,240,120	\$ 715,786,027	\$ 3,169,166,835
ABD-Rural		\$ 423,015,978	\$ 438,812,283	\$ 455,198,456	\$ 472,196,522	\$ 489,829,332	\$ 2,279,052,571
<b>Medicaid Aggregate - WW only</b>							
Non-Disabled Working Adults ESI		\$ 46,129,945	\$ 48,425,186	\$ 50,834,629	\$ 53,363,957	\$ 56,019,133	\$ 254,772,851
TEFRA Children		\$ 16,292,302	\$ 18,700,789	\$ 21,465,321	\$ 24,638,534	\$ 28,280,842	\$ 109,377,789
Full-Time College Students ESI		\$ 539,068	\$ 567,186	\$ 596,770	\$ 627,898	\$ 660,649	\$ 2,991,570
Non-Disabled Working Adults IP		\$ 589,041	\$ 618,349	\$ 649,116	\$ 681,413	\$ 715,318	\$ 3,253,237
Full-Time College Students IP		\$ 5,863	\$ 6,154	\$ 6,460	\$ 6,782	\$ 7,119	\$ 32,379
HAN Expenditures		\$ 12,533,288	\$ 13,042,771	\$ 13,572,964	\$ 14,124,711	\$ 14,698,885	\$ 67,972,619
HMP Expenditures		\$ 15,101,479	\$ 16,006,074	\$ 16,964,856	\$ 17,981,070	\$ 19,058,156	\$ 85,111,634
Medical Education Programs		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL</b>		<b>\$ 3,186,280,042</b>	<b>\$ 3,372,964,990</b>	<b>\$ 3,688,345,781</b>	<b>\$ 4,058,676,607</b>	<b>\$ 4,117,810,435</b>	<b>\$ 18,424,077,855</b>



## Section 4 Required Elements of Amendment Process

### Public Process:

#### Demonstration Amendment Public Process

The OHCA began a 30-day public notice process on January 27, 2023 and concluded the process on February 26, 2023. A public notice was posted on the OHCA's website on January 27, 2023. A copy of the public notice and instructions about the public comment process is available at [www.okhca.org/PolicyBlog](http://www.okhca.org/PolicyBlog).

The agency conducted a tribal notice meeting on January 3, 2023.

#### Summary of Tribal Consultation

*To be completed following conclusion of comment period.*

#### Summary of Public Comment

*To be completed following conclusion of comment period.*

#### Amendment Changes Made as a Result of Tribal and Public Comment

*To be completed following conclusion of comment period.*

## Section 5 CHIP Allotment Neutrality Worksheet

The exhibit below presents CHIP Allotment Neutrality Worksheet data for the most recent Federal Fiscal Year (first three quarters). The full worksheet, with prior period data, is available upon request.

Allocation of Title XIX and Title XXI Expenditures						Quarter/Year: Qtr 3rd 2022		
To CHIP Fiscal Year Allotment						Quarter Ended: 6/30/2022		
	Qualifying State	SEC. 1905(u)(2) & (u)(3)	PE	SEC. 2105(a)(1)(C)	SEC. 2105(a)(1)(D)	Total	Balance	Unused
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)

FFY 2022 (10/01/2021 - 9/30/2022)								
1) FFY 2020 and prior Redistributed Allotment								
2) Unused FFY 2021 Allotment						148,800,562	148,800,562	
3) FFY 2022 Allotment						278,285,997	427,086,559	253,031,300
4) First Quarter 2022		59,417,226		-5,416,645	3,977,479	57,978,060	369,108,499	
5) Second Quarter 2022		59,361,066		-4,882,277	3,796,857	58,275,646	310,832,853	
6) Third Quarter 2022		59,290,800		-4,956,366	3,467,119	57,801,553	253,031,300	
7) Fourth Quarter 2022							253,031,300	
8) Excess 10% Limit							253,031,300	
9) Unused Allotment							253,031,300	
10) Excess Expenditures								
11) FFY 2021 Allotment added to Redistribution Pool								

## Attachments

1. Tribal Consultation Documentation
2. Public Notice Documentation