

OKLAHOMA HEALTH CARE AUTHORITY
REGULARLY SCHEDULED BOARD MEETING
November 18, 2010 at 1:00 P.M.
Oklahoma Health Care Authority
2401 NW 23rd, Suite 1-A
Ponca Conference Room
Oklahoma City, Oklahoma

A G E N D A

Items to be presented by Lyle Roggow, Chairman

1. Call To Order/Determination of Quorum
2. Action Item - Approval of October 14, 2010 OHCA Board Minutes

Item to be presented by Nico Gomez, Deputy Chief Executive Officer

3. Discussion Item - Presentation of All Star Employees for the following months:

November-Heather Stafford; Supervisor Donna Rolls
December-Stephen Weiss; Supervisor Carrie Evans
Supervisor of the Quarter-Kyle Janzen; John Calabro
Director's Award-Vickie Kersey; Carrie Evans

Item to be presented by Nico Gomez, Deputy Chief Executive Officer

4. Discussion Item - Chief Executive Officer's Report
 - a) Financial Update - Carrie Evans, Chief Financial Officer
 - b) Medicaid Director's Update - Garth Splinter, M.D.

Item to be presented by Terrie Fritz, External Relations Coordinator

5. Discussion Item - Tobacco Settlement Endowment Trust (TSET) Collaborative Project

Item to be presented by Chairman Roggow

6. Discussion Item - Reports to the Board by Board Committees
 - a) Audit/Finance Committee - Member Miller

Item to be presented by Juarez McCann, Chief Budget Officer

7. Discussion Item - Presentation of the State Fiscal Year 2012 Budget Request

Item to be presented by Howard Pallotta, Director of Legal Services

8. Announcement of Conflicts of Interest Panel Recommendations for all action items regarding this board meeting.

Items to be presented by Cindy Roberts, Deputy Chief Executive Officer

9. Action Item - Consideration and Vote of agency recommended rulemaking pursuant to Article I of the Administrative Procedures Act.
 - a) Consideration and Vote upon a Declaration of a Compelling Public Interest for the promulgation of **the Emergency Rule** in accordance with 75 Okla. Stat. § 253.

b) Consideration and Vote Upon promulgation of **Emergency Rule** as follows:

9.b-1 AMENDING Agency rules at OAC 317:30-5-241.2 to add Partial Hospitalization Programs (PHP) as a SoonerCare covered service for children. PHP consists of a package of therapeutically intensive clinical services offered in community and family based programs. PHP services are a component of the behavioral health Psychiatric Residential Treatment Center (PRTF) Diversion Project, which focuses on alternative levels of treatment services aimed at stepping individuals down from inpatient facilities and into clinically appropriate settings offering lower levels of care.

(Reference APA WF # 10-53)

Item to be presented by Cindy Roberts, Deputy Chief Executive Officer

10. a. Action Item - Consideration and Vote Upon the proposal by OHCA to rescind the tiered reimbursement methodology approved by the board on March 11, 2010.
- b. Action Item - Consideration and Vote Upon to reimburse residential treatment service providers 100% of the base per diem rate in effect April 1, 2010 for each authorized date of service.

Item to be presented by Chairman Roggow

11. Discussion Item - Proposed Executive Session as Recommended by the Director of Legal Services and Authorized by the Open Meetings Act, 25 Okla. Stat. § 307(B)(1), (4) and (7)
 - A. Status of Pending Suits
 1. Assoc. for Direct Care Trainers v. OHCA CJ-08-4237 (Okla. City)
 2. Morris v. OKDHS No. 10-6241 10th Circuit
 3. Harper v. OHCA 5:10 cv 00514-R (USDC, Western District)
 4. Henson v. OHCA CJ-09-12381 (Oklahoma County)
 5. Peak Medical v. Sebelius 10 CV-597 TCK PJC (USDC, Northern District)
 6. Balenseifen v. OHCA CJ-10-7962, (Oklahoma County)
 7. Wittenberg v. OHCA 10-CV-0238-CVE-TLW (USDC, Northern District)
 8. Hauenstein v. OKDHS CIV-10-940-M (Western District)
 - B. Evaluation of C.E.O. Fogarty's Employment/Work Performance
12. Action Item - Consideration and Vote upon board meetings dates, times, and places for the Oklahoma Health Care Authority Board for calendar year 2011
13. New Business
14. **ADJOURNMENT**

**NEXT BOARD MEETING
December 9, 2010
College of Osteopathic Medicine
Tulsa, OK**

MINUTES OF A REGULARLY SCHEDULED BOARD MEETING
OF THE HEALTH CARE AUTHORITY BOARD
October 14, 2010
Held at Oklahoma Health Care Authority
2401 NW 23rd, Suite 1-A
Oklahoma City, OK

Manner and Time of Notice of Meeting: A public notice was placed on the front door of the Oklahoma Health Care Authority on October 13, 2010.

Pursuant to a roll call of the members, a quorum was declared to be present, and Chairman Roggow called the meeting to order at 1:06PM.

BOARD MEMBERS PRESENT:

Vice Chairman Armstrong, Member McVay, Member Bryant, Member Miller, Member Langenkamp, Member McFall, and Chairman Roggow

OTHERS PRESENT: OTHERS

PRESENT:

Anne Anthony, Willow Crest
Suzanne Stewart, Abbott Diabetes
Sheri Murphree, Willow Crest
Mary Brinkley, OKAHSM
Scott Pilgrim Brent
Tracy Turner, Chickasaw Nation

Steven Goodman, Willow Crest
Maxio Cox
Rebecca Moore, OAHCP
Judy Goforth Parker, Chickasaw Nation
Willborn, OKPCA

DISCUSSION AND POSSIBLE VOTE ON APPROVAL OF BOARD MINUTES OF THE REGULARLY SCHEDULED BOARD MEETING HELD AUGUST 25, 2010

The Board routinely reviews and approves a synopsis of all its meetings. The full-length recordings of the meetings of the Board are retained at the Board Offices and may be reviewed upon written request.

MOTION:

Member McFall moved for approval of the August 25, 2010 board minutes as presented. Member McVay seconded.

FOR THE MOTION:

Vice Chairman Armstrong, Member McVay, Member Bryant, Member Miller, Member McFall, and Chairman Roggow

ABSTAIN: Member

Langenkamp

Mr. Fogarty welcomed the board members and public attendees to OHCA's new location. He stated that OHCA relocated from its former office in Lincoln Plaza in June because of flood damage. Only 100 employees were initially expected to move into temporary facilities in Shepherd Mall, but continued rain and damage caused the entire office to relocate. Mr. Fogarty noted that the temporary facilities are about 50,000 square feet less than the former facilities at Lincoln Plaza. He stated that the Authority is continuing to look for permanent facilities.

ITEM 3.a/FINANCIAL UPDATE

Carrie Evans, Chief Financial Officer

Ms. Evans stated that the revenues for OHCA through August, accounting for receivables, were **\$845,658,350** or **(1.1%) under** budget. The expenditures for OHCA, accounting for encumbrances, were **\$498,745,105** or **2.3% under** budget. The state dollar budget variance through August is **\$2,004,820 positive**.

The budget variance is primarily attributable to the following (in millions):

Expenditures:	
Medicaid Program Variance	.6
Administration	1.2
Revenues:	
Taxes and Fees	.3
Drug Rebate	(.1)
Overpayments/Settlements	0
Total FY 10 Variance	\$ 2.0

ITEM 3.b/MEDICAID DIRECTOR'S UPDATE

Garth Splinter, MD

Dr. Splinter presented the SoonerCare Programs August 2010 Data which included the total monthly enrollment number of 740,458 members. He also presented the historic average SoonerCare enrollment per month; the SoonerCare monthly total enrollment compared to net enrollment change; Member to Provider Ratio Map; and the map of the Federally Qualified Health Clinic and Behavioral Health Providers statewide. For detailed reports, see Item 3b of the board packet.

ITEM 3.c/MEDICAID ON-LINE ENROLLMENT SYSTEM UPDATE

Richard Evans

Mr. Evans stated that on September 7th, 2010 the Oklahoma Healthcare Authority took over the Qualification and Enrollment function for approximately 500,000 members. Each and every man, woman and child in the state of Oklahoma categorically related to children, families, pregnancy, and family planning now has their qualification and enrollment performed by the Oklahoma Health Care Authority with Online Enrollment (aka No Wrong Door). Mr. Evans reported that approximately 44% of our entire population is "SoonerCare Only" which means they don't receive any other services from OKDHS. He stated that within the first 4 weeks of operation OHCA processed almost **38,000** applications and renewals, enrolled or reenrolled over **29,000** SoonerCare applicants, enrolled or reenrolled over **4,000** SoonerPlan applicants, processed **16,355** Electronic Transactions from OKDHS, **6,735** Agency Applications from partners, **11,552** Home View applications and **3,251** paper applications. Mr. Evans noted that over 50% of the total applications/renewals were submitted outside of the OKDHS Mainframe.

Mr. Evans then reported on the issues which consisted of an increase of 20% in call volume, mass confusion at OKDHS County Offices, and some system issues. We are adding staff to the call centers to handle the increased volume, combating the confusion at OKDHS with communication and continued outreach and training. We converted over 700,000 records from OKDHS. Mr. Evans thanked OHCA leadership for having the confidence and foresight to support the project.

ITEM 4/CONSIDERATION AND VOTE UPON RESOLUTION SUPPORTING OKLAHOMA HEALTH IMPROVEMENT PLAN

Nico Gomez, Deputy Chief Executive Officer

Mr. Gomez read the Resolution Supporting Oklahoma Health Improvement Plan. For full resolution details, see Item 4 of the board packet.

MOTION: Member McFall moved for adoption of resolution as presented. Member Langenkamp seconded.

FOR THE MOTION: Vice Chairman Armstrong, Member McVay, Member Bryant, Member Miller, Member Langenkamp, Member McFall, and Chairman Roggow

ITEM 5/REPORTS TO THE BOARD BY BOARD COMMITTEES

Chairman Roggow

Audit/Finance Committee

Member Miller

Member Miller reported that the Audit/Finance Committee met but there was nothing unremarkable on financials. He stated that the audit by OIG found OHCA to be 99% accurate with no official report as yet. The State Auditor's Office is currently doing an audit on Focus on Excellence.

Rules Committee

Member Langenkamp

Member Langenkamp stated the Rules met and discussed 6 rules that were not controversial but enlightening.

Personnel Committee

Member McVay

Mr. McVay noted that the committee met and reviewed the workload of OHCA employees. There are fewer people taking on more responsibility.

ITEM 6 - ANNOUNCEMENTS OF CONFLICTS OF INTEREST PANEL RECOMMENDATIONS FOR ALL ACTION ITEMS REGARDING THIS BOARD MEETING

Howard Pallotta, General Counsel

Mr. Pallotta stated that the Conflicts of Interest Panel met and found there were no conflicts regarding Items 7 through 9.

ITEM 7.a) CONSIDERATION AND VOTE UPON A DECLARATION OF A COMPELLING PUBLIC INTEREST FOR THE PROMULGATION OF ALL EMERGENCY RULES IN ACCORDANCE WITH 75 OKLA. STAT. § 253

Cindy Roberts, Deputy Chief Executive Officer

MOTION: Vice Chairman Armstrong moved for declaration of emergency as presented. Member Bryant seconded.

FOR THE MOTION: Vice Chairman Armstrong, Member McVay, Member Bryant, Member Miller, Member Langenkamp, Member McFall, and Chairman Roggow

ITEM 7.b) CONSIDERATION AND VOTE UPON PROMULGATION OF EMERGENCY RULES AS FOLLOWS:

Cindy Roberts, Deputy Chief Executive Officer

Ms. Roberts presented Rule 7.b-1 thru 7.b-6 as published in meeting agenda.

MOTION: Member Langenkamp moved for approval of Rules 7.b-1-thru 7.b-6. McVay Bryant seconded.

FOR THE MOTION: Vice Chairman Armstrong, Member McVay, Member Bryant, Member Miller, Member Langenkamp, Member McFall, and Chairman Roggow

ITEM 8/ CONSIDERATION AND VOTE UPON THE RECOMMENDATIONS OF THE STATE PLAN AMENDMENT RATE COMMITTEE

Cindy Roberts, Deputy Chief Executive Officer

Ms. Roberts presented the following rates as published on agenda. For full details of the rates see Item 8a, 8b, and 8c of the board packet. She stated that a public hearing was held on Monday, October 11 at 2:30pm. There was one speaker, Gary Porter, OAHCP.

- 8a) Consideration and Vote Upon rate proposal for regular nursing facilities
- 8b) Consideration and Vote Upon rate proposal for Nursing Facilities Serving Aids Patients
- 8c) Consideration and Vote Upon rate proposal for Elimination of Supplemental Payment in Outpatient Hospitals

Chairman Roggow recognized Scott Pilgrim with the Oklahoma Association of Health Care Providers (OAHCP) who requested to speak with regard to the State Plan Amendment Rate Committee recommendations that amend the state plan for the rate period November 1, 2010 to change the pool amount from \$99,248,541 to \$95,607,577. Mr. Pilgrim stated this change would remove roughly \$4 million state dollars from the money allocated for Long Term Care facility residents' care. He said that these funds, along with the \$7.3 million federal match, could be used to offset the cuts made to the daily Long Term Care Facility rates effective April 1,

2010. Mr. Pilgrim asked the board to stop the OHCA procedure of moving funds that were allocated to long term care facilities during the legislative appropriations process to other areas as it is inappropriate and should not occur. We are asking the Board to stop the movement of funding away from the only health care providers in Oklahoma which provide care for the most frail and vulnerable citizens of our populations and ask the OHCA Board to reject the SPARC recommendation and leave the pool amount at \$99,248,541.

Mr. Fogarty responded that the prospective methodologies to establish the rate components are providing more flexibility. He stated that the Base Rate Component would remain the same at \$103.20. He noted that rates paid to providers have been top priority of OHCA and the component amount awarded for a point earned the Focus on Excellence program will remain at \$1.09 per patient day. The legislation enacted the statute several years ago regarding direct care costs. He said that no changes will occur in the base rate for the Quality of Care Fee until the Oklahoma Legislature passes legislation allowing change to the fee. The reduction is due to the reduction in expected service days which has been the case with this population for the last ten years.

MOTION: Member McVay moved approval of Item 8a, 8b, and 8c as presented. Member McFall seconded.

FOR THE MOTION: Vice Chairman Armstrong, Member McVay, Member Bryant, Member Miller, Member Langenkamp, Member McFall, and Chairman Roggow

ITEM 8/CONSIDERATION AND VOTE REGARDING RECOMMENDATIONS MADE BY THE DRUG UTILIZATION REVIEW BOARD UNDER 63 OKLAHOMA STATUTES § 5030.3

Nancy Nesser, PharmD. JD, Pharmacy Director

Dr. Nesser presented the recommendation to (a) Prior Authorize for Ampyra™ (dalfampridine); (b) Prior Authorize Qutenza® (capsaicin) 8% Patch; (c) Prior Authorize Victoza® (liraglutide) and Bydureon® (exenatide LAR); (d) Prior Authorize Special Formulation Antibiotics; and to (e) Prior Authorize Anticonvulsants. For full details, see Item 9 of the board packet.

MOTION: Member McFall moved for approval of Item 9a thru 9e as presented. Member Langenkamp seconded.

FOR THE MOTION: Vice Chairman Armstrong, Member McVay, Member Bryant, Member Miller, Member Langenkamp, Member McFall, and Chairman Roggow

ITEM 10 - DISCUSSION ITEM - PROPOSED EXECUTIVE SESSION AS RECOMMENDED BY THE DIRECTOR OF LEGAL SERVICES AND AUTHORIZED BY THE OPEN MEETINGS ACT, 25 OKLA. STATE. §307(B)(1),(4)&(7)

Howard Pallotta, General Counsel

MOTION:

Member McVay moved for executive session. Member McFall seconded.

FOR THE MOTION:

Vice Chairman Armstrong, Member McVay, Member Bryant, Member Miller, Member Langenkamp, Member McFall, and Chairman Roggow

NEW BUSINESS

None

ADJOURNMENT

MOTION:

Member McFall moved for adjournment. Member McVay seconded.

FOR THE MOTION:

Vice Chairman Armstrong, Member McVay, Member Bryant, Member Miller, Member Langenkamp, Member McFall, and Chairman Roggow



FINANCIAL REPORT

For the Three Months Ended September 30, 2010
Submitted to the CEO & Board
November 18, 2010

- Revenues for OHCA through September, accounting for receivables, were **\$1,048,332,388** or **(1.4%) under** budget.
- Expenditures for OHCA, accounting for encumbrances, were **\$818,084,286** or **3.1% under** budget.
- The state dollar budget variance through September is **\$11,406,300 positive**.
- The budget variance is primarily attributable to the following (in millions):

Expenditures:	
Medicaid Program Variance	6.7
Administration	1.5
Revenues:	
Taxes and Fees	1.3
Drug Rebate	1.3
Overpayments/Settlements	.6
Total FY 10 Variance	\$ 11.4

ATTACHMENTS

Summary of Revenue and Expenditures: OHCA	1
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Other State Agencies Medicaid Payments	3
Fund 230: Quality of Care Fund Summary	4
Fund 245: Health Employee and Economy Act Revolving Fund	5
Fund 250: Belle Maxine Hilliard Breast and Cervical Cancer Treatment Revolving Fund	6
Fund 255: OHCA Medicaid Program Fund	7

OKLAHOMA HEALTH CARE AUTHORITY
Summary of Revenues & Expenditures: OHCA
Fiscal Year 2011, for the Three Months Ended September 30, 2010

REVENUES	FY11 Budget YTD	FY11 Actual YTD	Variance	% Over/ (Under)
State Appropriations	\$ 337,389,241	\$ 337,389,241	\$ -	0.0%
Federal Funds	503,842,376	482,105,339	(21,737,037)	(4.3)%
Tobacco Tax Collections	13,737,163	14,377,607	640,444	4.7%
Quality of Care Collections	12,615,875	13,322,320	706,445	5.6%
Prior Year Carryover	45,663,786	45,663,786	-	0.0%
Federal Deferral - Interest	16,022	16,022	-	0.0%
Drug Rebates	47,774,280	51,473,512	3,699,232	7.7%
Medical Refunds	12,758,074	14,450,570	1,692,496	13.3%
Other Revenues	5,182,083	5,171,026	(11,057)	(0.2)%
Stimulus Funds Drawn	84,362,965	84,362,965	-	0.0%
TOTAL REVENUES	\$ 1,063,341,864	\$ 1,048,332,388	\$ (15,009,476)	(1.4)%

EXPENDITURES	FY11 Budget YTD	FY11 Actual YTD	Variance	% (Over)/ Under
ADMINISTRATION - OPERATING	\$ 10,700,459	\$ 9,048,805	\$ 1,651,654	15.4%
ADMINISTRATION - CONTRACTS	\$ 29,697,182	\$ 27,021,574	\$ 2,675,608	9.0%
MEDICAID PROGRAMS				
<u>Managed Care:</u>				
SoonerCare Choice	7,619,465	6,725,084	894,381	11.7%
<u>Acute Fee for Service Payments:</u>				
Hospital Services	226,616,221	224,819,274	1,796,947	0.8%
Behavioral Health	69,799,965	67,847,284	1,952,681	2.8%
Physicians	104,437,926	100,233,982	4,203,944	4.0%
Dentists	40,093,763	38,560,305	1,533,458	3.8%
Other Practitioners	13,868,777	14,912,530	(1,043,753)	(7.5)%
Home Health Care	5,336,071	5,688,529	(352,458)	(6.6)%
Lab & Radiology	11,808,643	12,270,718	(462,075)	(3.9)%
Medical Supplies	12,975,374	11,469,121	1,506,253	11.6%
Ambulatory Clinics	25,237,241	19,334,521	5,902,720	23.4%
Prescription Drugs	88,653,321	81,348,193	7,305,128	8.2%
Miscellaneous Medical Payments	7,529,777	7,959,790	(430,013)	(5.7)%
<u>Other Payments:</u>				
Nursing Facilities	122,245,847	122,163,406	82,441	0.1%
ICF-MR Private	13,749,086	13,895,262	(146,176)	(1.1)%
Medicare Buy-In	32,888,345	33,338,848	(450,503)	(1.4)%
Transportation	6,767,285	6,752,324	14,961	0.2%
Part D Phase-In Contribution	14,385,931	14,694,736	(308,805)	(2.1)%
Total OHCA Medical Programs	804,013,039	782,013,907	21,999,132	2.7%
OHCA Non-Title XIX Medical Payments	89,382	-	89,382	0.0%
TOTAL OHCA	\$ 844,500,062	\$ 818,084,286	\$ 26,415,776	3.1%

REVENUES OVER/(UNDER) EXPENDITURES	\$ 218,841,803	\$ 230,248,102	\$ 11,406,300	
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OKLAHOMA HEALTH CARE AUTHORITY
Total Medicaid Program Expenditures
by Source of State Funds
Fiscal Year 2011, for the Three Months Ended September 30, 2010

Category of Service	Total	Health Care Authority	Quality of Care Fund	HEEIA	Medicaid Program Fund	BCC Revolving Fund	Other State Agencies
SoonerCare Choice	\$ 6,831,519	\$ 6,718,851	\$ -	\$ 106,435	\$ -	\$ 6,234	\$ -
Inpatient Acute Care	182,571,654	156,115,793	121,672	3,319,650	12,236,290	1,111,795	9,666,454
Outpatient Acute Care	57,647,449	53,746,162	10,401	2,413,725	-	1,477,161	-
Behavioral Health - Inpatient	29,187,594	28,250,376	-	1,792	-	4,958	930,468
Behavioral Health - Outpatient	2,164,839	2,138,931	-	-	-	-	25,908
Behavioral Health Facility- Rehab	55,334,322	36,894,491	-	87,411	-	30,351	18,322,070
Behavioral Health - Case Management	218	149	-	-	-	69	-
Residential Behavioral Management	5,891,219	-	-	-	-	-	5,891,219
Targeted Case Management	19,114,788	-	-	-	-	-	19,114,788
Therapeutic Foster Care	527,960	527,960	-	-	-	-	-
Physicians	110,319,417	80,785,329	14,525	3,301,289	14,627,831	2,806,297	8,784,146
Dentists	38,562,335	36,625,848	-	2,030	1,895,600	38,857	-
Other Practitioners	15,038,242	14,552,013	111,591	125,712	230,305	18,621	-
Home Health Care	5,688,529	5,672,755	-	-	-	15,773	-
Lab & Radiology	13,085,184	11,886,398	-	814,466	-	384,320	-
Medical Supplies	11,617,363	10,758,376	679,458	148,242	-	31,286	-
Ambulatory Clinics	22,831,425	19,139,813	-	454,422	-	194,708	3,042,482
Personal Care Services	3,295,112	-	-	-	-	-	3,295,112
Nursing Facilities	122,163,406	78,195,710	33,941,975	-	10,025,721	-	-
Transportation	6,752,324	6,125,972	609,095	-	14,627	2,629	-
GME/IME/DME	48,061,016	-	-	-	-	-	48,061,016
ICF/MR Private	13,895,262	11,404,158	2,281,190	-	209,913	-	-
ICF/MR Public	13,972,393	-	-	-	-	-	13,972,393
CMS Payments	48,033,584	47,353,343	680,241	-	-	-	-
Prescription Drugs	85,128,338	69,913,214	-	3,780,144	10,733,008	701,971	-
Miscellaneous Medical Payments	7,959,800	7,571,198	-	10	346,519	42,073	-
Home and Community Based Waiver	38,749,902	-	-	-	-	-	38,749,902
Homeward Bound Waiver	22,168,223	-	-	-	-	-	22,168,223
Money Follows the Person	1,164,575	-	-	-	-	-	1,164,575
In-Home Support Waiver	6,133,632	-	-	-	-	-	6,133,632
ADvantage Waiver	47,156,949	-	-	-	-	-	47,156,949
Family Planning/Family Planning Waiver	1,959,255	-	-	-	-	-	1,959,255
Premium Assistance*	13,117,510	-	-	13,117,510	-	-	-
Total Medicaid Expenditures	\$ 1,056,125,334	\$ 684,376,840	\$ 38,450,149	\$ 27,672,837	\$ 50,319,815	\$ 6,867,103	\$ 248,438,590

* Includes \$13,061,268.83 paid out of Fund 245

OKLAHOMA HEALTH CARE AUTHORITY
Summary of Revenues & Expenditures:
Other State Agencies
Fiscal Year 2011, for the Three Months Ended September 31, 2010

	FY11
REVENUE	Actual YTD
Revenues from Other State Agencies	\$ 88,634,978
Federal Funds	160,833,827
TOTAL REVENUES	\$ 249,468,805
EXPENDITURES	Actual YTD
Department of Human Services	
Home and Community Based Waiver	\$ 38,749,902
Money Follows the Person	1,164,575
Homeward Bound Waiver	22,168,223
In-Home Support Waivers	6,133,632
ADvantage Waiver	47,156,949
ICF/MR Public	13,972,393
Personal Care	3,295,112
Residential Behavioral Management	4,549,288
Targeted Case Management	15,743,948
Total Department of Human Services	152,934,021
State Employees Physician Payment	
Physician Payments	8,784,146
Total State Employees Physician Payment	8,784,146
Education Payments	
Graduate Medical Education	14,300,000
Graduate Medical Education - PMTC	887,567
Indirect Medical Education	28,813,252
Direct Medical Education	4,060,197
Total Education Payments	48,061,016
Office of Juvenile Affairs	
Targeted Case Management	588,824
Residential Behavioral Management - Foster Care	8,952
Residential Behavioral Management	1,332,979
Multi-Systemic Therapy	25,908
Total Office of Juvenile Affairs	1,956,662
Department of Mental Health	
Targeted Case Management	98
Hospital	930,468
Mental Health Clinics	18,322,070
Total Department of Mental Health	19,252,636
State Department of Health	
Children's First	538,181
Sooner Start	592,666
Early Intervention	1,652,071
EPSDT Clinic	570,091
Family Planning	17,428
Family Planning Waiver	1,934,953
Maternity Clinic	21,941
Total Department of Health	5,327,332
County Health Departments	
EPSDT Clinic	222,465
Family Planning Waiver	6,874
Total County Health Departments	229,339
State Department of Education	
Public Schools	548,066
Medicare DRG Limit	8,606,106
Native American Tribal Agreements	1,635,318
Department of Corrections	35,387
JD McCarty	1,024,960
Total OSA Medicaid Programs	\$ 248,438,590
OSA Non-Medicaid Programs	\$ 14,901,659
Account Receivable from OSA	\$ 13,871,444

OKLAHOMA HEALTH CARE AUTHORITY
SUMMARY OF REVENUES & EXPENDITURES:
Fund 230: Nursing Facility Quality of Care Fund
Fiscal Year 2011, for the Three Months Ended September 30, 2010

REVENUES	Total Revenue	State Share
Quality of Care Assessment	\$ 13,306,769	\$ 13,306,769
Interest Earned	15,551	15,551
TOTAL REVENUES	\$ 13,322,320	\$ 13,322,320

EXPENDITURES	FY 11 Total \$ YTD	FY 11 State \$ YTD	Total State \$ Cost
Program Costs			
NF Rate Adjustment	\$ 33,003,803	\$ 11,739,453	
Eyeglasses and Dentures	72,032	25,622	
Personal Allowance Increase	866,140	308,086	
Coverage for DME and supplies	679,458	241,683	
Coverage of QMB's	258,189	91,838	
Part D Phase-In	680,241	680,241	
ICF/MR Rate Adjustment	1,229,644	437,384	
Acute/MR Adjustments	1,051,546	374,035	
NET - Soonerride	609,095	216,655	
Total Program Costs	\$ 38,450,149	\$ 14,114,997	\$ 14,114,997
Administration			
OHCA Administration Costs	\$ 130,213	\$ 65,107	
DHS - 10 Regional Ombudsman	-	-	
OSDH-NF Inspectors	-	-	
Mike Fine, CPA	-	-	
Total Administration Costs	\$ 130,213	\$ 65,107	\$ 65,107
Total Quality of Care Fee Costs	\$ 38,580,362	\$ 14,180,104	
TOTAL STATE SHARE OF COSTS			\$ 14,180,104

Note: Expenditure amounts are for informational purposes only. Actual payments are made from Fund 340. Revenues deposited into the fund are transferred to Fund 340 to support the costs, not to exceed the calculated state share amount.

OKLAHOMA HEALTH CARE AUTHORITY
SUMMARY OF REVENUES & EXPENDITURES:
Fund 245: Health Employee and Economy Improvement Act Revolving Fund
Fiscal Year 2011, for the Three Months Ended September 30, 2010

REVENUES	FY 10 Carryover	FY 11 Revenue	Total Revenue
Prior Year Balance	\$ 45,276,770	\$ -	\$ 7,303,085
State Appropriations	(30,000,000)		
Tobacco Tax Collections	-	11,825,121	11,825,121
Interest Income	-	399,929	399,929
Federal Draws	379,631	7,690,085	7,690,085
All Kids Act	(8,000,000)	-	-
TOTAL REVENUES	\$ 7,656,401	\$ 19,915,135	\$ 27,218,220

EXPENDITURES	FY 10 Expenditures	FY 11 Expenditures	Total \$ YTD
Program Costs:			
Employer Sponsored Insurance		\$ 13,061,269	\$ 13,061,269
ESI-College Students		56,241	56,241
Individual Plan			
SoonerCare Choice		\$ 104,095	\$ 37,027
Inpatient Hospital		3,296,519	1,172,572
Outpatient Hospital		2,387,554	849,253
BH - Inpatient Services		1,792	638
BH Facility - Rehabilitation Services		87,340	31,067
Physicians		3,277,262	1,165,722
Dentists		2,030	722
Other Practitioners		123,558	43,950
Home Health		-	-
Lab and Radiology		806,611	286,912
Medical Supplies		147,917	52,614
Ambulatory Clinics		451,888	160,736
Prescription Drugs		3,750,541	1,334,067
Miscellaneous Medical		10	3
Premiums Collected		-	(560,097)
Total Individual Plan		\$ 14,437,117	\$ 4,575,185
College Students-Service Costs		\$ 118,210	\$ 42,047
Total Program Costs		\$ 27,672,837	\$ 17,734,742
Administrative Costs			
Salaries	\$ 22,395	\$ 356,218	\$ 378,613
Operating Costs	47,512	23,362	70,874
Health Dept-Postponing	19,330	-	19,330
Contract - HP	264,080	254,854	518,933
Total Administrative Costs	\$ 353,316	\$ 634,434	\$ 987,750
Total Expenditures			\$ 18,722,492
NET CASH BALANCE	\$ 7,303,085		\$ 8,495,728

**OKLAHOMA HEALTH CARE AUTHORITY
SUMMARY OF REVENUES & EXPENDITURES:**

**Fund 250: Belle Maxine Hilliard Breast and Cervical Cancer Treatment Revolving Fund
Fiscal Year 2011, for the Three Months Ended September 30, 2010**

REVENUES	FY 11 Revenue	State Share
Tobacco Tax Collections	\$ 235,995	\$ 235,995
TOTAL REVENUES	\$ 235,995	\$ 235,995

EXPENDITURES	FY 11 Total \$ YTD	FY 11 State \$ YTD	Total State \$ Cost
Program Costs			
SoonerCare Choice	\$ 6,234	\$ 1,552	
Inpatient Hospital	1,111,795	276,837	
Outpatient Hospital	1,477,161	367,813	
Inpatient Free Standing	4,958	1,235	
MH Facility Rehab	30,351	7,557	
Case Mangement	69	17	
Nursing Facility	-	-	
Physicians	2,806,297	698,768	
Dentists	38,857	9,675	
Other Practitioners	18,621	4,637	
Home Health	15,773	3,928	
Lab & Radiology	384,320	95,696	
Medical Supplies	31,286	7,790	
Ambulatory Clinics	194,708	48,482	
Prescription Drugs	701,971	174,791	
Transportation	2,629	655	
Miscellaneous Medical	42,073	10,476	
Total Program Costs	\$ 6,867,103	\$ 1,709,909	\$ 1,709,909
TOTAL STATE SHARE OF COSTS			\$ 1,709,909

Note: Expenditure amounts are for informational purposes only. Actual payments are made from Fund 340. Revenues deposited into the fund are transferred to Fund 340 to support the costs, not to exceed the calculated state share amount.

OKLAHOMA HEALTH CARE AUTHORITY
SUMMARY OF REVENUES & EXPENDITURES:
Fund 255: OHCA Medicaid Program Fund
Fiscal Year 2011, for the Three Months Ended September 30, 2010

REVENUES	FY 11 Total Revenue	FY 11 State Share
Tobacco Tax Collections	\$ 14,141,612	\$ 14,141,612
TOTAL REVENUES	\$ 14,141,612	\$ 14,141,612

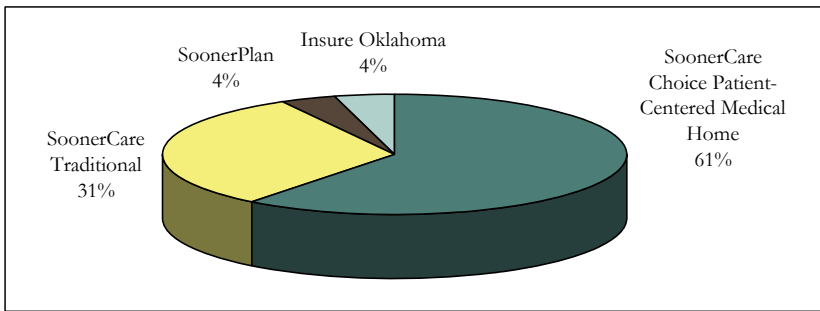
EXPENDITURES	FY 11 Total \$ YTD	FY 11 State \$ YTD	Total State \$ Cost
Program Costs:			
Adult Dental Services	\$ 1,895,600	\$ 674,265	
Remove Hospital Day Limit	2,963,325	1,054,055	
Hospital Rate Increase - Statewide Median +2%	4,258,824	1,514,864	
Increase Physician Visits from 2 to 4 per Month	122,260	43,488	
Increase Physician Office Visits/OB Visits to 90% of Medicare	7,027,773	2,499,779	
Increase Emergency Room Physician Rates to 90% of Medicare	3,327,288	1,183,516	
Pay 50% of Medicare Crossover - Physician/Ambulance/OP	4,727,335	1,681,513	
Nursing Facility 7% Rate Increase	8,029,803	2,856,201	
Enhanced Drug Benefit for Adults 3 + 3	5,788,585	2,059,000	
Enhanced Drug Benefit for Waiver Adults 3 + 10	4,944,423	1,758,731	
TEFRA Services	2,784,001	990,269	
SoonerRide	14,627	5,203	
Replace NSGO Medicare DRG Limit Revenues	4,435,972	1,577,875	
Total Program Costs	\$ 50,319,815	\$ 17,898,758	\$ 17,898,758
TOTAL SHATE SHARE OF COSTS			\$ 17,898,758

Note: Expenditure amounts are for informational purposes only. Actual payments are made from Fund 340. Revenues deposited into the fund are transferred to Fund 340 to support the costs, not to exceed the calculated state share amount.

SoonerCare Programs

September 2010 Data for November 2010 Board Meeting

Delivery System	Monthly Enrollment Average SFY2009	Enrollment September 2010	Total Expenditures September 2010	Average Dollars Per Member Per Month September 2010
SoonerCare Choice Patient-Centered Medical Home	435,958	451,161		
<i>Lower Cost</i>				
<i>Higher Cost (Aged, Blind or Disabled)</i>				
SoonerCare Traditional	219,646	233,042		
<i>Lower Cost (Supplemental, HMO, etc.)</i>				
<i>Higher Cost (Institutionalized Aged, Blind or Disabled)</i>				
SoonerPlan	23,255	27,776		
Insure Oklahoma	28,594	31,781		
<i>Employer-Sponsored Insurance</i>	17,857	19,004		
<i>Individual Plan</i>	10,736	12,777		
TOTAL	707,453	743,760		



Net Enrollee Count Change from Previous Month Total	3,302
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New Enrollees	20,183
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Opportunities for Living Life (OLL)

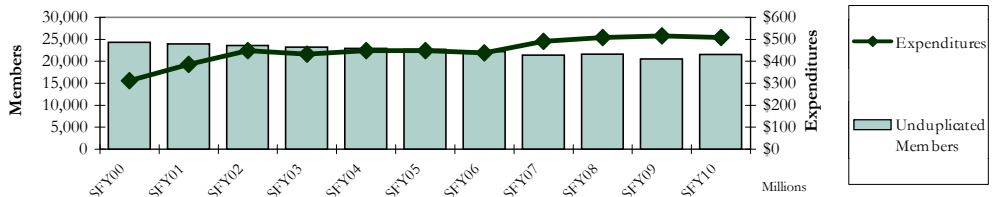
Qualifying Group	Age Group	Enrollment
Aged/Blind/Disabled	<i>Child</i>	17,171
Aged/Blind/Disabled	<i>Adult</i>	129,582
Other	<i>Child</i>	12
Other	<i>Adult</i>	18,566
PACE	<i>Adult</i>	64
TEFRA	<i>Child</i>	368
Living Choice	<i>Adult</i>	92
OLL Enrollment		165,855

Medicare and SoonerCare	Monthly Average SFY2009	Enrolled September 2010
Dual Enrollees	100,143	103,023

	Monthly Average SFY2009	Enrolled September 2010
Long-Term Care Members	15,820	15,685
<i>Child</i>	37	91
<i>Adult</i>	15,783	15,775

PER MEMBER PER MONTH	\$3,621
SFY2010 Long-Term Care	
Statewide LTC Occupancy Rate - 69.8%	
SoonerCare funded LTC Bed Days 68.6%	
<small>Data as of September 2010</small>	

Standard SoonerCare Nursing Facility - Unduplicated Members and Total Expenditure Trends



Data as of Oct. 15, 2010. Figures do not include intermediate care facilities for the mentally retarded (ICF/MR).

SOONERCARE CONTRACTED PROVIDER INFORMATION

Provider Counts	Monthly Average SFY2009	Enrolled September 2010
Total Providers	28,000	29,481
<i>In-State</i>	19,563	20,929
<i>Out-of-State</i>	8,437	8,552

Program	% of Capacity Used
SoonerCare Choice	38%
SoonerCare Choice I/T/U	12%
Insure Oklahoma IP	3%

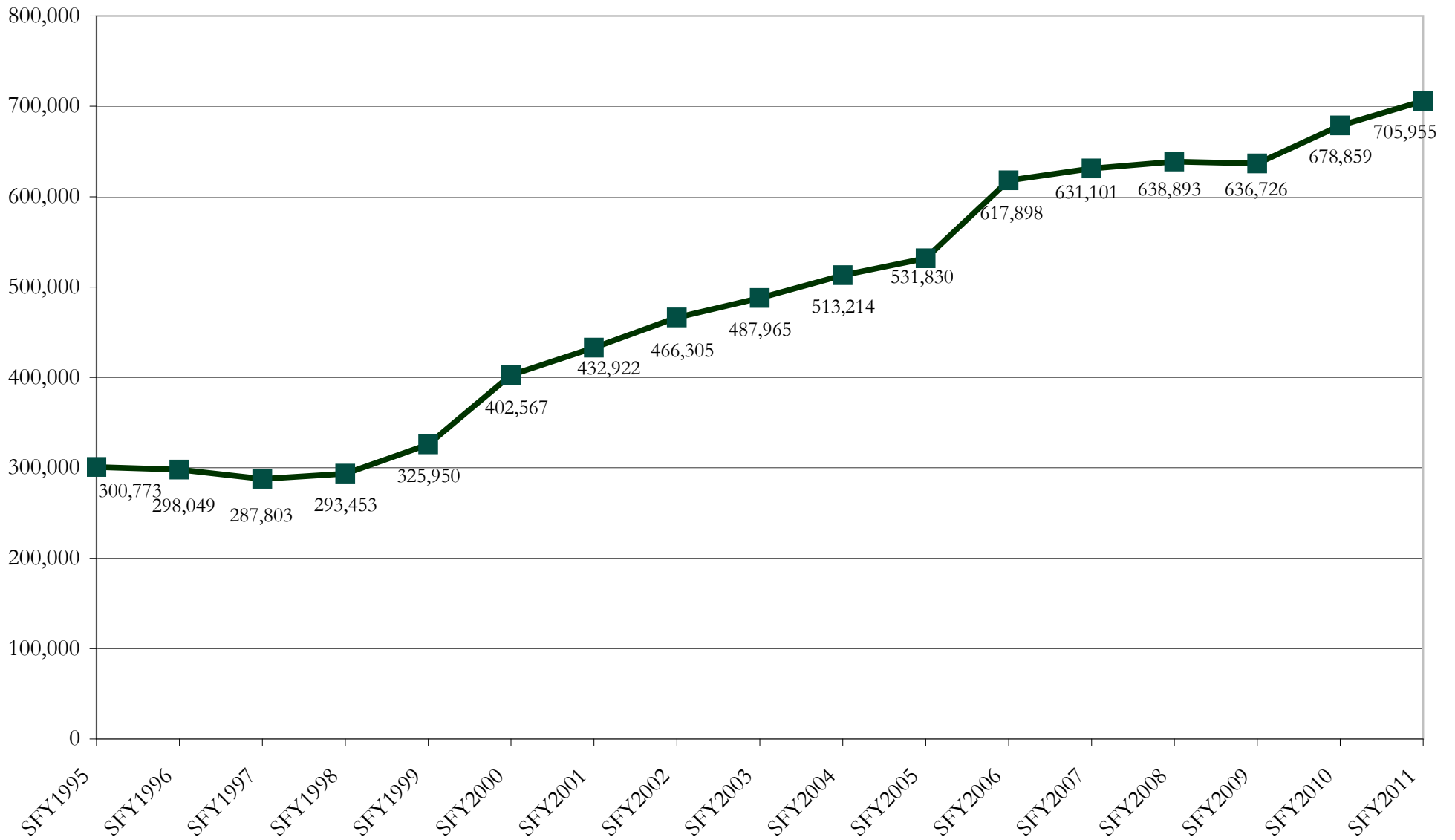
Select Provider Type Counts	In-State Monthly Average SFY2009	In-State Enrolled September 2010	Total Monthly Average SFY2009	Total Enrolled September 2010
Physician	5,884	6,338	10,664	11,254
Pharmacy	874	897	1,168	1,216
Dentist	793	882	893	1,005
Mental Health Provider	915	892	983	926
Hospital	159	186	790	625
Licensed Behavioral Health Practitioner	N/A	402	N/A	417
Extended Care Facility	394	394	395	394

Above counts are for specific provider types and are not all-inclusive.

Total Primary Care Providers	4,072	4,429	6,063	6,422
Patient-Centered Medical Home	1,339	1,474	1,360	1,448

Including Physicians, Physician Assistants and Advance Nurse Practitioners
11/16/2010

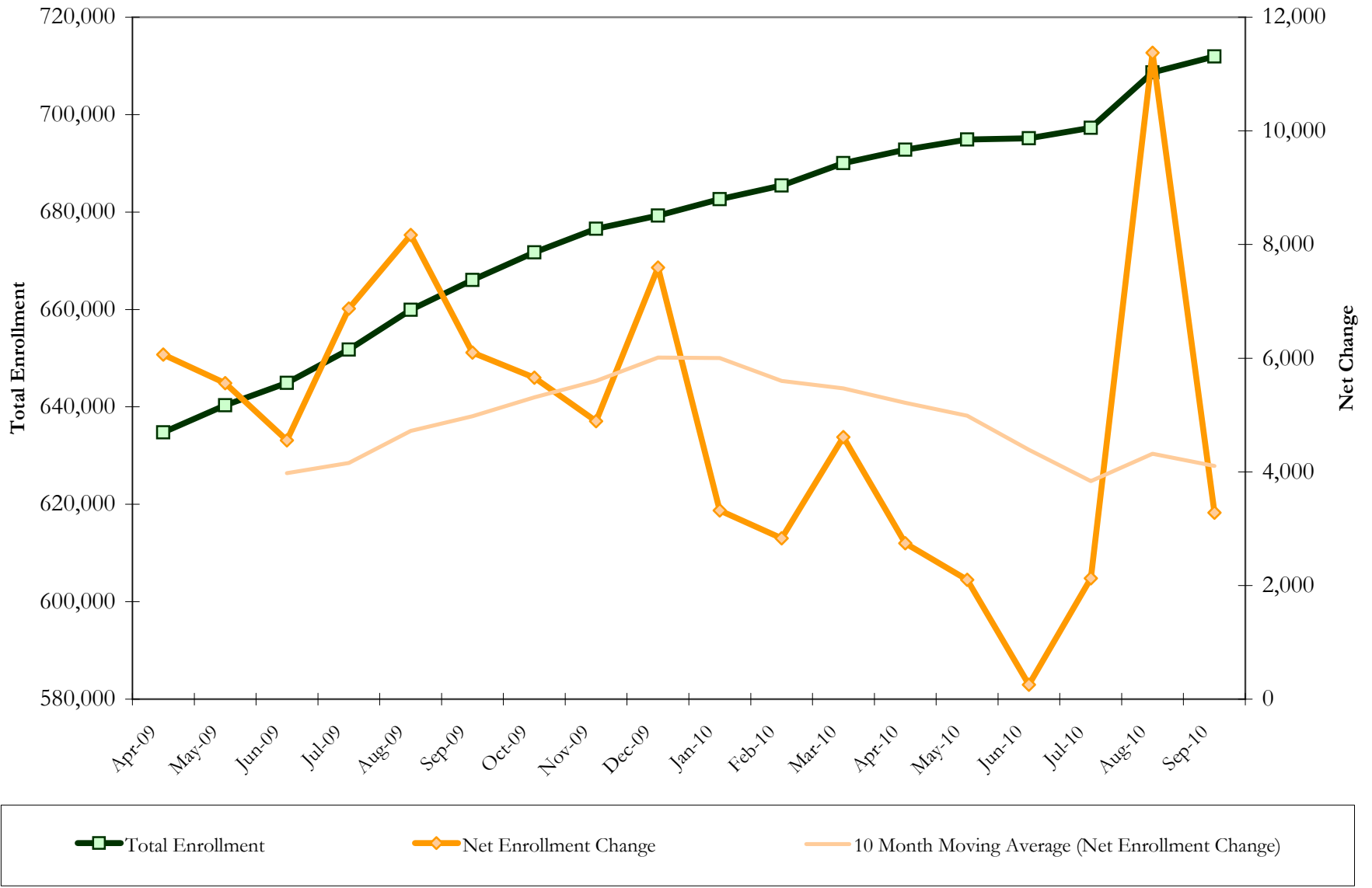
Historic Average Monthly SoonerCare Enrollment Per SFY



Data prior to SFY2000 is from the OKDHS County Summary Report. During SFY1998 Title 19 expansion and CHIP were implemented. SoonerPlan and Oklahoma Cares enrollment began in the last half of SFY2005. In SFY2006 OHCA implemented 12 month certifications and TEFRA.

Figures do not include Insure Oklahoma enrollees.

SoonerCare Monthly Total Enrollment Compared to Net Enrollment Change





SoonerQuit for Women Campaign

FY2011

Overview

- TSET – OSDH – OHCA partnering to promote the OHCA's SoonerCare "SoonerQuit" tobacco cessation program and the Oklahoma Tobacco Helpline in Oklahoma
- Background: Based on a successful campaign by MassHealth in Massachusetts
- Objective: Decrease the prevalence of tobacco use among Oklahoma women of child bearing age (18-49) and low socioeconomic status
- Strategy: Implement a statewide marketing campaign that utilizes the stories of real women who have successfully quit smoking in the past one-to-three years

Phase 1

- A recruitment campaign designed to recruit potential "real life" women who have quit smoking in the last one-to-three years who are between the ages of 20 and 36 and of diverse ethnicity.
- The "What's your story?" recruitment campaign will run from October 25th through November 6th
- Recruitment materials direct women to call a toll free number where they will be interviewed and vetted
- Mass media will run in the Oklahoma City and Tulsa metro newspapers, transit, radio
- Recruitment materials such as:
 - Pull tab flyer (example on the following page)
 - Emailable information
 - Text Message Scripts
 - Facebook, My Space, Twitter, etc. social media postings

Phase 2

- 6 stories will be selected and featured in a statewide media campaign targeted at women age 18-49 of low socioeconomic status
- Real women, real stories
- Unscripted, in their own voices
 - Why they quit
 - How they quit
 - Life after cigarettes
- Media campaign includes print, radio and transit and will launch Spring 2011

For more information on this campaign, please contact: TSET at (405) 521-3888.



SoonerQuit for Women Campaign – Phase 1 Recruitment Products

FY2011

Print Ad Example

Tear Away Flyer Example

What's Your Story?

Are you a woman, 20-36 years of age?
Have you quit smoking in the past one to three years?
We are seeking "real women" to be the faces of a public health program to help women quit smoking.

Interested?

Please call, toll free
1.877.333.0921



Oklahoma Tobacco Settlement Endowment Trust
Oklahoma State Department of Health
Oklahoma Health Care Authority

PROOF ONLY

What's Your Story?

Are you a woman, 20-36 years of age?
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Bus Bench and Web Banner Example

PROOF ONLY

What's Your Story?

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Have you quit smoking in the past one to three years?
We are seeking "real women" to be the faces of a public health program to help women quit smoking.

Interested?

Please call, toll free **1.877.333.0921**



Oklahoma Tobacco Settlement Endowment Trust • Oklahoma State Department of Health • Oklahoma Health Care Authority

OKLAHOMA HEALTH CARE AUTHORITY
SFY 2012
Budget Request Detail

Description of Priority	# FTE	State	Total
1 Annualizations			
FFP Match Rate 64.94% to 63.88% eff. 10/1/11		17,799,406	-
Medicare A & B Premiums/Deductible incr. for dual eligibles eff. 1/1/11		1,875,218	5,230,005
	-	19,674,625	5,230,005
2 Maintenance			
Medicaid growth and utilization increases (3.7%)		38,916,516	113,914,370
Medicare A & B premium/deductible incr. for dual eligibles eff. 1/1/12		1,999,060	5,534,496
HIT Provider Incentive Payments & Meaningful Use		480,000	4,800,000
Contract Increase (SoonerRide/QIO/SoonerPsych/OSDH Contr. Incr)		1,577,658	4,005,695
Increased allowance for employee benefit costs		147,045	294,090
FTE Request - Medical Management / Provider Support Services	3.0	122,101	407,918
	3.0	43,242,380	128,956,569
3 One-Time Funding			
FY-11 one-time Carryover & Replace		182,251,221	-
FY11 ARRA Stimulus Appropriation		263,139,950	
FY11 ARRA carryover		(116,780,914)	
	-	328,610,257	-
4 Mandates			
ICD 10 Crosswalk Software		153,750	307,500
Health Homes - Health Reform		760,766	7,607,659
Ins exchange & Health Reform		3,250,000	6,500,000
FTE Request - Legal / Provider Support / PIP / Communications / IS	24.0	860,859	1,721,718
	24.0	5,025,375	16,136,877
5 Provider Rate Maintenance			
Inpatient Hosp (PRTF's - Restore the 3.25% rate cut in FY'10)		765,523	2,119,389
Inpatient Hosp DRG (Restore the 3.25% rate cut in FY'10)		3,594,636	9,951,928
Outpatient Hosp (10.8% Rate Incr. plus Restore 3.25% rate cut in FY'10)		19,697,590	54,533,750
DSH (2.5% Rate Increase with 6mths impact)		249,118	689,696
Nursing Facilities (11.5% Rate Incr. plus Restore 3.25% rate cut in FY-10)		13,271,002	36,741,422
ICF/MR's (9% Rate Incr. plus Restore 3.25% rate cut in FY'10)		1,232,962	3,413,517
SoonerChoice Care Management (Restore the 3.25% rate cut in FY'10)		163,337	452,206
Physician fee schedule (3.25% rate cut in FY-10 plus Medicare RVU rebasing)		4,472,532	12,382,425
Other Practitioner (Restore the 3.25% rate cut in FY'10)		283,606	785,176
Home Health (Restore the 3.25% rate cut in FY'10)		120,727	334,237
Clinic Services (new FQHCs/ RHCs, FP/ESRD & restore 3.25% rate cut in FY'10)		672,637	1,862,228
Lab (inc from 95% of Medicare to 100% & restore 3.25% rate cut in FY'10)		514,509	1,424,444
Private duty nursing (53% Inc)		1,112,525	3,080,081
Anesthesiologist (\$39 conversion factor / 50% inc)		3,004,323	8,317,617
Dental (Restore the 3.25% rate cut in FY'10)		944,792	2,615,704
Ambulance (Rate Inc to 100% of Medicare restore 3.25% rate cut in FY'10)		1,671,401	4,627,356
Durable Medical Equipment (Restore the 3.25% rate cut in FY'10)		298,923	827,583
Behavioral Health Rehab (Restore the 3.25% rate cut in FY'10)		801,197	2,218,154
	-	52,871,341	146,376,914
6 Pharmacy Enhancements			
Restore 1 brand drug to 6 drug limit		499,330	4,600,000
Increase Dispensing Fee		248,822	693,967
	-	748,152	5,293,967
7 Substance Abuse Residential Treatment for Children		1,147,719	3,201,000
8 Residential Treatment for Adult Substance Abusers		764,357	2,131,800
9 Obestiy treatment		47,472	132,400
10 Hepatitis B Vaccinations Adult Diabetics		286,840	800,000
11 In-Home Hospice Services		537,825	1,500,000

OKLAHOMA HEALTH CARE AUTHORITY
SFY 2012
Budget Request Detail

Description of Priority	# FTE	State	Total
12 2 FTE for Performance & Reporting	2.0	73,133	146,265
13 2 FTE - Exceptional Needs Coordinators	2.0	77,984	155,968
14 Employee Assistance Program (EAP)		9,500	19,000
15 Wellness Program		13,750	27,500
16 Professional Certifications		6,440	12,880
17 Pharmacy Script limits (Remove Insulin and Immunosuppressants)		223,868	2,850,000
18 Preventive MedCounseling (Grp visits & BH preventive medcounseling)		286,840	800,000
19 LBHP Services for Adults		274,512	760,000
20 Family Planning Waiver to State Plan		8,302,600	52,560,166
21 IS Technical Support - FTE for Technical Support Mgr	1.0	47,964	95,928
22 Compliance Audit Nurse (2 FTE's)	2.0	89,437	178,873
23 SoonerEnroll (8 FTE's - Regional Coordinator / Re-enrollment Associate)	8.0	268,272	536,545
24 Children's BH Care Support		3,224,282	8,921,548
25 BRCA Gene Testing		806,738	2,250,000
26 Medication Therapy Mgmt		250,000	500,000
27 Online Eligibility (4 FTE's - Eligibility Specialist I / II / III)	4.0	160,101	320,201
28 1 FTE - Care Management (Asst. Director of Care Mgmt)	1.0	51,153	102,307
FY-2012 Budget Request Priorities	47.0	467,122,914	379,996,713

9.b-1 CHAPTER 30. MEDICAL PROVIDERS-FEE FOR SERVICE

Subchapter 5. Individual Providers and Specialties
Part 21. Outpatient Behavioral Health Services
317:30-5-241.2. [AMENDED]
(Reference APA WF # 10-53)

FINDING OF EMERGENCY: The Agency has determined necessity in the promulgation of emergency rules to avoid serious prejudice to the public interest and requests emergency approval of rule revisions to the Agency's Outpatient Behavioral Health program. Outpatient Behavioral Health rules are revised to add Partial Hospitalization Program (PHP) as a covered service. Policy revisions are needed to broaden community services which focus on alternative lower levels of treatment services that function as either a diversion from Psychiatric Residential Treatment Facilities (PRTF) or as a step down from inpatient services. The availability of PHP will produce budget savings over time with more children going into community based services rather than PRTF levels of care. The coverage of PHP is an integral part to the Agency's PRTF Diversion Project. Following collaboration with the outpatient behavioral health provider community, the Agency determined PHP services to be essential to public interest. Agency staff presented a proposed reimbursement rate for PHP to the Agency's State Plan Amendment Rate Committee which was later approved by the Agency's Board of Directors at open meetings earlier this year in anticipation of future funding for the program. Providers began creating partial hospitalization programs reasonably relying on the Agency's rate approval as an indicator that the Agency would move forward with reimbursing PHP services. Not granting emergency approval will delay reimbursing providers for PHP services and will cause serious prejudice to the public interest.

ANALYSIS: Outpatient Behavioral Health Rules are revised to add Partial Hospitalization Programs (PHP) as a SoonerCare covered service for children. PHP consists of a package of therapeutically intensive clinical services offered in community and family based programs. PHP services are a component of the behavioral health Psychiatric Residential Treatment Facility (PRTF) Diversion Project, which focuses on alternative levels of treatment services aimed at stepping individuals down from inpatient facilities and into clinically appropriate settings offering lower levels of care. Emergency rule revisions are necessary to avoid serious prejudice to the public interest.

BUDGET IMPACT: Agency staff has determined that the impact of the rule revisions to the Agency for SFY 2011 is \$4,447,776 total dollars; State share \$1,160,925.

MEDICAL ADVISORY COMMITTEE: The Medical Advisory Committee considered the proposed rule revisions on November 17, 2010, and recommended Board approval.

PROPOSED EFFECTIVE DATE: Upon Governor's approval

AUTHORITY: The Oklahoma Health Care Authority Board; The Oklahoma Health Care Authority Act, Section 5003 through 5016 of Title 63 of Oklahoma Statutes

RESOLUTION:

Resolved, that the Oklahoma Health Care Authority Board does hereby approve the Administrative Rules, subject to the Administrative Procedure Act, as indicated:

Revising the Agency's Outpatient Behavioral Health Rules to add Partial Hospitalization Programs (PHP) as a SoonerCare covered service for children.

**SUBCHAPTER 5. INDIVIDUAL PROVIDERS AND SPECIALTIES
PART 21. OUTPATIENT BEHAVIORAL HEALTH SERVICES**

317:30-5-241.2. Psychotherapy

(a) Individual/Interactive Psychotherapy.

(1) **Definition.** Individual Psychotherapy is a face-to-face treatment for mental illnesses and behavioral disturbances, in which the clinician, through definitive therapeutic communication, attempts to alleviate the emotional disturbances, reverse or change maladaptive patterns of behavior and encourage growth and development. Insight oriented, behavior modifying and/or supportive psychotherapy refers to the development of insight of affective understanding, the use of behavior modification techniques, the use of supportive interactions, the use of cognitive discussion of reality, or any combination of these items to provide therapeutic change.

(2) **Definition.** Interactive Psychotherapy is individual psychotherapy that involves the use of play therapy equipment, physical aids/devices, language interpreter, or other mechanisms of nonverbal communication to overcome barriers to the therapeutic interaction between the clinician and the member who has not yet developed or who has lost the expressive language communication skills to explain his/her symptoms and response to treatment, requires the use of a mechanical device in order to progress in treatment, or the receptive communication skills to understand the clinician. The service may be used for adults who are hearing impaired and require the use of language interpreter.

(3) **Qualified professionals.** With the exception of a qualified interpreter if needed, only the member and the LBHP Licensed Behavioral Health Professional (LBHP) or AODTP Certified Alcohol and Drug Counselor (CADC), for substance abuse (SA) only, should be present and the setting must protect and assure confidentiality. Ongoing assessment of the member's status and response to treatment as well as psycho-educational intervention are appropriate components of individual counseling. The counseling must be goal directed, utilizing techniques appropriate to the service plan and the member's developmental and cognitive abilities. Individual/Interactive counseling must be provided by a LBHP or CADC when treatment is for a mental illness and by an AODTP when treatment is for an alcohol or other drug disorder only.

(4) **Limitations.** A maximum of 6 units per day per member is compensable.

(b) Group Psychotherapy.

(1) **Definition.** Group psychotherapy is a method of treating behavioral disorders using the interaction between the LBHP or the CADC when treating ~~mental illness or the AODTP when treating~~ alcohol and other drug disorders only, and two or more individuals to promote positive emotional or behavioral change. The focus of the group must be directly related to the goals and objectives in the individual member's current service plan. This service does not include social or daily living skills development as described under ~~Psychiatric-social Rehabilitation Services~~ Behavioral Health Rehabilitation Services.

(2) **Group sizes.** Group Psychotherapy is limited to a total of eight adult (18 and over) individuals except when the individuals are residents of an ICF/MR where the maximum group size is six. For all children under the age of 18, the total group size is limited to six.

(3) **Multi-family and conjoint family therapy.** Sessions are limited to a maximum of eight families/units. Billing is allowed once per family unit, though units may be divided amongst family members.

(4) **Qualified professionals.** Group psychotherapy will be provided by a LBHP or CADC when treatment is for ~~a mental illness and by an AODTP when treatment is for~~

an alcohol or other drug disorder only. Group Psychotherapy must take place in a confidential setting limited to the LBHP or ~~the AODTP~~ CADC conducting the service, an assistant or co-therapist, if desired, and the group psychotherapy participants.

(5) **Limitations.** A maximum of 12 units per day per member is compensable.

(c) **Family Psychotherapy.**

(1) **Definition.** Family Psychotherapy is a face-to-face psychotherapeutic interaction between a LBHP or ~~an AODTP~~ CADC and the member's family, guardian, and/or support system. It is typically inclusive of the identified member, but may be performed if indicated without the member's presence. When the member is an adult, his/her permission must be obtained in writing. Family psychotherapy must be provided for the direct benefit of the SoonerCare member to assist him/her in achieving his/her established treatment goals and objectives and it must take place in a confidential setting. This service may include the Evidence Based Practice titled Family Psychoeducation.

(2) **Qualified professionals.** Family Psychotherapy must be provided by a LBHP or CADC when treatment is for ~~a mental illness and by an AODTP when treatment is for~~ an alcohol or other drug disorder only.

(3) **Limitations.** A maximum of 12 units per day per member/family unit is compensable.

(d) **Multi-Systemic Therapy (MST).**

(1) **Definition.** MST intensive outpatient program services are limited to children within an ~~OJA~~ Office of Juvenile Affairs (OJA) MST treatment program which provides an intensive, family and community-based treatment targeting specific B H disorders in children with SED who exhibit chronic, aggressive, antisocial, and/or substance abusing behaviors, and are at risk for out of home placement. Case loads are kept low due to the intensity of the services provided.

(2) **Qualified professionals.** Masters level professionals who work with a team that may include bachelor level staff.

(e) **Children/Adolescent Partial Hospitalization Program (PHP).**

(1) Definition. Partial hospitalization is an i ntermediary, stabilizing step for youth that have had inpatient psychiatric hospitalization prior to returning to school and community supports or as a le ss restrictive alternative for children, adolescents, and their families when inpatient treatment may not be indicated. Treatment is time li mited and therapeutically intensive clinical services are provided.

(2) Qualified professionals. All services in the PHP are provided by a team, which must be composed of one or more of the following participants: physician, registered nurse, licensed behavioral health professional (LBHP), a case manager, or other certified Behavioral Health/Substance Abuse paraprofessional staff. Refer to OHCA BH Provider Manual for further requirements. The treatment plan is directed under the supervision of a physician.

(3) Qualified providers. Provider agencies for PHP mu st be accr edited by one of the national accrediting bodies; The Jo int Commission (TJC), Commission o n Accreditation of Rehabilitation Facilities (CARF) or Th e Council on Accreditation (COA) for partial hospitalization and enr olled in S oonerCare. Staff pro viding these services are employees or contractors of the enrolled agency.

(4) Limitations. Services are limited to children 0-20 only . Services must be offered at a minimum of 3 hours per day, 5 days per week. Therapeutic services are limited to 4 billable hours per day and must be prior authorized. PHP services are all inclusive with the exception of physician services and drugs that cannot be self-administered, those services are se parately billable. Refer to O HCA BH Provider Billing Manual for further definition.

(5) Reporting. Reporting requirements must be followed as outlined in the OHCA BH Provider Billing Manual.

(f) **Children/Adolescent Day Treatment Program.**

(1) Definition. Day Treatment Programs are for the stabilization of children an d adolescents with seve re emotional and/or behavioral disturbances. Treatment is designed for children who have difficulty functioning in mainstream community settings such as cla ssrooms, and who nee d a higher intensity of servic es than outpatient counseli ng provid es. Treat ment is time limi ted and includes therapeutically intensive clinical services geared towards reintegration to th e home, school, and community.

(2) **Qualified professionals.** All services in Day Treatment are provided by a team, which must be composed of one or more of the following participants: physician, registered nurse, licensed behavioral health professional (LBHP), a case manager, or other certified Behavioral Health/Substance Abuse paraprofessional staff. Refer to OHCA BH Provider Billing Manual for further requirements. Services are directed by an LBHP.

(3) **Qualified providers.** Provider agencies for Day Treatment must be accredited by one of the national accrediting bodies; The Joint Commission (TJC), Commission on Accreditation of Rehabilitation Facilities (CARF) or The Council on Accreditation (COA).

(4) **Limitations.** Services must be offered at a minimum of 4 days per week at least 3 hours per day. Refer to OHCA BH Provider Billing Manual for further requirements.

Update to Reimbursement Methodology Inpatient Psychiatric Services for Individuals Under Age 21

ISSUE

The Oklahoma Health Care Authority (OHCA), Finance Division recommends a revision to the current reimbursement structure for residential treatment provided by psychiatric units of general medical/surgical hospitals, psychiatric hospitals and psychiatric residential treatment facilities (PRTFs). The OHCA is proposing to rescind the tiered reimbursement methodology and reimburse residential treatment service providers 100% of the base per diem rate in effect April 1, 2010 for each authorized date of service.

BACKGROUND

On March 11, 2010, OHCA staff recommended a revision to the rate and reimbursement structure for residential treatment provided by psychiatric units of general medical/surgical hospitals, psychiatric hospitals and psychiatric residential treatment facilities (PRTFs). The proposal included a tiered reimbursement methodology that declines based on length of stay. Changes were made in order to encourage discharge to more appropriate community alternatives than residential placement. This recommendation was based, in part, on a report issued by Mathematica Policy Research, Inc. which noted that "the primary source of behavioral health expenditure growth in Oklahoma in recent years has been PRTF services for children." The goal of the tiered reimbursement structure was to contain costs while improving performance. Linking reimbursement levels more closely to actual service needs was expected to increase PRTF incentives to participate actively in discharge planning.

Due to the Agency's successful push to divert youth from unnecessary residential treatment stays by providing additional access to community based services through the PRTF Diversion Project over the past year and a half, the lengths and incidences of residential treatment stays have continued to decline to levels below those anticipated by the Agency. The average length of stay has dropped from 72 days in 2009 to the current average of 56 days¹. Since the project's inception in 2009, the Agency has realized \$20,205,301 (19% decrease in total PRTF expenditures) in total savings which has been used in part to fund the increase in utilization of outpatient behavioral services as well as satisfy the Agency's budget reduction obligations in response to the statewide decrease in state agency budgets in SFY 2010.

Because of the significant savings realized through PRTF Diversion, Agency staff has determined that the PRTF tiered reimbursement methodology is no longer necessary in order to achieve the goal of reducing residential treatment stays and the high costs associated therewith. Moreover, the effect of tiering reimbursement rates in addition to other efforts aimed at decreasing lengths of stay and inappropriate placement is feared to have a negative impact on residential providers, especially those in rural areas, which

¹ Based on a 2008 survey of its members, the National Association of Psychiatric Health Systems (NAPHS) estimated [the national] average lengths of stay in PRTFs at 97 days.

could potentially create barriers to access to services for youth seeking residential treatment.

Base Rates

Peer Group/	Licensure Standard	Base Rates
Standard (default)	Child Placing	\$319.54
Restrictive / Secure	Child Placing	\$336.57
Restrictive / Secure	Hospital	\$345.05
Sexual Offender	Child Placing	\$336.57
Sexual Offender	Hospital	\$345.05
Neurodevelopmental	Child Placing	\$400.05
EatingDisorders/TBI	Hospital	\$432.26

BUDGET IMPACT

Agency staff has determined that rescission of the PRTF tiered reimbursement methodology will be budget neutral.

EFFECTIVE DATE

The effective date of this change in reimbursement methodology is April 1, 2010.