

OKLAHOMA HEALTH CARE AUTHORITY
REGULARLY SCHEDULED BOARD MEETING
January 11, 2018 at 1:00 P.M.
Oklahoma Health Care Authority
4345 N. Lincoln Blvd.
OKC, OK

AGENDA

Items to be presented by Tony Armstrong, Vice-Chairman

1. Call to Order / Determination of Quorum
2. Action Item – Approval of the Special December 1st & 29th, 2017 OHCA Board Meeting Minutes

Item to be presented by Becky Pasternik-Ikard, Chief Executive Officer

3. Discussion Item – Chief Executive Officer’s Report
 - a) All-Star Introduction
 - September All-Star – Della Gregg, HMP Manager (Melody)
 - October All-Star – Dale Lippert, System Analyst II (Kyle)
 - b) March of Dimes Nurse of the Year – Anataya Rucker, MFP Nurse Supervisor (Tywanda Cox)
 - c) Financial Update – Tasha Black, Director of Budget and Fiscal Planning
 - d) Medicaid Director’s Update – Melody Anthony, Deputy State Medicaid Director
 - e) Legislative Update – Cate Jeffries, Interim Legislative Liaison
 - f) 2017 OHCA Annual Report – Kelli Brodersen, Public Information Representative

Item to be presented by Nicole Nantois, Chief of Legal Services

4. Announcements of Conflicts of Interest Panel Recommendations for All Action Items Regarding This Board Meeting.

Item to be presented by Tiffany Lyon, Procurement & Contracts Development Director

5. Action Item – Consideration and Vote of Authority for Expenditure of Fund for:
 - a) Mandatory Statewide Non-Emergency Transportation Services
 - b) Health Management Program
 - c) Focus on Excellence – Nursing Facility Surveys

Item to be presented by Nancy Nesser, Pharmacy Director

6. Action Item – Consideration and Vote Regarding Recommendations Made by the Drug Utilization Review Board Under 63 Oklahoma Statutes 5030.3.
 - a) Consideration and vote to add **Mavyret™ (Glecaprevir/ Pibrentasvir) and Vosevi®**

(Sofosbuvir/Velpatasvir/Voxilaprevir) to the utilization and scope prior authorization program under OAC 317:30-5-77.2(e).

- b) Consideration and vote to add **Baxdela™ (Delafloxacin Injection and Tablets), Ofloxacin 300mg Tablets, Minolira™ (Minocycline Extended-Release Tablets), Solosec™ (Secnidazole Oral Granules), and Vabomere™ (Meropenem/Vaborbactam Injection)** to the utilization and scope prior authorization program under OAC 317:30-5-77.2(e).
- c) Consideration and vote to add **Duzallo® (Lesinurad/Allopurinol)** to the utilization and scope prior authorization program under OAC 317:30-5-77.2(e).

Item to be presented by Tony Armstrong, Chairman

- 7. Discussion Item – Proposed Executive Session as Recommended by the Chief of Legal Services and Authorized by the Open Meetings Act, 25 Oklahoma Statutes § 307(B)(1),(4) and (7).
- 8. New Business
- 9. ADJOURNMENT

NEXT BOARD MEETING
February 8, 2018
Oklahoma Health Care Authority
Oklahoma City, OK

MINUTES OF A SPECIAL BOARD MEETING
OF THE HEALTH CARE AUTHORITY BOARD
December 1, 2017
Oklahoma Health Care Authority Boardroom
Oklahoma City, Oklahoma

Manner and Time of Notice of Meeting: A statutorily required public meeting notice was placed on the front door of the Oklahoma Health Care Authority on November 30, 2017 at 12:45 p.m. Advance public meeting notice was provided to the Oklahoma Secretary of State. In addition to the posting of the statutory public notice, the agency placed its agenda on its website on November 28, 2017 at 8:30 a.m.

Pursuant to a roll call of the members, a quorum was declared to be present, and Vice-Chairman Armstrong called the meeting to order at 1:07 p.m.

BOARD MEMBERS PRESENT: Vice-Chairman Armstrong, Member Bryant, Member Case, Member Nuttle, Member Robison

BOARD MEMBERS ABSENT: Member McVay

OTHERS PRESENT:

Matt Robison, OSMA
Curt Roggow, Roggow Consulting
Meg Wingerter, The Oklahoman
Josh Richards, OHCA
Josh Bouye, OHCA
Bob Evans, OHCA
Jerry Cothran, OU COP
Catherine Sweeney, Journal Record
Paula Stabler, Osage Nation
Nico Gomez, OAHCP
Brian Wren, Choctaw Nation
Rick Snyder, OHA
Aaron Morris, OHCA
Mike Herndon, OHCA
Bill Garrison, OHCA
Lewis Robinson, OHCA
Mike Fogarty

OTHERS PRESENT:

Tyler Talley, eCap
Jimmy Durant, SSM Health Oklahoma
Jimmy Witcosky, OHCA
Fred Mensah, OHCA
Kyle Janzen, OHCA
Gloria LaFitte, OHCA
Rep. Lewis Moore, House of Representatives
Carmen Johnson, OHCA
Wavel Wells, DDS
Tom Anderson, OSU-CHS
Craig Jones, OHA
Lynne White, OHA
Sandra Puebla, OHCA
Daryn Kirkpatrick, OHCA
Brent Wilborn, OKPCA
Courtney Barrett, OHCA

DISCUSSION AND POSSIBLE VOTE ON APPROVAL OF BOARD MINUTES OF THE REGULARY SCHEDULED BOARD MEETING HELD NOVEMBER 9, 2017.

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 Case moved for approval of the November 9, 2017 board meeting minutes as published. The motion was seconded by Member Robison.

FOR THE MOTION: Vice-Chairman Armstrong, Member Nuttle,

ABSTAINED: Member Bryant

BOARD MEMBERS ABSENT: Member McVay

ITEM 3 / PUBLIC COMMENT ON THIS MEETING'S AGENDA ITEMS BY ATTENDEES WHO GAVE 24 HOUR PRIOR WRITTEN NOTICE

Nicole Nantois, Chief of Legal Services

Speakers:

- Nico Gomez
- Dr. Wavel Wells, DDS
- Craig Jones

ITEM 4A / FINANCIAL UPDATE

Carrie Evans, Chief Financial Officer

Ms. Evans gave a brief update on OHCA’s October Financials. OHCA’s state dollar budget variance is \$1.9 million dollars. Program administrative services ran over budget in Medicaid program spending by 3.2 million state dollars. In administrative services, OHCA is currently under budget by \$1.1 million state dollars. On the revenue side, OHCA is over budget in drug rebate and medical refunds. A revised budget will be submitted if the proposed rate changes are approved and will include those rate cuts as well as postponing half a cycle in June 2018. OHCA will still be \$9.5 million dollars short after receiving the \$22.8 million dollars from special session. For more detailed information, see Item 4a in the board packet.

ITEM 4B / MEDICAID DIRECTOR’S UPDATE

Andy Garnand, Reporting Manager

Mr. Garnand provided an update for October 2017 data that included a report on the number of SoonerCare enrollees in different areas of the Medicaid program including total in-state providers. Mr. Garnand also presented charts showing monthly enrollment and monthly change in enrollment for Choice, Traditional and Insure Oklahoma. For more detailed information, see Item 4b in the board packet.

ITEM 4C / LEGISLATIVE

Cate Jeffries, Interim Legislative Liaison

Ms. Jeffries gave a brief update regarding the special session which ended on November 17, 2017, after both chambers passed HB1019 which is intended to collect dollars from various revolving funds for redistribution to different agencies. OHCA received about \$22.9 million dollars after Governor Fallen vetoed part of the bill. A second special session is expected before the regular session is set to begin, we have not been made aware of when that will be. About 196 bills were filed at the beginning of the special session; five of those did make it to the Governor’s desk.

ITEM 5 / ANNOUNCEMENTS OF CONFLICTS OF INTEREST PANEL RECOMMENDATIONS FOR ALL ACTION ITEMS

Nicole Nantois, Chief of Legal Services

There were no recommendations regarding conflicts.

ITEM 6A-L / CONSIDERATION AND VOTE UPON THE RECOMMENDATIONS OF THE STATE PLAN AMENDMENT RATE COMMITTEE

Tywanda Cox, Chief of Federal and State Policy

- a) Consideration and vote to implement a method change for outpatient hospital dental and ENT rates effective 1/1/2018. The new rate for these services will be cost based and will equalize the rates to improve access for dental services to be rendered in the hospital setting. The estimated budget impact for SFY 2018 is estimated to be \$0.

MOTION: Member Case moved for approval of Item 6a as published. The motion was seconded by Member Robison

FOR THE MOTION: Vice-Chairman Armstrong, Member Bryant, Member Nuttle

BOARD MEMBERS ABSENT: Member McVay

- b) Consideration and vote to reinstate the 9.00% across-the-board rate reduction to SoonerCare providers that was to go into effect on 12/1/2017. The proposed reduction excludes complex rehabilitation technology provider services, long-term care facilities, child abuse exams, non-emergency transportation, Insure Oklahoma, payments for drug ingredients, physician supplied drugs, services provided under a waiver, services paid for by other state agencies, services provided to Native Americans through Indian Health Services Indian/Tribal/Urban (ITU) Clinics, and private duty nursing, emergency transportation, FQHCs/RHCs, Choice Care Coordination, and Programs of All-inclusive Care for the Elderly (PACE). While this list of exclusions is fairly comprehensive it is not exhaustive. The estimated

budget impact for the remainder of SFY 2018 will be an increase in the total amount of \$68,409,743; of which \$28,342,157 is state savings.

MOTION: Member Case moved for approval of Item 6b as published. The motion was seconded by Member Bryant

FOR THE MOTION: Vice-Chairman Armstrong, Member Nuttle, Member Robison

BOARD MEMBERS ABSENT: Member McVay

- c) Consideration and vote to implement an across-the-board rate reduction in the amount of 6.00% to SoonerCare providers effective 1/1/2018. The proposed reduction excludes complex rehabilitation technology provider services, long-term care facilities, child abuse exams, non-emergency transportation, Insure Oklahoma, payments for drug ingredients, physician supplied drugs, services provided under a waiver, services paid for by other state agencies, services provided to Native Americans through Indian Health Services Indian/Tribal/Urban (ITU) Clinics, and private duty nursing, emergency transportation, FQHCs/RHCs, Choice Care Coordination, and Programs of All-inclusive Care for the Elderly (PACE). While this list of exclusions is fairly comprehensive it is not exhaustive. The estimated budget impact for the remainder of SFY 2018 will be a decrease in the total amount of \$38,005,413; of which \$15,745,643 is state savings.

MOTION: Member Robison moved for approval of Item 6c as published. The motion was seconded by Member Nuttle

FOR THE MOTION: Vice-Chairman Armstrong, Member Bryant, Member Case

BOARD MEMBERS ABSENT: Member McVay

- d) Consideration and vote to implement a payment methodology change to pay 0% of the Medicare Part A and Part B coinsurance and deductible on crossover claims to nursing facilities. This was previously approved to take effect on 12/1/2017. The new effective date will be 1/1/2018. The updated estimated budget impact for the remainder of SFY 2018 will be a decrease in the total amount of \$2,936,027; of which \$1,216,396 is state savings.

MOTION: Member Nuttle moved for approval of Item 6d as published. The motion was seconded by Member Robison

FOR THE MOTION: Vice-Chairman Armstrong, Member Bryant, Member Case

BOARD MEMBERS ABSENT: Member McVay

- e) Consideration and vote to reinstate the 4.00% rate reduction for Regular Nursing Facilities that was to go into effect on 12/1/2017. The reinstated Base Rate Component will be \$107.79 per patient day. The reinstated combined pool amount for "Direct Care" and "Other" Component will be \$160,636,876. The estimated budget impact for the remainder of SFY 2018 will be an increase in the total amount of \$10,669,304; of which \$4,384,017 is state savings.

MOTION: Member Case moved for approval of Item 6e as published. The motion was seconded by Member Bryant

FOR THE MOTION: Vice-Chairman Armstrong, Member Nuttle, Member Robison

BOARD MEMBERS ABSENT: Member McVay

- f) Consideration and vote to implement a rate change to reduce the reimbursement rates for services provided by Regular Nursing Facilities by 1.00% effective 1/1/2018. The new Base Rate Component will be \$107.73 per patient day. The new combined pool amount for "Direct Care" and "Other" Component will be \$158,498,444. The estimated budget impact for the remainder of SFY 2018 will be a decrease in the total amount of \$2,222,772; of which \$913,337 is state savings.

MOTION: Member Bryant moved for approval of Item 6f as published. The motion was seconded by Member Nuttle

FOR THE MOTION: Vice-Chairman Armstrong, Member Case, Member Robison

BOARD MEMBERS ABSENT: Member McVay

- g) Consideration and vote to reinstate the 4.00% rate reduction for Regular (more than 16 beds) Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IID) providers that was to go into effect on 12/1/2017. The reinstated Base Rate Component will be \$122.77 per patient day. The estimated budget impact for the remainder of SFY 2018 will be an increase in the total amount of \$444,759; of which \$182,752 is state savings.

MOTION: Member Case moved for approval of Item 6g as published. The motion was seconded by Member Robison

FOR THE MOTION: Vice-Chairman Armstrong, Member Bryant, Member Nuttle

BOARD MEMBERS ABSENT: Member McVay

- h) Consideration and vote to implement a rate change to reduce the reimbursement rates for services provided by Regular (more than 16 beds) Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IID) by 1.00% effective 1/1/2018. The new Base Rate Component will be \$121.70 per patient day. The estimated budget impact for the remainder of SFY 2018 will be a decrease in the total amount of \$92,658; of which \$38,073 is state savings.

MOTION: Member Nuttle moved for approval of Item 6h as published. The motion was seconded by Member Robison

FOR THE MOTION: Vice-Chairman Armstrong, Member Bryant, Member Case

BOARD MEMBERS ABSENT: Member McVay

- i) Consideration and vote to reinstate the 4.00% rate reduction for Acute (16 beds or less) Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IID) providers that was to go into effect on 12/1/2017. The reinstated Base Rate Component will be \$157.03 per patient day. The estimated budget impact for the remainder of SFY 2018 will be an increase in the total amount of \$789,944; of which \$324,588 is state savings.

MOTION: Member Case moved for approval of Item 6i as published. The motion was seconded by Member Bryant

FOR THE MOTION: Vice-Chairman Armstrong, Member Nuttle, Member Robison

BOARD MEMBERS ABSENT: Member McVay

- j) Consideration and vote to implement a rate change to reduce the reimbursement rates for services provided by Acute (16 beds or less) Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IID) by 1.00% effective 1/1/2018. The new Base Rate Component will be \$155.63 per patient day. The estimated budget impact for the remainder of SFY 2018 will be a decrease in the total amount of \$164,572; of which \$67,623 is state savings.

MOTION: Member Bryant moved for approval of Item 6j as published. The motion was seconded by Member Robison

FOR THE MOTION: Vice-Chairman Armstrong, Member Case, Member Nuttle

BOARD MEMBERS ABSENT: Member McVay

- k) Consideration and vote to reinstate the 4.00% rate reduction for services provided by Nursing Facilities for Individuals with Acquired Immune Deficiency Syndrome (AIDS) that was to go into effect on 12/1/2017. The reinstated Base Rate Component will be \$200.01 per patient day. The estimated budget impact for the remainder of SFY 2018 will be an increase in the total amount of \$31,557; of which \$12,967 is state savings.

MOTION: Member Case moved for approval of Item 6k as published. The motion was seconded by Member Robison

FOR THE MOTION:

Vice-Chairman Armstrong, Member Bryant, Member Nuttle

BOARD MEMBERS ABSENT:

Member McVay

- l) Consideration and vote to implement a rate change to reduce the reimbursement rates for services provided by Nursing Facilities for Individuals with Acquired Immune Deficiency Syndrome (AIDS) by 1.00% effective 1/1/2018. The new Base Rate Component will be \$198.39 per patient day. The estimated budget impact for the remainder of SFY 2018 will be a decrease in the total amount of \$6,574; of which \$2,701 is state savings.

MOTION:

Member Case moved for approval of Item 6l as published. The motion was seconded by Member Robison

FOR THE MOTION:

Vice-Chairman Armstrong, Member Bryant, Member Nuttle

BOARD MEMBERS ABSENT:

Member McVay

ITEM 7A-D / CONSIDERATION AND VOTE OF AGENCY RECOMMENDED RULEMAKING PURSUANT TO ARTICLE I OF THE ADMINISTRATIVE PROCEDURES ACT. THE AGENCY REQUESTS THE ADOPTION OF THE FOLLOWING EMERGENCY RULES

Action Item – a) Consideration and Vote upon a Declaration of a Compelling Public Interest for the promulgation of *all Emergency Rules* in item eight in accordance with 75 Okla. Stat. § 253.

Action Item – b) Consideration and Vote of Agency Recommended Rulemaking Pursuant to Article I of the Administrative Procedures Act. The Agency Requests the Adoption of the Following Emergency Rules:

- A) AMENDING agency rules at OAC 317:2-1-2 will clarify timelines for appeal decisions. ADDING agency rules at OAC 317:2-1-2.5 will outline expedited appeals timelines and processes that are required by regulation for cases when an appellant's life or health could be in jeopardy. In addition, language that references nursing home wage enhancement will be deleted due to changes in state statute that resulted in the policy being obsolete.

Budget Impact: Budget neutral

(Reference APA WF # 17-10A)

- B) AMENDING agency rules at OAC 317:35-6-62 and 317:35-6-62.1 AND RENUMBERING to OAC 317:35-5-65 and 317:35-5-66. The renumbering of the sections will move the policy regarding notification processes, from the "SoonerCare for Pregnant Women and Families with Children" section to the "Eligibility and Countable Income" section of policy, as the notification policy applies to all SoonerCare programs. Federal regulations require the agency to communicate with all members through the members' choice of electronic format or regular mail. The revisions are necessary per regulation including notification and expedited appeals requirements, to ensure effective communication with all SoonerCare members

Budget Impact: Budget neutral

(Reference APA WF # 17-10B)

- C) REVOKING agency rules at OAC 317:30-5-131.1 will remove wage enhancement language and requirements for specified employees in nursing facilities (NF) serving adults and intermediate care facilities for individuals with intellectual disabilities (ICFs/IIDs). AMENDING agency rules at OAC 317:30-5-131.2 will also remove reference to the wage enhancement language. As a result of the increase of federal minimum wage and the change in rate setting methodology related to wages for employees of NFs serving adults and ICFs/IIDs, Section 5022 and 5022.1 of Title 63 of the Oklahoma Statutes were repealed. The repeal of these Sections results in the OHCA policy being obsolete; therefore, the removal of the language is necessary to comply with state regulation.

Budget Impact: Budget neutral

(Reference APA WF # 17-12)

- D) AMENDING agency rules at OAC 317:30-5-126 will eliminate therapeutic leave days for children and adults who reside in long-term care facilities with the exception of intermediate care facilities serving individuals with intellectual disabilities.

Budget Impact: The OHCA anticipates that the proposed changes would result in approximately \$24,541 state share savings for SFY2018, which would enable OHCA to file a balanced budget.

(Reference APA WF # 17-18)

MOTION: Member Case moved for approval of emergency rulemaking for Item 7a as published. The motion was seconded by Member Robison.

FOR THE MOTION: Vice-Chairman Armstrong, Member Bryant, Member Nuttle

BOARD MEMBERS ABSENT: Member McVay

MOTION: Member Robison moved for approval of emergency rulemaking for Item 7b.A-D as published. The motion was seconded by Member Bryant.

FOR THE MOTION: Vice Chairman, Armstrong, Member Case, Member Nuttle

BOARD MEMBERS ABSENT: Member McVay

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

Nancy Nesser, Pharmacy Director

- a) Consideration and vote to add **Blincyto® (Blinatumomab), Besponsa® (Inotuzumab Ozogamicin), Bosulif® (Bosutinib), Gleevec® (Imatinib), Iclusig® (Ponatinib), Kymriah™ (Tisagenlecleucel), Synribo® (Omacetaxine), Sprycel® (Dasatinib), and Tasiqna® (Nilotinib)** to the utilization and scope prior authorization program under OAC 317:30-5-77.2(e).
- b) Consideration and vote to add **Bavencio® (Avelumab)** to the utilization and scope prior authorization program under OAC 317:30-5-77.2(e).
- c) Consideration and vote to add **Haegarda® [C1 Esterase Inhibitor (Human)]** to the utilization and scope prior authorization program under OAC 317:30-5-77.2(e).
- d) Consideration and vote to add **Trulance™ (Plecanatide), Xermelo™ (Telotristat Ethyl), Symproic® (Naldemedine), and Motofen® (Difenoxin/Atropine)** to the utilization and scope prior authorization program under OAC 317:30-5-77.2(e).
- e) Consideration and vote to add **Promacta® (Eltrombopag)** to the utilization and scope prior authorization program under OAC 317:30-5-77.2(e).
- f) Consideration and vote to add **Odactra™ (House Dust Mite Allergen Extract)** to the utilization and scope prior authorization program under OAC 317:30-5-77.2(e).

MOTION: Member Case moved for approval of Item 8a-f as published. The motion was seconded by Member Robison

FOR THE MOTION: Vice-Chairman Armstrong, Member Bryant, Member Nuttle

BOARD MEMBERS ABSENT: Member McVay

ITEM 9 / CONSIDERATION AND VOTE UPON THE OKLAHOMA HEALTH CARE AUTHORITY BOARD MEETING DATES, TIMES AND LOCATION FOR CALENDAR YEAR 2018

MOTION: Member Nuttle moved for approval of Item 9 as published. The motion was seconded by Member Robison

FOR THE MOTION: Vice-Chairman Armstrong, Member Bryant, Member Case

BOARD MEMBERS ABSENT: Member McVay

ITEM 10 / NEW BUSINESS

There was no new business.

ITEM 11 / ADJOURNMENT

MOTION:

Member Robison moved for approval for adjournment. The motion was seconded by Member Nuttle

FOR THE MOTION:

Vice-Chairman Armstrong, Member Bryant, Member Case

BOARD MEMBERS ABSENT:

Member McVay

Meeting adjourned at 2:03 p.m., 12/1/2017

NEXT BOARD MEETING
January 11, 2018
Oklahoma Health Care Authority
Oklahoma City, OK

Martina Ordonez
Board Secretary

Minutes Approved: _____

Initials: _____

DRAFT

MINUTES OF A SPECIAL BOARD MEETING
OF THE HEALTH CARE AUTHORITY BOARD
December 29, 2017
Oklahoma Health Care Authority Boardroom
Oklahoma City, Oklahoma

Manner and Time of Notice of Meeting: A statutorily required public meeting notice was placed on the front door of the Oklahoma Health Care Authority on December 28, 2017 at 12:45 p.m. Advance public meeting notice was provided to the Oklahoma Secretary of State. In addition to the posting of the statutory public notice, the agency placed its agenda on its website on December 22, 2017 at 12:30 p.m.

Pursuant to a roll call of the members, a quorum was declared to be present, and Vice-Chairman Armstrong called the meeting to order at 1:00 p.m.

BOARD MEMBERS PRESENT: Vice-Chairman Armstrong, Member Bryant, Member Case, Member Robison, Member Yaffe

BOARD MEMBERS ABSENT: Member McVay, Member Nuttle

OTHERS PRESENT: Rick Snyder, OHA
Jennifer Wynn, OHCA
Carmen Johnson, OHCA
Lewis Robinson, OHCA
Rachel Buckles, OHCA
Meg Wingerter, The Oklahoman
Josh Bouye, OHCA

Daryn Kirkpatrick, OHCA
Tyler Talley, eCaP
Fred Mensah, OHCA
Gloria LaFitte, OHCA
Tasha Black, OHCA
Bill Baker, Compassionate Hands
Mark Hancock, Journal Record

ITEM 3 / CONSIDERATION AND VOTE UPON THE RECOMMENDATIONS OF THE STATE PLAN AMENDMENT RATE COMMITTEE

Carrie Evans, Chief Financial Officer

- a) Consideration and vote to rescind the 6.00% across-the-board rate reduction to SoonerCare providers that was approved to take effect on 1/1/2018. The proposed rescission excludes complex rehabilitation technology provider services, long-term care facilities, child abuse exams, non-emergency transportation, Insure Oklahoma, payments for drug ingredients, physician supplied drugs, services provided under a waiver, services paid for by other state agencies, services provided to Native Americans through Indian Health Services Indian/Tribal/Urban (ITU) Clinics, and private duty nursing, emergency transportation, FQHCs/RHCs, Choice Care Coordination, and Programs of All-inclusive Care for the Elderly (PACE). While this list of exclusions is fairly comprehensive it is not exhaustive. This list of exclusions was excluded from the across-the-board rate reductions that were approved to take effect on 1/1/2018. The estimated budget impact for the remainder of SFY 2018 will be an increase in the total amount of \$38,005,413; of which \$15,745,643 is state savings.

MOTION: Member Case moved for approval of Item 3a as published. The motion was seconded by Member Robison

FOR THE MOTION: Vice-Chairman Armstrong, Member Bryant, Member Yaffe

BOARD MEMBERS ABSENT: Member McVay, Member Nuttle

- b) Consideration and vote to rescind the payment methodology to pay 0% of the Medicare Part A and Part B coinsurance and deductible on crossover claims to nursing facilities that was approved to take effect on 1/1/2018. The proposed reinstatement is to pay 20% of Medicare Part A coinsurance and deductible, and 75% of Medicare Part B coinsurance and deductible on crossover claims to nursing facilities. The updated estimated budget impact for the remainder of SFY 2018 will be an increase in the total amount of \$2,936,027; of which \$1,216,396 is state savings.
- c) Consideration and vote to rescind the 1.00% rate reduction for Regular Nursing Facilities that was to go into effect on 1/1/2018. The reinstated Base Rate Component will be \$107.79 per patient day. The reinstated combined pool

amount for "Direct Care" and "Other" Component will be \$160,636,876. The estimated budget impact for the remainder of SFY 2018 will be an increase in the total amount of \$2,222,772; of which \$913,337 is state savings.

- d) Consideration and vote to rescind the 1.00% rate reduction for Regular (more than 16 beds) Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IID) providers that was to go into effect on 1/1/2018. The reinstated Base Rate Component will be \$122.77 per patient day. The estimated budget impact for the remainder of SFY 2018 will be an increase in the total amount of \$92,658; of which \$38,073 is state savings.
- e) Consideration and vote to rescind the 1.00% rate reduction for Acute (16 beds or less) Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IID) providers that was to go into effect on 1/1/2018. The reinstated Base Rate Component will be \$157.03 per patient day. The estimated budget impact for the remainder of SFY 2018 will be an increase in the total amount of \$164,572; of which \$67,623 is state savings.
- f) Consideration and vote to rescind the 1.00% rate reduction for services provided by Nursing Facilities for Individuals with Acquired Immune Deficiency Syndrome (AIDS) that was to go into effect on 1/1/2018. The reinstated Base Rate Component will be \$200.01 per patient day. The estimated budget impact for the remainder of SFY 2018 will be an increase in the total amount of \$6,574; of which \$2,701 is state savings.

MOTION: Member Robison moved for approval of Item 6f as published. The motion was seconded by Member Case

FOR THE MOTION: Vice-Chairman Armstrong, Member Bryant, Member Yaffe

BOARD MEMBERS ABSENT: Member McVay, Member Nuttle

ITEM 10 / NEW BUSINESS

There was no new business.

ITEM 11 / ADJOURNMENT

MOTION: Member Yaffe moved for approval for adjournment. The motion was seconded by Member Robison

FOR THE MOTION: Vice-Chairman Armstrong, Member Bryant, Member Case

BOARD MEMBERS ABSENT: Member McVay, Member Nuttle

Meeting adjourned at 1:09 p.m., 12/29/2017

NEXT BOARD MEETING
January 11, 2018
Oklahoma Health Care Authority
Oklahoma City, OK

Martina Ordonez
Board Secretary

Minutes Approved: _____

Initials: _____



FINANCIAL REPORT

For the Five Months Ended November 30, 2017
Submitted to the CEO & Board

- Revenues for OHCA through November, accounting for receivables, were **\$1,788,261,540** or **.3% over** budget.
- Expenditures for OHCA, accounting for encumbrances, were **\$1,754,125,540** or **.1% over** budget.
- The state dollar budget variance through November is a **positive \$2,060,688**.
- The budget variance is primarily attributable to the following (in millions):

Expenditures:	
Medicaid Program Variance	(2.9)
Administration	2.0
Revenues:	
Drug Rebate	(.1)
Taxes and Fees	2.7
Overpayments/Settlements	.4
Total FY 18 Variance	\$ 2.1

ATTACHMENTS

Summary of Revenue and Expenditures: OHCA	1
Medicaid Program Expenditures by Source of Funds	2
Other State Agencies Medicaid Payments	3
Fund 205: Supplemental Hospital Offset Payment Program Fund	4
Fund 230: Quality of Care Fund Summary	5
Fund 245: Health Employee and Economy Act Revolving Fund	6
Fund 250: Belle Maxine Hilliard Breast and Cervical Cancer Treatment Revolving Fund	7

OKLAHOMA HEALTH CARE AUTHORITY
Summary of Revenues & Expenditures: OHCA
SFY 2018, For the Five Month Period Ending November 30, 2017

REVENUES	FY18 Budget YTD	FY18 Actual YTD	Variance	% Over/ (Under)
State Appropriations	\$ 465,983,442	\$ 465,983,442	\$ -	0.0%
Federal Funds	984,976,168	986,131,877	1,155,710	0.1%
Tobacco Tax Collections	20,496,560	23,208,252	2,711,692	13.2%
Quality of Care Collections	32,764,925	32,716,427	(48,498)	(0.1)%
Prior Year Carryover	39,249,967	39,249,967	-	0.0%
Federal Deferral - Interest	110,617	110,617	-	0.0%
Drug Rebates	98,003,233	97,888,289	(114,944)	(0.1)%
Medical Refunds	13,702,808	14,658,114	955,306	7.0%
Supplemental Hospital Offset Payment Program	120,795,486	120,795,486	-	0.0%
Other Revenues	7,504,991	7,519,069	14,078	0.2%
TOTAL REVENUES	\$ 1,783,588,196	\$ 1,788,261,540	\$ 4,673,344	0.3%

EXPENDITURES	FY18 Budget YTD	FY18 Actual YTD	Variance	% (Over)/ Under
ADMINISTRATION - OPERATING	\$ 23,234,316	\$ 20,905,162	\$ 2,329,154	10.0%
ADMINISTRATION - CONTRACTS	\$ 42,960,715	\$ 41,185,036	\$ 1,775,679	4.1%
MEDICAID PROGRAMS				
<u>Managed Care:</u>				
SoonerCare Choice	19,212,841	18,239,264	973,577	5.1%
<u>Acute Fee for Service Payments:</u>				
Hospital Services	373,580,014	378,847,057	(5,267,043)	(1.4)%
Behavioral Health	8,478,525	8,793,029	(314,504)	(3.7)%
Physicians	165,855,879	165,018,998	836,881	0.5%
Dentists	53,273,177	55,103,181	(1,830,004)	(3.4)%
Other Practitioners	23,245,971	22,904,472	341,499	1.5%
Home Health Care	7,106,171	7,672,140	(565,969)	(8.0)%
Lab & Radiology	13,421,779	11,673,264	1,748,515	13.0%
Medical Supplies	20,932,162	21,152,923	(220,761)	(1.1)%
Ambulatory/Clinics	83,218,294	86,041,688	(2,823,394)	(3.4)%
Prescription Drugs	247,600,782	246,655,906	944,876	0.4%
OHCA Therapeutic Foster Care	5,000	751	4,249	0.0%
<u>Other Payments:</u>				
Nursing Facilities	232,021,486	231,879,537	141,949	0.1%
Intermediate Care Facilities for Individuals with Intellectual Disabilities Private	26,117,828	25,681,487	436,341	1.7%
Medicare Buy-In	72,090,331	72,482,031	(391,700)	(0.5)%
Transportation	27,347,167	27,239,457	107,710	0.4%
Money Follows the Person-OHCA	100,188	119,190	(19,002)	0.0%
Electronic Health Records-Incentive Payments	4,410,924	4,410,924	-	0.0%
Part D Phase-In Contribution	45,146,141	45,253,282	(107,142)	(0.2)%
Supplemental Hospital Offset Payment Program	257,655,663	257,655,663	-	0.0%
Telligen	4,408,150	5,211,100	(802,950)	(18.2)%
Total OHCA Medical Programs	1,685,228,472	1,692,035,342	(6,806,871)	(0.4)%
OHCA Non-Title XIX Medical Payments	89,382	-	89,382	0.0%
TOTAL OHCA	\$ 1,751,512,885	\$ 1,754,125,540	\$ (2,612,656)	(0.1)%

REVENUES OVER/(UNDER) EXPENDITURES	\$ 32,075,311	\$ 34,136,000	\$ 2,060,688	
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OKLAHOMA HEALTH CARE AUTHORITY
Total Medicaid Program Expenditures
by Source of State Funds
SFY 2018, For the Five Month Period Ending November 30, 2017

Category of Service	Total	Health Care Authority	Quality of Care Fund	HEEIA	SHOPP Fund	BCC Revolving Fund	Other State Agencies
SoonerCare Choice	\$ 18,292,892	\$ 18,234,044	\$ -	\$ 53,628	\$ -	\$ 5,219	\$ -
Inpatient Acute Care	513,499,791	249,801,635	202,786	1,402,405	194,360,989	309,986	67,421,991
Outpatient Acute Care	180,853,757	127,170,000	17,335	1,892,855	50,428,252	1,345,315	-
Behavioral Health - Inpatient	22,157,046	5,526,720	-	148,712	12,219,915	-	4,261,699
Behavioral Health - Psychiatrist	3,912,815	3,266,308	-	-	646,507	-	-
Behavioral Health - Outpatient	6,479,749	-	-	-	-	-	6,479,749
Behavioral Health-Health Home	21,400,560	-	-	-	-	-	21,400,560
Behavioral Health Facility- Rehab	103,693,827	-	-	-	-	29,145	103,693,827
Behavioral Health - Case Management	4,318,040	-	-	-	-	-	4,318,040
Behavioral Health - PRTF	24,559,717	-	-	-	-	-	24,559,717
Behavioral Health - CCBHC	21,126,799	-	-	-	-	-	21,126,799
Residential Behavioral Management	6,384,912	-	-	-	-	-	6,384,912
Targeted Case Management	26,799,051	-	-	-	-	-	26,799,051
Therapeutic Foster Care	751	751	-	-	-	-	-
Physicians	193,541,618	163,232,203	24,209	2,102,748	-	1,762,587	26,419,872
Dentists	55,120,595	55,097,913	-	17,414	-	5,268	-
Mid Level Practitioners	1,032,977	1,026,039	-	6,477	-	461	-
Other Practitioners	22,082,854	21,639,997	185,985	204,882	-	51,990	-
Home Health Care	7,673,345	7,670,411	-	1,205	-	1,729	-
Lab & Radiology	12,010,163	11,585,813	-	336,899	-	87,451	-
Medical Supplies	21,316,776	20,013,493	1,129,805	163,853	-	9,625	-
Clinic Services	87,050,005	83,031,814	-	545,232	-	75,036	3,397,923
Ambulatory Surgery Centers	3,007,749	2,931,066	-	72,911	-	3,773	-
Personal Care Services	4,833,811	-	-	-	-	-	4,833,811
Nursing Facilities	231,879,537	141,108,946	90,762,975	-	-	7,616	-
Transportation	27,247,768	26,170,988	977,769	49,185	-	49,827	-
GME/IME/DME	91,662,523	-	-	-	-	-	91,662,523
ICF/IID Private	25,681,487	20,945,646	4,735,841	-	-	-	-
ICF/IID Public	7,181,339	-	-	-	-	-	7,181,339
CMS Payments	117,735,313	117,440,765	294,548	-	-	-	-
Prescription Drugs	251,717,575	245,551,505	-	5,061,668	-	1,104,401	-
Miscellaneous Medical Payments	40,874	38,924	-	-	-	1,950	-
Home and Community Based Waiver	83,758,550	-	-	-	-	-	83,758,550
Homeward Bound Waiver	32,591,074	-	-	-	-	-	32,591,074
Money Follows the Person	119,190	119,190	-	-	-	-	-
In-Home Support Waiver	10,435,444	-	-	-	-	-	10,435,444
ADvantage Waiver	71,841,648	-	-	-	-	-	71,841,648
Family Planning/Family Planning Waiver	2,033,643	-	-	-	-	-	2,033,643
Premium Assistance*	23,969,285	-	-	23,969,285	-	-	-
Telligen	5,211,100	5,211,100	-	-	-	-	-
Electronic Health Records Incentive Payments	4,410,924	4,410,924	-	-	-	-	-
Total Medicaid Expenditures	\$ 2,348,666,873	\$ 1,331,226,195	\$ 98,331,252	\$ 36,029,359	\$ 257,655,663	\$ 4,851,378	\$ 620,602,171

* Includes \$23,803,688 paid out of Fund 245

OKLAHOMA HEALTH CARE AUTHORITY
Summary of Revenues & Expenditures:
Other State Agencies
SFY 2018, For the Five Month Period Ending November 30, 2017

REVENUE	FY18 Actual YTD
Revenues from Other State Agencies	\$ 270,627,514
Federal Funds	379,615,509
TOTAL REVENUES	\$ 650,243,023
EXPENDITURES	Actual YTD
Department of Human Services	
Home and Community Based Waiver	\$ 83,758,550
Money Follows the Person	-
Homeward Bound Waiver	32,591,074
In-Home Support Waivers	10,435,444
ADvantage Waiver	71,841,648
Intermediate Care Facilities for Individuals with Intellectual Disabilities Public	7,181,339
Personal Care	4,833,811
Residential Behavioral Management	3,645,838
Targeted Case Management	22,848,856
Total Department of Human Services	237,136,560
State Employees Physician Payment	
Physician Payments	26,419,872
Total State Employees Physician Payment	26,419,872
Education Payments	
Graduate Medical Education	50,325,348
Graduate Medical Education - Physicians Manpower Training Commission	4,171,737
Indirect Medical Education	34,013,202
Direct Medical Education	3,152,236
Total Education Payments	91,662,523
Office of Juvenile Affairs	
Targeted Case Management	961,202
Residential Behavioral Management	2,739,074
Total Office of Juvenile Affairs	3,700,276
Department of Mental Health	
Case Management	4,318,040
Inpatient Psychiatric Free-standing	4,261,699
Outpatient	6,479,749
Health Homes	21,400,560
Psychiatric Residential Treatment Facility	24,559,717
Certified Community Behavioral Health Clinics	21,126,799
Rehabilitation Centers	103,693,827
Total Department of Mental Health	185,840,392
State Department of Health	
Children's First	559,142
Sooner Start	1,935,911
Early Intervention	2,382,928
Early and Periodic Screening, Diagnosis, and Treatment Clinic	624,428
Family Planning	77,942
Family Planning Waiver	1,947,225
Maternity Clinic	2,226
Total Department of Health	7,529,803
County Health Departments	
EPSDT Clinic	319,355
Family Planning Waiver	8,476
Total County Health Departments	327,831
State Department of Education	28
Public Schools	46,894
Medicare DRG Limit	65,000,000
Native American Tribal Agreements	516,003
Department of Corrections	320,177
JD McCarty	2,101,814
Total OSA Medicaid Programs	\$ 620,602,171
OSA Non-Medicaid Programs	\$ 37,167,361
Accounts Receivable from OSA	\$ 7,526,510

OKLAHOMA HEALTH CARE AUTHORITY
SUMMARY OF REVENUES & EXPENDITURES:
Fund 205: Supplemental Hospital Offset Payment Program Fund
SFY 2018, For the Five Month Period Ending November 30, 2017

REVENUES	FY 18 Revenue
SHOPP Assessment Fee	\$ 120,717,805
Federal Draws	152,721,588
Interest	69,038
Penalties	8,643
State Appropriations	(15,100,000)
TOTAL REVENUES	\$ 258,417,074

EXPENDITURES	Quarter	Quarter	FY 18 Expenditures
Program Costs:	7/1/17 - 9/30/17	10/1/17 - 12/31/17	
Hospital - Inpatient Care	98,870,820	95,490,169	\$ 194,360,989
Hospital -Outpatient Care	25,537,046	24,891,206	50,428,252
Psychiatric Facilities-Inpatient	7,574,695	4,645,220	12,219,915
Rehabilitation Facilities-Inpatient	328,886	317,622	646,507
Total OHCA Program Costs	132,311,447	125,344,216	\$ 257,655,663

Total Expenditures	\$ 257,655,663
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CASH BALANCE	\$ 761,412
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OKLAHOMA HEALTH CARE AUTHORITY
SUMMARY OF REVENUES & EXPENDITURES:
Fund 230: Nursing Facility Quality of Care Fund
SFY 2018, For the Five Month Period Ending November 30, 2017

REVENUES	Total Revenue	State Share
Quality of Care Assessment	\$ 32,702,044	\$ 32,702,044
Interest Earned	14,383	14,383
TOTAL REVENUES	\$ 32,716,427	\$ 32,716,427

EXPENDITURES	FY 18 Total \$ YTD	FY 18 State \$ YTD	Total State \$ Cost
Program Costs			
Nursing Facility Rate Adjustment	\$ 89,219,978	\$ 36,232,233	
Eyeglasses and Dentures	114,117	46,343	
Personal Allowance Increase	1,428,880	580,268	
Coverage for Durable Medical Equipment and Supplies	1,129,805	458,814	
Coverage of Qualified Medicare Beneficiary	430,315	174,751	
Part D Phase-In	294,548	119,616	
ICF/IID Rate Adjustment	2,223,653	903,025	
Acute Services ICF/IID	2,512,188	1,020,200	
Non-emergency Transportation - Soonerride	977,769	397,072	
Total Program Costs	\$ 98,331,252	\$ 39,932,321	\$ 39,932,321
Administration			
OHCA Administration Costs	\$ 220,604	\$ 110,302	
DHS-Ombudsmen	-	-	
OSDH-Nursing Facility Inspectors	211,508	211,508	
Mike Fine, CPA	-	-	
Total Administration Costs	\$ 432,112	\$ 321,810	\$ 321,810
Total Quality of Care Fee Costs	\$ 98,763,363	\$ 40,254,131	
TOTAL STATE SHARE OF COSTS			\$ 40,254,131

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
SFY 2018, For the Five Month Period Ending November 30, 2017

REVENUES	FY 17 Carryover	FY 18 Revenue	Total Revenue
Prior Year Balance	\$ 7,673,082	\$ -	\$ 4,811,312
State Appropriations	(3,000,000)	-	-
Tobacco Tax Collections	-	19,088,249	19,088,249
Interest Income	-	65,797	65,797
Federal Draws	307,956	14,664,875	14,664,875
TOTAL REVENUES	\$ 4,981,038	\$ 33,818,920	\$ 38,630,232

EXPENDITURES	FY 17 Expenditures	FY 18 Expenditures	Total \$ YTD
Program Costs:			
Employer Sponsored Insurance		\$ 23,803,688	\$ 23,803,688
College Students/ESI Dental		165,597	67,249
Individual Plan			
SoonerCare Choice		\$ 51,840	\$ 21,052
Inpatient Hospital		1,373,918	557,948
Outpatient Hospital		1,869,068	759,029
BH - Inpatient Services-DRG		145,566	59,114
BH -Psychiatrist		-	-
Physicians		2,091,577	849,389
Dentists		16,279	6,611
Mid Level Practitioner		6,309	2,562
Other Practitioners		202,015	82,038
Home Health		1,205	489
Lab and Radiology		329,610	133,855
Medical Supplies		160,913	65,347
Clinic Services		532,729	216,341
Ambulatory Surgery Center		72,911	29,609
Prescription Drugs		4,986,836	2,025,154
Transportation		48,835	19,832
Premiums Collected		-	(272,048)
Total Individual Plan		\$ 11,889,611	\$ 4,556,323
College Students-Service Costs		\$ 170,463	\$ 69,225
Total OHCA Program Costs		\$ 36,029,359	\$ 28,496,485
Administrative Costs			
Salaries	\$ 40,359	\$ 910,323	\$ 950,682
Operating Costs	25,578	58,570	84,148
Health Dept-Postponing	-	-	-
Contract - HP	103,788	399,334	503,123
Total Administrative Costs	\$ 169,725	\$ 1,368,227	\$ 1,537,952
Total Expenditures			\$ 30,034,438
NET CASH BALANCE	\$ 4,811,312	\$	8,595,794

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

**Fund 250: Belle Maxine Hilliard Breast and Cervical Cancer Treatment Revolving Fund
SFY 2018, For the Five Month Period Ending November 30, 2017**

REVENUES	FY 18 Revenue	State Share
Tobacco Tax Collections	\$ 380,909	\$ 380,909
TOTAL REVENUES	\$ 380,909	\$ 380,909

EXPENDITURES	FY 18 Total \$ YTD	FY 18 State \$ YTD	Total State \$ Cost
Program Costs			
SoonerCare Choice	\$ 5,219	\$ 1,483	
Inpatient Hospital	309,986	\$ 88,098	
Outpatient Hospital	1,345,315	\$ 382,339	
Inpatient Services-DRG	-	\$ -	
Psychiatrist	-	\$ -	
TFC-OHCA	-	\$ -	
Nursing Facility	7,616	\$ 2,164	
Physicians	1,762,587	\$ 500,927	
Dentists	5,268	\$ 1,497	
Mid-level Practitioner	461	\$ 131	
Other Practitioners	51,990	\$ 14,775	
Home Health	1,729	\$ 491	
Lab & Radiology	87,451	\$ 24,854	
Medical Supplies	9,625	\$ 2,735	
Clinic Services	75,036	\$ 21,325	
Ambulatory Surgery Center	3,773	\$ 1,072	
Prescription Drugs	1,104,401	\$ 313,871	
Transportation	49,827	\$ 14,161	
Miscellaneous Medical	1,950	\$ 554	
Total OHCA Program Costs	\$ 4,822,233	\$ 1,370,479	
OSA DMHSAS Rehab	\$ 29,145	\$ 8,242	
Total Medicaid Program Costs	\$ 4,851,378	\$ 1,378,721	
TOTAL STATE SHARE OF COSTS			\$ 1,378,721

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.

OHCA Board Meeting January 11, 2018 (November 2017 Data)

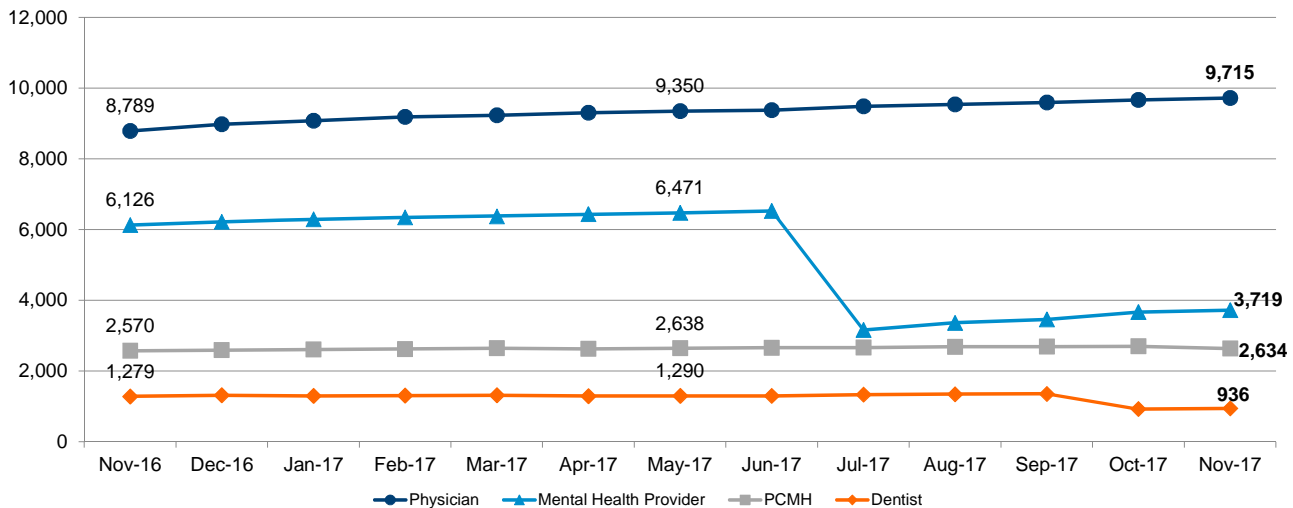
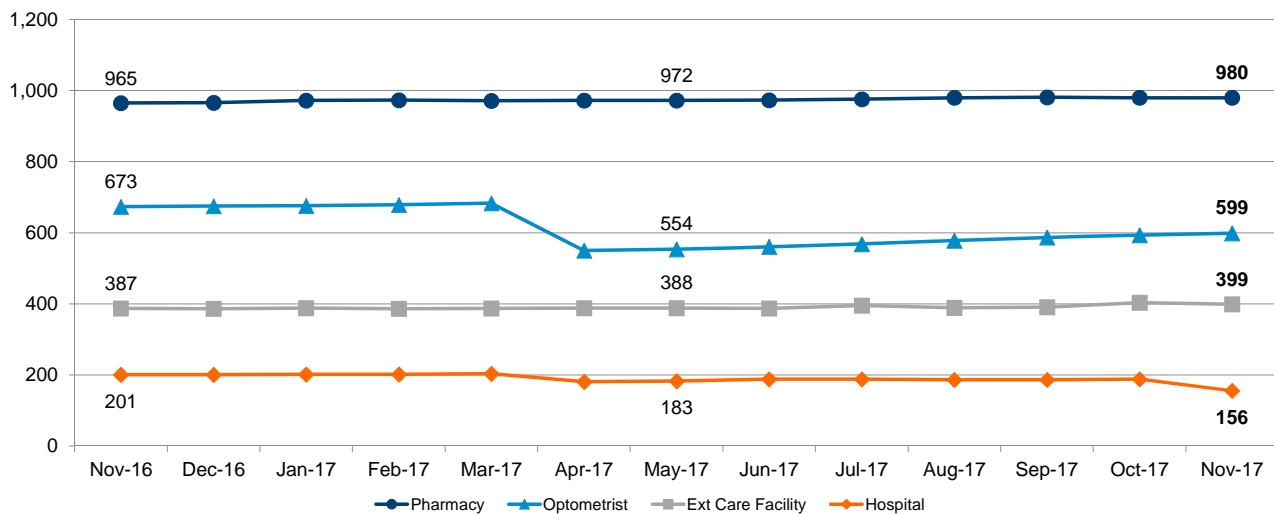
SOONERCARE ENROLLMENT/EXPENDITURES

Delivery System		Enrollment November 2017	Children November 2017	Adults November 2017	Enrollment Change	Total Expenditures November	PMPM November 2017	Forecasted Nov 2017 Trend PMPM
SoonerCare Choice Patient-Centered Medical Home		538,365	444,045	94,320	-652	\$185,793,449		
Lower Cost	<i>(Children/Parents; Other)</i>	493,849	429,836	64,013	-806	\$135,420,085	\$274	\$232
Higher Cost	<i>(Aged, Blind or Disabled; TEFFRA; BCC)</i>	44,516	14,209	30,307	154	\$50,373,363	\$1,132	\$1,059
SoonerCare Traditional		237,120	89,005	148,115	2,017	\$205,007,651		
Lower Cost	<i>(Children/Parents; Other; Q1; SLMB)</i>	121,522	84,010	37,512	1,824	\$46,951,816	\$386	\$433
Higher Cost	<i>(Aged, Blind or Disabled; LTC; TEFFRA; BCC & HCBS Waiver)</i>	115,598	4,995	110,603	193	\$158,055,836	\$1,367	\$1,231
SoonerPlan		32,325	2,685	29,640	178	\$321,685	\$10	\$10
Insure Oklahoma		19,587	490	19,097	216	\$7,913,197		
Employer-Sponsored Insurance		14,351	301	14,050	175	\$5,028,543	\$350	\$345
Individual Plan		5,236	189	5,047	41	\$2,884,654	\$551	\$467
TOTAL		827,397	536,225	291,172	1,759	\$399,035,983		

Enrollment totals include all members enrolled during the report month. Members may not have expenditure data. Children are members aged 0 - 20 or for Insure Oklahoma enrolled as Students or Dependents. Dual Eligibles (Medicare & Medicaid) are in the Traditional delivery system in both the Low Cost (Q1 & SLMB) and High Cost (ABD) groups. OTHER includes DDSD, PKU, Q1, Refugee, SLMB, STBS and TB.

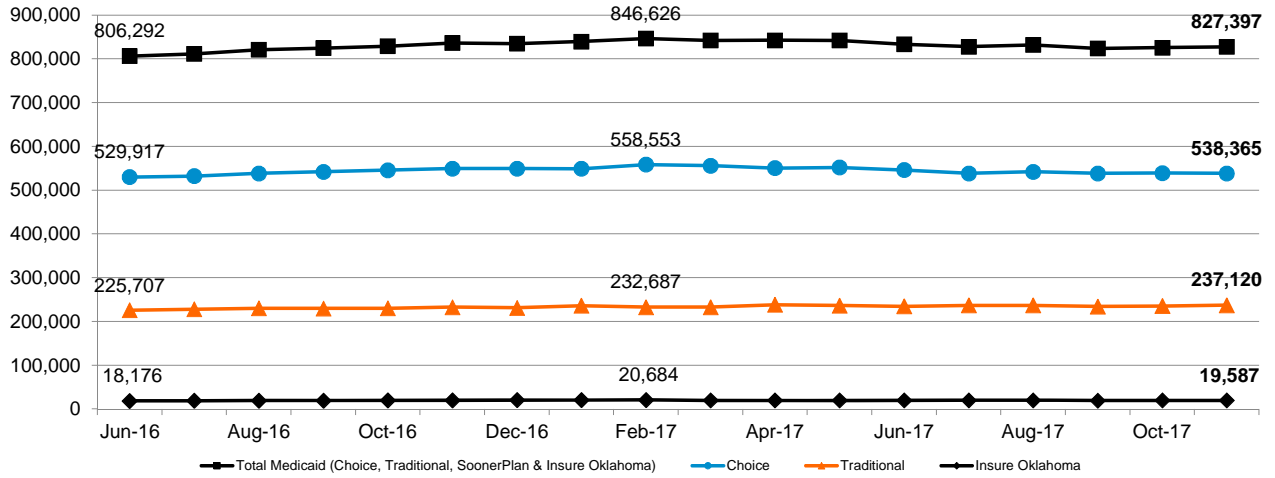
IN-STATE CONTRACTED PROVIDERS

Total In-State Providers: 32,262 (+229) (In-State Providers counted multiple times due to multiple locations, programs, types, and specialties)

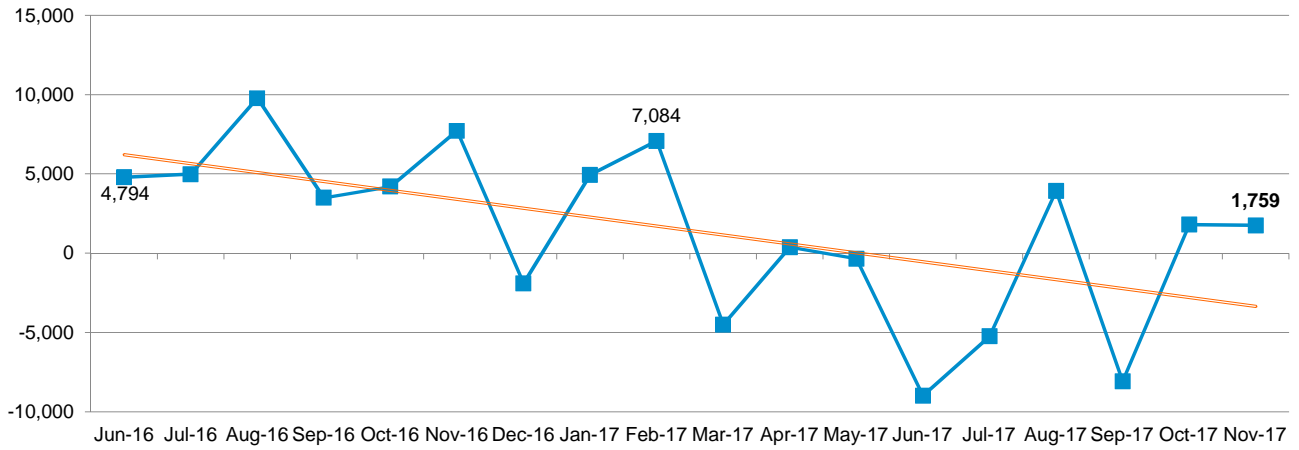


*In general, decreases are due to contract renewal. Decrease during contract renewal period is typical during all renewal periods. Hospital decrease in November 2017 is due to psychiatric hospitals and residential treatment centers changing from provider type hospital to provider type inpatient psychiatric facility.

ENROLLMENT BY MONTH



MONTHLY CHANGE IN ENROLLMENT



Report for Jan. 11, 2018

2nd Extraordinary Session of the 56th Legislature

Governor Fallin called for a second special session to convene Dec. 18, 2017, for the Legislature to address the Oklahoma Health Care Authority's (OHCA) and Department of Human Services' (DHS) budget issues. The following bills were passed during the second special session and signed by the Governor:

- **Senate Bill 1**, appropriates \$17.7 million to OHCA from the General Revenue Fund.
- **Senate Bill 2**, appropriates \$26.5 million to DHS from the General Revenue Fund.

The additional funding is expected to allow OHCA to operate at current levels through April. The legislature is expected to return to special session to address revenue raising measures.

2nd Regular Session of the 56th Legislature

The second regular session of the 56th legislature is set to convene Feb. 5, 2018. Bills are beginning to be filed to meet the Jan. 18 filing deadline. The OHCA government relations team will track and monitor bills of interest to the agency and its employees. A preliminary list of direct impact bills is included in the board packet; however, this list will change and grow over the next week as more bills are filed.

Senate Bill 773 Report

Senate Bill 773, which was passed during the last legislative session, directed OHCA to issue a request for information (RFI) for care coordination models to serve children in state custody. The legislation directed OHCA to collaborate with DHS and the Oklahoma Department of Mental Health and Substance Abuse Services (ODMHSAS) and submit findings to the Legislature and Governor by Jan. 1, 2018. An interagency workgroup was established to develop the RFI. The report was delivered Dec. 28, 2017. A summary is included in the board packet. The full 257-page report can be found on OHCA's website.

Children's Health Insurance Program

Congress provided temporary funding on Dec. 21 through a continuing resolution for the Children's Health Insurance Program (CHIP), which expired Sept. 30, 2017. \$2.85 billion was provided to the CHIP program nationwide for operations between Oct. 1, 2017, and March 31, 2018. A change in the methodology used to redistribute funds was also made. In Oklahoma, this CHIP funding will allow the program to operate at current levels through March. However, some states may run out of funding by Jan. 19, according to the Centers for Medicare & Medicaid Services.



Submitted to the C.E.O. and Board on November 9, 2017
AUTHORITY FOR EXPENDITURE OF FUNDS

Mandatory Statewide Non-Emergency Transportation Services

BACKGROUND

Pursuant to 42 Code of Federal Regulations (CFR) 431.53, OHCA is responsible for assuring that necessary transportation is available to all SoonerCare members in the most cost efficient and effective manner. OHCA's approach has been to contract directly with a contractor who takes responsibility for subcontracting with transportation providers, managing the utilization of transportation services, and making reservations for members. The contract is a risk-based managed care contract where the vendor is paid on a per member per month basis.

SCOPE OF WORK

- Contractor ensures safe, reliable and efficient "curb to curb" transportation for all SoonerRide members to medical appointments and other medically necessary services, including accommodation for members with physical and intellectual disabilities.
- Transportation methods may include van service, stretcher service, taxi, volunteer drivers, public bus, and mileage reimbursement.
- Contractor must provide transportation to all areas of the State, including remote and underserved areas.
- Contractor manages a member-friendly and accessible reservation system, which may include telephone and web service.

CONTRACT PERIOD

July 1, 2018 through June 30, 2024

CONTRACT AMOUNT AND PROCUREMENT METHOD

- Awarded through competitive bidding conducted by OHCA or OMES
- Federal matching percentage for program expenditures (currently 58.57%)
- State and federal spending combined not to exceed \$30 million total for SFY'19; not to exceed \$180 million total over the six-year contract.

RECOMMENDATION

- Board approval to expend funds for the services discussed above



Submitted to the C.E.O. and Board on January 11, 2018
AUTHORITY FOR EXPENDITURE OF FUNDS

Health Management Program (HMP)

BACKGROUND

Under the Oklahoma Medicaid Reform Act of 2006, the Legislature directed OHCA to develop and implement a management program to address the health needs of chronically ill SoonerCare members while reducing unnecessary medical expenditures. Since 2008, OHCA has operated the HMP which contracts with an independent vendor to provide comprehensive care coordination for identified SoonerCare members with or at risk of developing a chronic condition through specially trained registered nurse health coaches and practice facilitation. Telephonic health coaches and face-to-face health coaches embedded at designated Primary Care Practice sites provide education, self-management skills training, and access to community resources in order for the patient to better manage their health. Practice Facilitators assist providers and staff with improving care delivery related to chronic disease through quality improvement projects, decision support technology, and practice redesign to develop an empowered practice team able to provide high quality patient-centered care for persons with chronic conditions.

In 2016, the HMP contract was amended to add the SoonerCare Pain Management Program, which utilizes the practice facilitation model to equip SoonerCare providers with knowledge and skills to appropriately treat members with chronic pain.

OHCA's independent program evaluator reports "...aggregate savings across the two program components now stands at nearly \$72 million even after factoring in administrative costs. From a return on investment perspective, the HMP has generated nearly three dollars in net medical savings for every dollar of administrative expenditures."

The current vendor contract for the HMP, with Telligen, expires on June 30, 2018. In order for the HMP to continue to support the agency's care coordination efforts for chronically ill SoonerCare Choice members, practice facilitation and the pain management program, we are requesting a 12 month contract extension to maintain current HMP operations.

SCOPE OF WORK

The HMP will:

- Improve the health outcomes and reduce the medical costs of the population served through health coaching;
- Encourage and enable members to better self-manage their own health;
- Improve the effectiveness of providers in caring for members with chronic disease and/or chronic pain through practice facilitation; and
- Serve all areas of the State.

CONTRACT EXTENSION PERIOD

July 1, 2018 through June 30, 2019

CONTRACT AMOUNT AND PROCUREMENT METHOD

- Awarded through competitive bidding conducted by OHCA
- Federal FMAP matching percentage for FY19 is 61.43%
- \$10,579,560.00 is currently confirmed in base budget for FY 19
- Requesting new dollars not to exceed \$367,380.00
 - \$141,698 new state dollars and \$225,682 new federal dollars
- State and federal funds will not exceed \$10,946,940.00 in FY 19 and will not exceed \$59 million for the total five year contract with twelve month contract extension

RECOMMENDATION

- Board approval to expend funds for the services discussed above

Submitted to the C.E.O. and Board on January 11, 2018
AUTHORITY FOR EXPENDITURE OF FUNDS
Focus on Excellence - Nursing Facility Surveys

BACKGROUND

The Focus on Excellence program, authorized by 56 Okla. Stat. 1011.5, is designed to enrich a nursing facility's overall quality of care. The purpose is to allow nursing facilities the opportunity to achieve above and beyond the standard level of care already being provided. The program began July 1, 2007 as a result of The Medicaid Reform Act of 2006.

House Bill 2778, passed in 2010, required refinements to the incentive reimbursement rate plan to ensure transparency and integrity. Data collected under this RFP is incorporated into "star" ratings for facilities meeting pre-determined levels of total score for the quality measures. The star ratings become the public's tool to identify which areas may be important and significant to the family or consumer.

OHCA began the surveys in SFY 2012. As of State Fiscal Year 2018, an estimated 25,000 participants are completing surveys in Long Term Care (LTC) in 295 licensed facilities with approximately 2500 staff.

SCOPE OF WORK

- Select, modify or design survey instruments for residents and employees of nursing facilities;
- Administer the surveys annually to approximately 25,000 individuals in 295 facilities;
- Compile and report the survey results to OHCA, providing expertise in the analysis of data anomalies;
- Develop a secure, on-line survey instrument for future use by facility employees (optional).

CONTRACT PERIOD

July 1, 2018 through June 30, 2025

CONTRACT AMOUNT AND PROCUREMENT METHOD

- Will be awarded through competitive bidding conducted by OHCA or OMES
- Federal matching percentage for these expenditures is 50%
- Estimated contract amounts (state and federal share):
 - FY19 \$125,000
 - FY20 \$125,000
 - FY21 \$125,000
 - FY22 \$125,000
 - FY23 \$125,000
 - FY24 \$125,000
 - FY25 \$125,000

RECOMMENDATION

- Board approval to procure the services discussed above

Drug	Used for	Cost	Notes
Mavyret	Hepatitis C	\$53,276/12 weeks	Used for all types of Hep C
Vosevi	Hepatitis C	\$74,760/12 weeks	Used after previous treatment
Baxdela	Antibiotic	\$1900-\$3700/14 days	
Ofloxacin	Antibiotic	\$175/10 days	Similar available for \$20
Minolira	Antibiotic	Not yet known	Generic available
Solosec	Antibiotic	Not yet known	
Vabomere	Antibiotic	\$13,860/10 days	
Duzallo	Gout	\$375/month	



Recommendation 1: Prior Authorize Mavyret™ (Glecaprevir/ Pibrentasvir) and Vosevi® (Sofosbuvir/Velpatasvir/Voxilaprevir)

The Drug Utilization Review Board recommends the following:

1. The prior authorization of Mavyret™ (glecaprevir/pibrentasvir) and Vosevi® (sofosbuvir/velpatasvir/voxilaprevir) with criteria similar to the other prior authorized hepatitis C medications.
2. Adding the following criteria to all prior authorized hepatitis C medications regarding short life expectancy in accordance with the hepatitis C treatment guidelines: Member must not have a limited life expectancy (less than 12 months) that cannot be remediated by treating hepatitis C virus (HCV), liver transplantation, or another directed therapy.

Mavyret™ (Glecaprevir/Pibrentasvir) Approval Criteria:

1. Member must be 18 years of age or older; and
2. An FDA approved diagnosis of Chronic Hepatitis C (CHC) genotype 1, genotype 2, genotype 3, genotype 4, genotype 5, or genotype 6; and
3. Member must have a METAVIR fibrosis score of F1 or greater or equivalent scoring with an alternative test. Fibrosis testing type and scoring must be indicated on prior authorization request (members with a fibrosis score of F0 will be eligible for approval January 1, 2018); and
4. Mavyret™ must be prescribed by a gastroenterologist, infectious disease specialist, or transplant specialist or the member must have been evaluated for hepatitis C treatment by a gastroenterologist, infectious disease specialist, or transplant specialist within the last three months; and
5. Hepatitis C Virus (HCV) genotype testing must be confirmed and indicated on the prior authorization request; and
6. Pre-treatment viral load (HCV-RNA) must be confirmed and indicated on the petition. Viral load should have been taken within the last three months; and
7. The following regimens and requirements based on cirrhosis status, viral genotype, and treatment history will apply (new regimens will apply as approved by the FDA):

Genotype	Prior Treatment Experience	No Cirrhosis	Compensated Cirrhosis
1, 2, 3, 4, 5, or 6	Treatment Naïve	8 weeks	12 weeks

1	NS5A w/o NS3/4A PI	16 weeks	16 weeks
1	NS3/4A PI w/o NS5A	12 weeks	12 weeks
1, 2, 4, 5, or 6	PRS	8 weeks	12 weeks
3	PRS	16 weeks	16 weeks

w/o = without; PI = protease inhibitor; PRS = pegylated interferon, ribavirin, and/or sofosbuvir

Examples of NS5A inhibitors include: daclatasvir, elbasvir, ledipasvir, ombitasvir, pibrentasvir, velpatasvir

Examples of NS3/4A PIs include: boceprevir, glecaprevir, grazoprevir, paritaprevir, simeprevir, telaprevir, voxilaprevir

8. Member must sign and submit the Hepatitis C Intent to Treat contract; and
9. Member's pharmacy must submit the Hepatitis C Therapy Pharmacy Agreement for each member on therapy; and
10. The prescriber must verify that they will provide SoonerCare with all necessary labs to evaluate hepatitis C therapy efficacy including Sustained Virologic Response (SVR-12); and
11. Prescriber must agree to counsel members on the potential harms of illicit IV drug use or alcohol use and member must agree to no illicit IV drug use or alcohol use while on treatment and post-therapy; and
12. Must have documentation of initiation of immunization with the hepatitis A and B vaccines; and
13. Member must not have decompensated cirrhosis or moderate or severe hepatic impairment (Child-Pugh B or C); and
14. Member must not have a limited life expectancy (less than 12 months) that cannot be remediated by treating HCV, liver transplantation, or another directed therapy; and
15. Female members must not be pregnant and must have a pregnancy test immediately prior to therapy initiation. Male and female members must be willing to use two forms of non-hormonal birth control while on therapy; and
16. Member must not be taking the following medications: carbamazepine, rifampin, ethinyl estradiol-containing medications, St. John's wort, atazanavir, darunavir, lopinavir, ritonavir, efavirenz, atorvastatin, lovastatin, simvastatin, rosuvastatin doses greater than 10mg per day, cyclosporine doses greater than 100mg per day; and
17. All other clinically significant issues must be addressed prior to starting therapy including but not limited to the following: neutropenia, anemia, thrombocytopenia, surgery, depression, psychosis, epilepsy, obesity, weight-management, severe concurrent medical diseases, such as but not limited to, retinal disease, or autoimmune thyroid disease; and
18. Prescribing physician must verify that they will work with the member to ensure the member remains adherent to hepatitis C therapies; and
19. Approval of the 8-week carton (in place of the 4-week carton) requires a patient-specific, clinically significant reason why the member requires the 8-week carton in place of the 4-week carton; and

20. Members must be adherent for continued approval. Treatment gaps of therapy longer than 3 days/month will result in denial of subsequent requests for continued therapy; and
21. Approvals for treatment regimen initiation for 8 or 12 weeks of therapy will not be granted prior to the 10th of a month, and for 16 weeks of therapy prior to the 15th of a month in order to prevent prescription limit issues from affecting the member's compliance.

Vosevi® (Sofosbuvir/Velpatasvir/Voxilaprevir) Approval Criteria:

1. Member must be 18 years of age or older; and
2. An FDA approved diagnosis of Chronic Hepatitis C (CHC) genotype 1, genotype 2, genotype 3, genotype 4, genotype 5, or genotype 6; and
3. Member must have a METAVIR fibrosis score of F1 or greater or equivalent scoring with an alternative test. Fibrosis testing type and scoring must be indicated on prior authorization request (members with a fibrosis score of F0 will be eligible for approval January 1, 2018); and
4. Vosevi® must be prescribed by a gastroenterologist, infectious disease specialist, or transplant specialist or the member must have been evaluated for hepatitis C treatment by a gastroenterologist, infectious disease specialist, or transplant specialist within the last three months; and
5. Hepatitis C Virus (HCV) genotype testing must be confirmed and indicated on the prior authorization request; and
6. Pre-treatment viral load (HCV-RNA) must be confirmed and indicated on the petition. Viral load should have been taken within the last three months; and
7. The following regimens and requirements based on treatment history will apply:
 - a. Adult patients without cirrhosis or with compensated cirrhosis (Child-Pugh A):
 - i. Genotype 1, 2, 3, 4, 5, or 6 patients who were previously treated with an HCV regimen containing an NS5A inhibitor (e.g., daclatasvir, elbasvir, ledipasvir, ombitasvir, velpatasvir): Vosevi® for 12 weeks; or
 - ii. Genotype 1a or 3 patients who were previously treated with an HCV regimen containing sofosbuvir without an NS5A inhibitor: Vosevi® for 12 weeks; or
 - b. New regimens will apply as approved by the FDA; and
8. Member must sign and submit the Hepatitis C Intent to Treat contract; and
9. Member's pharmacy must submit the Hepatitis C Therapy Pharmacy Agreement for each member on therapy; and
10. The prescriber must verify that they will provide SoonerCare with all necessary labs to evaluate hepatitis C therapy efficacy including Sustained Virologic Response (SVR-12); and

11. Prescriber must agree to counsel members on the potential harms of illicit IV drug use or alcohol use and member must agree to no illicit IV drug use or alcohol use while on treatment and post-therapy; and
12. Must have documentation of initiation of immunization with the hepatitis A and B vaccines; and
13. Member must not have decompensated cirrhosis or moderate or severe hepatic impairment (Child-Pugh B or C); and
14. Member must not have a limited life expectancy (less than 12 months) that cannot be remediated by treating HCV, liver transplantation, or another directed therapy; and
15. Member must not have severe renal impairment [estimated Glomerular Filtration Rate (eGFR) <30mL/min/1.73m²]; and
16. Female members must not be pregnant and must have a pregnancy test immediately prior to therapy initiation. Male and female members must be willing to use two forms of non-hormonal birth control while on therapy; and
17. Member must not be taking the following medications: H₂-receptor antagonists at doses greater than 40mg famotidine twice daily equivalent, omeprazole doses greater than 20mg daily or other proton pump inhibitors, amiodarone, carbamazepine, eslicarbazepine, phenytoin, phenobarbital, oxcarbazepine, rifampin, rifabutin, rifapentine, atazanavir, lopinavir, tipranavir/ritonavir, efavirenz, St. John's wort, pravastatin doses greater than 40mg daily, rosuvastatin, pitavastatin, cyclosporine, methotrexate, mitoxantrone, imatinib, irinotecan, lapatinib, sulfasalazine, topotecan; and
18. If member is using antacids they must agree to separate antacid and Vosevi[®] administration by four hours; and
19. All other clinically significant issues must be addressed prior to starting therapy including but not limited to the following: neutropenia, anemia, thrombocytopenia, surgery, depression, psychosis, epilepsy, obesity, weight-management, severe concurrent medical diseases, such as but not limited to, retinal disease, or autoimmune thyroid disease; and
20. Prescribing physician must verify that they will work with the member to ensure the member remains adherent to hepatitis C therapies; and
21. Members must be adherent for continued approval. Treatment gaps of therapy longer than 3 days/month will result in denial of subsequent requests for continued therapy; and
22. Approvals for treatment regimen initiation for 12 weeks of therapy will not be granted prior to the 10th of a month in order to prevent prescription limit issues from affecting the member's compliance.

Recommendation 2: Prior Authorize Baxdela™ (Delafloxacin Injection and Tablets), Ofloxacin 300mg Tablets, Minolira™ (Minocycline Extended-Release Tablets), Solosec™ (Secnidazole Oral Granules), and Vabomere™ (Meropenem/Vaborbactam Injection)

The Drug Utilization Review Board recommends the prior authorization of Baxdela™ (delafloxacin injection and tablets), Solosec™ (secnidazole oral granules), and Vabomere™ (meropenem/vaborbactam injection) with the following criteria:

Baxdela™ (Delafloxacin Injection and Tablets) Approval Criteria:

1. An FDA approved diagnosis of acute bacterial skin and skin structure infections (ABSSSI) caused by designated susceptible bacteria; and
2. A patient-specific, clinically significant reason why the member cannot use vancomycin, linezolid, doxycycline, trimethoprim/sulfamethoxazole, or other cost effective therapeutic equivalent alternative(s).
3. Approval quantity will be based on Baxdela™ prescribing information and FDA approved dosing regimen(s).
 - a. For Baxdela™ vials, an initial quantity limit of 6 vials for a 3-day supply will apply. Continued authorization will require a patient-specific, clinically significant reason why the member cannot switch to the oral tablets for the remainder of therapy.

Solosec™ (Secnidazole Oral Granules) Approval Criteria:

1. An FDA approved diagnosis of bacterial vaginosis; and
2. A patient-specific, clinically significant reason why the member cannot use metronidazole, tinidazole, or other cost effective therapeutic equivalent alternative(s).
3. A quantity limit of 1 packet per 30 days will apply.

Vabomere™ (Meropenem/Vaborbactam Injection) Approval Criteria:

1. An FDA approved diagnosis of complicated urinary tract infection (cUTI) or pyelonephritis; and
2. A patient-specific, clinically significant reason why the member cannot use piperacillin/tazobactam or other cost effective therapeutic equivalent alternative(s).
3. Approval quantity will be based on Vabomere™ prescribing information and FDA approved dosing regimen(s).

The Drug Utilization Review Board also recommends the following changes to the Various Systemic Antibiotic Medications Prior Authorization category:

1. Add cephalexin 250mg tablets to the Antibiotic Special Formulation category based on net cost. Current special formulation criteria will apply.
2. Add Minolira™ (minocycline hydrochloride ER tablets) to the Antibiotic Special Formulation category. Current special formulation criteria will apply.
3. Add ofloxacin 300mg tablets with criteria similar to ofloxacin 400mg tablets and moxifloxacin prior authorization criteria based on net cost. Current criteria will apply.
4. Add Sivextro® (tedizolid) vial formulation with criteria similar to Sivextro® tablet formulation based on net cost. Current criteria will apply.

Recommendation 3: Prior Authorize Duzallo® (Lesinurad/Allopurinol)

The Drug Utilization Review Board recommends the prior authorization of Duzallo® (lesinurad/allopurinol) with criteria similar to Zurampic® (lesinurad):

Duzallo® (Lesinurad/Allopurinol) Approval Criteria:

1. Member must be 18 years of age or older; and

2. An FDA approved indication for the treatment of symptomatic hyperuricemia associated with gout in patients who have not achieved target serum uric acid (sUA) levels with a medically appropriate daily dose of allopurinol alone; and
3. Failure of allopurinol or febuxostat alone defined by serum urate levels greater than 6.0mg/dL; and
4. Prior to starting treatment with Duzallo[®], member must be on at least 300mg of allopurinol daily, unless creatinine clearance (CrCl) is less than 60mL/min then 200mg daily is required. Duzallo[®] 200mg/200mg will only be approved for members with a CrCl less than 60mL/min; and
5. Prescriber must verify that member has a CrCl greater than 45mL/min prior to initiating treatment. For continued approval, prescriber must verify CrCl is greater than 45mL/min and serum creatinine is not greater than two times baseline when Duzallo[®] was initiated; and
6. Prescriber must document member has no contraindications for use of Duzallo[®] including any of the following: Tumor lysis syndrome or Lesch-Nyhan syndrome, severe renal impairment (CrCl less than 30mL/min), end-stage renal disease, kidney transplant recipients, or patients on dialysis.
7. A quantity limit of one tablet daily will apply.