

Program Strengths and Areas for Continuing Improvement: An Evaluation of Oklahoma's SoonerCare Acute Care Program

Oklahoma Health Care Authority
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Executive Summary

In February 2013, the Oklahoma Health Care Authority (OHCA) contracted with Leavitt Partners to evaluate its current Medicaid program and to make recommendations on how to optimize access and quality of health care in the State. This report addresses the first component of the contract, evaluating SoonerCare's acute care program. Leavitt Partners recommendation for optimizing health care access and quality is provided in a companion report, "Covering the Low-Income, Uninsured in Oklahoma: Recommendations for a Medicaid Demonstration Proposal."

Leavitt Partners used a two-fold approach in its evaluation of the SoonerCare program. It first reviewed the State's current Medicaid program, gathering multiple perspectives of the program and its processes in order to gain an understanding of the social, political, and financial environment in which the program operates. As part of this review, Leavitt Partners performed an extensive environmental scan of SoonerCare by both reviewing publicly available documents and interviewing stakeholders to discuss the program and gain external perspectives on specific issues.

The second part of Leavitt Partners approach consisted of reviewing pertinent administrative data, including State Plans, waivers, cost data, legislation, and information gathered through requests made to OHCA and other state agencies. In order to better understand and provide perspective on particular findings from this review, Leavitt Partners gathered information from comparison states and performed additional background research on specific issues related to the Oklahoma program.

After compiling, organizing, and analyzing this information, Leavitt Partners developed its conclusions. Many exemplary characteristics of SoonerCare were found in Leavitt Partners review of the program, as well as some areas of concern. These findings are briefly outlined below and are discussed in further detail in the full report.

Program Strengths

- **Feedback Mechanisms, Program Evaluation, and Suggestion Response.** A common theme heard from interviewees was an appreciation for OHCA's willingness to receive feedback as well as act on suggestions. While there are some concerns related to the number of advisory committees, the breadth of these committees—coupled with OHCA's use of evaluation tools—is indicative of the program's willingness to obtain outside advice and feedback.

- **On-line Application and Enrollment Processes.** OHCA has aggressively worked to implement and disseminate a state-of-the-art, direct-entry, on-line application process. The process is well-accepted, appreciated, and utilized by recipients and partner agencies.
- **Professionalism/Expertise of Staff.** As noted in previous evaluations, the OHCA staff has a significant depth of experience in administering all major aspects of the program. For a program with the complexity and importance of Medicaid, this experience is imperative to maintain.
- **Medical Home Model.** With the termination of SoonerCare Plus, the State decided to enhance SoonerCare Choice, its Primary Care Case Management (PCCM) program. Since then OHCA has continued to evolve and improve its model of care, providing a solid framework for other states in how to design, implement, manage, and improve care coordination.
- **Provider Reimbursements.** Provider reimbursement rates are viewed by stakeholders as adequate and often described as some of the better Medicaid rates in the country. This has helped the program retain a robust network of Medicaid providers.
- **Cost Control.** A comparison of overall program costs to national costs and costs from select states reveals that over the past 20 years, Oklahoma’s program has been growing at a rate comparable to other state Medicaid programs. Administrative costs also appear to be well controlled—providing an indication that Oklahoma’s Medicaid program is efficiently run.
- **Program Accuracy.** A review of the federal Payment Error Rate Measurement (PERM) indicates OHCA is achieving positive results in terms of program accuracy—even with modest administrative program costs.
- **Insure Oklahoma.** The Insure Oklahoma (IO) premium support program is universally seen as a positive addition to the SoonerCare program. IO is credited with providing coverage to thousands of individuals who would otherwise have remained uninsured, and helping small businesses provide coverage when it would have otherwise been cost prohibitive.

Areas for Continuing Improvement

- **OHCA Board and Advisory Committees.** Interviewees suggested increasing communication between the advisory committees and the Board. They also suggested that the State consider consolidating the number of committees.
- **HEDIS, CAHPS, ECHO.** While the quality data collected by OHCA show many positive results, there are some outcomes that indicate areas needing improvement. In addition, OHCA’s HEDIS outcomes are not audited, making it difficult to compare the results to commercial plans in the State, other Medicaid programs, and national results. OHCA also only reports on a portion of available HEDIS measures.

- **Payment Performance Incentives.** Some of the incentives used in the current medical home model focus primarily on specific processes, which may not necessarily translate to improved health outcomes. As such, the incentive program could be broadened to address specific issues, such as health improvements that require a community-wide effort.
- **Shift of Behavioral Health Responsibilities.** Behavioral health is a critical component of state Medicaid programs. Given the expertise that resides in the Oklahoma Department of Mental Health and Substance Abuse Services (DMHSAS), OHCA could benefit from strengthening its existing working relationship with this organization.
- **Provider Capacity (Access).** OHCA believes there is generally adequate access to Medicaid primary care providers (both currently and for future enrollment growth); yet, others in the community have indicated that there are serious access issues. Given these different perspectives, it is recommended that OHCA continue to meet with the Department of Health, Oklahoma State University, and others to determine how best to reconcile the differences.
- **Evolving and Competing Delivery System Models.** One concern with the current delivery system is the lack of competing models. Several interviewees mentioned that it may be worthwhile to explore reintroducing commercial managed care organizations (MCOs) as an option for program enrollees. Leavitt Partners agrees that further study and community discussion about the feasibility of such a change would be beneficial to OHCA.

Conclusion

The SoonerCare program provides good health care coverage to approximately one quarter of Oklahoma’s population—over a million low-income residents, many of whom have serious chronic conditions, severe disabilities, and no other feasible source of coverage. The program pays a reasonable rate to Oklahoma providers, supporting the State’s economic base. SoonerCare’s costs also appear to be well in line with other state Medicaid programs.

Leavitt Partners concurs with previous evaluations that the transition from commercial MCOs was the right move for the State. There is some interest in revisiting this decision and Leavitt Partners encourages OHCA to thoroughly examine its options and the feasibility of such a move. Given the efficiency of its current program, savings realized from moving to commercial MCOs may not be significant. However, Leavitt Partners believes that the expertise OHCA has gained from self-administering processes, such as care coordination, program incentives, and quality oversight, puts it in a better position to contract with MCOs. Past experience has provided OHCA with flexibility to choose from different options moving forward, and to implement these options from a stronger base.

While some HEDIS quality measure results could be improved, OHCA continues to use the measures to track its program’s effectiveness and is expanding the number of measures utilized. The fact that OHCA frequently evaluates the quality of its programs and seeks community feedback helps to ensure that the program is continually addressing areas of concern. These aspects combined have put OHCA in a better position to respond to the future direction of the health care system.