



State Demonstrations Group

FEB 01 2019

Rebecca Pasternik-Ikard
Chief Executive Officer
Oklahoma Health Care Authority
4345 N. Lincoln Boulevard
Oklahoma City, OK 73105

Dear Ms. Pasternik-Ikard:

This letter is to inform you that the following attachment to the Special Terms and Conditions (STCs) for Oklahoma's section 1115(a) demonstration (11-W-00048/6), entitled "SoonerCare," is approved:

- Phase-Down Expenditures Plan (Attachment C)

CMS finds this document to be in accordance with the STCs for the demonstration, and has no further questions or comments at this time. A copy of the approved attachment is enclosed and will be added into the STCs. We look forward to continuing to work with you and your staff on the Oklahoma demonstration. Your CMS project officer, Annie Hollis, is available to address any questions you may have related to this correspondence. Mrs. Hollis can be reached at Annie.Hollis@cms.hhs.gov.

Official communications regarding official matters should be sent simultaneously to Ms. Hollis and Mr. Bill Brooks, Associate Regional Administrator in our Dallas Regional Office. Mr. Brooks can be reached at Bill.Brooks@cms.hhs.gov.

Sincerely,



Andrea J. Casart
Director
Division of Medicaid Expansion Demonstrations

Enclosures

cc: Bill Brooks, Associate Regional Administrator, Dallas Regional Office

SoonerCare Medical Education Program Phase-Down Expenditure Plan

Medical Education Programs: Phase down expenditures include expenditures to University of Oklahoma and Oklahoma State University as specified in expenditure authority 14.

Specific Reporting Requirement for the Medical Education Programs’ phase down expenditures, described in expenditure authority 14:

- i. CMS must approve a plan for eligible expenditures. The plan to phase down the federal investment must be approved by CMS and will be attached to these STCs once approved. The state must comply with the plan in order to draw down FFP and must document expenditures in accordance with the plan.

Medical Education Phase down expenditures include expenditures to University of Oklahoma and Oklahoma State University as specified in expenditure authority 14 of the approved STCs.

The Medical Education programs funding will ensure the continuation of vital health care and provider support programs during the period of its authorization.

SoonerCare Proportionate Share and Permissible Costs –

The budgeted amount in table 1 was adjusted to each school to reflect the portion attributable to the SoonerCare population of patients based on payer-mix as calculated based on 2017 gross charges. The Oklahoma Health Care Authority (OHCA) will provide the budgeted amount based on submitted work plan activities and will reconcile the costs after the end of the fiscal year.

Table 1: Medical Education Phase Down Summary Worksheet by Quarter for State Fiscal Year 2019

	1st quarter	2nd quarter	3rd quarter	4th quarter	Total
OU	\$14,595,006	\$16,073,130	\$16,073,130	\$16,073,130	\$62,814,396
OSU	\$12,245,689	\$13,485,884	\$13,485,884	\$13,485,884	\$52,703,341
Total	\$26,840,696	\$29,559,014	\$29,559,014	\$29,559,014	\$115,517,737

***Quarter 1 adjusted to account for approval August 31, 2018**

- ii. In order to claim FFP for phase down expenditures, the state will provide CMS a summary worksheet that identifies phase down expenditures each quarter.

OHCA will maintain and make available to CMS as adjustments are made.

- iii. For all eligible phase down expenditures, the state will maintain and will make available to CMS upon request:

- a. Certification of expenditures

OHCA will maintain and make available to CMS upon request.

- b. Actual expenditure data from state financial information system or state client sub-system.

OHCA will maintain and make available to CMS upon request.

- iv. The certification will describe the procedures used that ensure that FFP is not claimed for non-permissible expenditures.

OHCA will maintain and make available to CMS upon request.

- v. The state will claim FFP for phase down expenditures quarterly based on actual expenditures.

The Medical Schools will submit to the OHCA a summary of expenditures each quarter, which the OHCA will review to ensure that all expenditures are permissible and that FFP is not claimed for costs reimbursed by other Federal programs. This summary will also serve as the required (STC 62.f.v and vi) standard documentation of each phase down expenditure and assure that the state will claim based on actual expenditures.

- vi. The state will establish standard documentation of each phase down expenditure, to be specified in the plan.

OHCA will establish and maintain documentation of each phase down expenditure using the certification of expenditures required by STC 62.f.iii.

- vii. The state will report all expenditures for phasedown payments to eligible medical education programs described in expenditure authority 14 on Forms CMS-64.9 Waiver and/or CMS-64.9P Waiver under the waiver name "Medical Education Phase Down." Federal funds must be claimed within two years following the calendar quarter in which the state incurs the phase down expenditures during the performance period described above in expenditure authority 14. Claims cannot be submitted for state expenditures associated with medical education programs described in expenditure authority 14 above incurred after June 30, 2019. Sources of non-federal funding for the medical education

program for the period from August 31, 2018 through June 30, 2019 must be permitted under section 1903(w) of the Act and applicable implementing regulations.

OHCA will report all expenditures for phasedown payments to eligible medical education programs described in expenditure authority 14 on Forms CMS-64.9 Waiver and/or CMS-64.9P Waiver under the waiver name “Medical Education Phase Down.”