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State/Territory Name: Oklahoma

State Plan Amendment (SPA) #: 16-0020 "CORRECTED"

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved Page

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
Dallas Regional Office  
1301 Young Street, Suite 833  
Dallas, Texas 75202



**DIVISION OF MEDICAID & CHILDREN'S HEALTH - REGION VI**

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April 5, 2017

Our Reference: SPA OK 16-20

Becky Pasternik-Ikard  
Chief Executive Officer  
4345 N. Lincoln Blvd.  
Oklahoma City, OK 73105

Dear Ms. Pasternik-Ikard:

Enclosed is a copy of approved Oklahoma State Plan Amendment (SPA) No. 16-20, with an effective date of May 1, 2016. This amendment was submitted to implement a ten percent rate reduction for Psychologists and thirty percent reduction for Level 2 Licensed Behavioral Health Practitioners (LBHPs), in independent practice.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903(a) and 1923 of the Social Security Act (the Act) and the implementing Federal regulations at 42 CFR 447 Subpart C.

Because the proposed SPA would reduce or restructure provider payment rates, Oklahoma is required to provide documentation in support of its determination that the payments are consistent with efficiency, economy and quality of care and sufficient to enlist enough providers so that services under the plan are available to beneficiaries at least to the extent that these services are available to the general population, as established in Section 1902(a)(30)(A) of the Act and codified in 42 CFR 447.203(b)(6) and 42 CFR 447.204. To demonstrate compliance with these requirements, the state submitted the following to the Centers for Medicare & Medicaid Services (CMS) with the proposed SPA:

1. With respect to the public process requirements at 42 CFR 447.204(a)(2), Oklahoma provided documentation to show that the state considered input from beneficiaries, providers and other affected stakeholders on beneficiary access to the affected services and the impact of the proposed rate change. Specifically, the state posted a notification of the proposed rate reductions for Levels 1 and 2 LBHPs on the Oklahoma Health Care Authority (OHCA) website on March 29, 2016. The proposed rate reductions for Levels 1 and 2 LBHPs were also presented to the Medicaid Behavioral Health Advisory Council

on March 21, 2016. A Rates and Standards hearing open to the public regarding the proposed rate reductions for Levels 1 and 2 LBHPs was conducted at the Oklahoma Health Care Authority (OHCA) on April 25, 2016. The state reported it received multiple comments from providers, some of which suggested that reductions across all provider types and services would be more equitable. Based on the public input received, the state believes the more targeted cuts would lessen the impact to SoonerCare beneficiaries and the overall statewide service delivery system.

2. With respect to the access review requirements at 42 CFR 447.204(b), Oklahoma submitted an analysis of the effect of the change in payment rates on access, and an analysis of the information and concerns expressed through stakeholder input. Based on the analysis, which examined provider availability through both independent LBHPs and the statewide outpatient behavioral health clinic network, the state concluded that access to care for the services will continue to be sufficient following the implementation of the rate reduction. Although the state acknowledges it may see a decrease in independent Level 2 LBHPs as a result of the proposed rate reduction, the state's analysis concluded that access to care will continue to be sufficient and available through outpatient behavioral health clinics, which are not affected by this SPA. The state's analysis included information describing the clinic setting as the state's comprehensive safety net provider network which provides the full array of outpatient behavioral health services such as: case management, peer services, family support, psychosocial rehabilitation, etc. Throughout the statewide outpatient behavioral health clinic network, the state has documented and will continue to monitor that it has sufficient numbers of providers qualified to provide the Medicaid services affected by this SPA. Further, the state depends on the clinic providers to serve Oklahomans in not only the metro areas of Oklahoma City and Tulsa, but also the rural and frontier areas of the state. This is in contrast to the independent Level 2 LBHPs actively providing services to SoonerCare members, who are disproportionately located within the two metro areas.
3. The state has established procedures to monitor continued access to care after implementation of these rate reductions, consistent with 42 CFR 447.203(b)(6). Specific to monitoring the impact of the new rates, the state developed standardized reports to track the number of pre-authorizations and number of clients served by month. Each month OHCA will review the previous months' data against established thresholds to ensure that access to treatment has not been compromised. OHCA's monitoring will include an analysis of clients receiving psychotherapy as a percentage of total Medicaid eligible clients. Monitoring will also be performed to determine if crisis unit or inpatient visits are increasing, possibly indicating a lack of proper outpatient services. In addition to monitoring utilization data, OHCA and the Oklahoma Department of Mental Health and Substance Abuse Services (ODMHSAS) will monitor complaints from beneficiaries, the provider network and advocates to identify potential access deficiencies. Additionally, OHCA will provide to CMS a semi-annual summary of its monitoring activities, related to this rate reduction, for a three-year period from approval of the SPA.

4. The state also demonstrated that it has ongoing mechanisms for beneficiary and provider input on access to care. The Medicaid agency has implemented two toll-free statewide member telephone numbers which allow beneficiaries to raise access issues as needed and to assist providers with resolution of claims, policy issues, and other concerns. In addition, Care Management, Behavioral Health, and Medical Authorization statewide toll-free numbers are also available for assistance. All customer service representatives are trained in assisting members with access to care issues and supervisors are available for assistance in more complex circumstances.

CMS is approving this SPA as the state has reasonably substantiated its conclusion that access for these services is sufficient through a process consistent with the requirements of 42 CFR 447.203 and conducted the public process and notice described in 42 CFR 447.204 and 42 CFR 447.205. Consistent with the aforementioned regulations, the state has committed to monitoring access and CMS will be periodically contacting the state to understand how the state's monitoring activities are progressing. If access deficiencies are identified, the state will submit a corrective action plan within 90 days of identification.

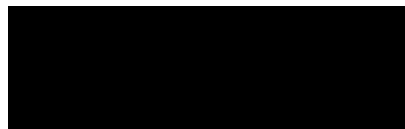
This letter affirms that the Oklahoma Medicaid SPA 16-20 is approved effective May 1, 2016 as requested by the state.

We are enclosing the HCFA-179 and the following amended plan pages.

- o Attachment 4.19-B, Page 8

If you have any questions regarding this matter you may contact Stacey S. Shuman at (214) 767-6479 or by email at [stacey.shuman@cms.hhs.gov](mailto:stacey.shuman@cms.hhs.gov)

Sincerely,



Bill Brooks  
Associate Regional Administrator

Cc: Billy Bob Farrell, DMCH  
Jeremy Silanskis, CMS Baltimore  
Linda Tavener, CMS Baltimore  
Mark Pahl, CMS Baltimore

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL  
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

1 6 - 2 0

2. STATE

Oklahoma

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL  
SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR  
CENTERS FOR MEDICARE & MEDICAID SERVICES  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

May 1, 2016

5. TYPE OF PLAN MATERIAL (*Check One*)

☐

NEW STATE PLAN

☐

AMENDMENT TO BE CONSIDERED AS A NEW PLAN

☒

AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate transmittal for each amendment*)

6. FEDERAL STATUTE/REGULATION CITATION

Social Security Act § 1902(a)(30)(A)

7. FEDERAL BUDGET IMPACT

a. FFY 2016 \$ \$1,546,385

b. FFY 2017 \$ \$3,711,324

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-B, Page 8

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION  
OR ATTACHMENT (*If Applicable*)

Attachment 4.19-B, Page 8, TN# 15-09

10. SUBJECT OF AMENDMENT

Rate Methodology Change/Rate Reduction for Licensed Behavioral Health Practitioners and Psychologists in  
Independent Practice

11. GOVERNOR'S REVIEW (*Check One*)

☐

GOVERNOR'S OFFICE REPORTED NO COMMENT

☐

COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

☐

NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☒

OTHER, AS SPECIFIED

The Governor does not review State  
Plan material.

12. SIGNATURE OF STATE AGENCY OFFICIAL

16. RETURN TO

13. TYPED NAME

Becky Pasternik-Ikard

14. TITLE

Chief Executive Officer

15. DATE SUBMITTED

June 24, 2016

Oklahoma Health Care Authority  
Attn: Tywanda Cox  
4345 N. Lincoln Blvd  
Oklahoma City, OK 73105

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED

24-Jun-16

18. DATE APPROVED

05-Apr-17

**PLAN APPROVED - ONE COPY ATTACHED**

19. EFFECTIVE DATE OF APPROVED MATERIAL

01-May-16

20. SIGNATURE

21. TYPED NAME

Bill Brooks

22. TITLE

Associate Regional Administrator, Division of Medicaid and  
Children's Health (DMCH)

23. REMARKS

c: Becky Pasternik-Ikard  
Tywanda Cox

## METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES OTHER TYPES OF CARE

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### 7. Payment for Psychological Services

Payment is made for Licensed Behavioral Health Practitioners and Psychological Clinicians on behalf of eligible individuals under 21 years of age through EPSDT.

**(a) Level 1 – LBHPs (Psychologists) and Psychological Clinicians**

Individuals in Independent Practice - Payment is made at 87.07 percent of the CY2013 Medicare Physician Fee Schedule for psychiatry services, which is equivalent to a 10 percent rate reduction from the rates in effect on 04-30-2016.

Individuals in Agency Setting - Refer to Attachment 4.19 B page 24 for payment of services provided by psychologists employed by public health, government or private behavioral health agency or local school settings.

**(b) Level 2 – LBHPs and Psychological Clinicians**

Individuals in Independent Practice - Payment is made at rates which equal 70 percent of the reimbursement for services provided by Level 2 LBHPs and Psychological Clinicians in Agency Settings, which is equivalent to a 30 percent rate reduction from the rates in effect on 04-30-2016.

Individuals in Agency Settings – Refer to Attachment 4.19 B, page 24 for services provided by individuals employed by public health, government or private behavioral health agency or local school settings.

Except as otherwise noted in the plan, the rates are the same for both governmental and private providers of behavioral health practitioner services and the fee schedule and any annual/periodic adjustments to the fee schedule are published on the agency website at [www.okhca.org](http://www.okhca.org). The agency's fee schedule rates are set as of May 1, 2016 and in effect for services provided on or after that date.

State: Oklahoma  
Date Received: 24 June, 2016  
Date Approved: 5 April, 2017  
Effective Date: 1 May, 2016  
Transmittal Number: 16-20

Revised 05-01-2016

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TN # 16-20      Approval Date 4/5/17

Effective Date 5/1/16

Supersedes

TN # 15-09