



# OKLAHOMA

## Health Care Authority

SoonerCare 1115(a) Research and Demonstration Waiver  
Amendment Request

*Phase-out of the Insure Oklahoma Individual Plan (IO IP) and  
Revision of Eligibility Criteria for the Insure Oklahoma Employer-  
Sponsored Insurance (IO ESI) Plan*

Project Number: 11-W00048/6

Submitted November 16, 2020

## Table of Contents

Section 1	Executive Summary.....	2
	Demonstration Background.....	2
	Summary of Amendment Request.....	2
Section 2	Demonstration Amendment Request and Goals.....	3
	Demonstration Amendment Goals.....	3
	Amendment Description.....	3
	Beneficiary Impact.....	4
	Program Eligibility.....	4
	Program Benefits.....	5
	Premiums and Cost Sharing.....	5
	Requested Waivers.....	6
	Conforming State Plan Amendment.....	7
	Requested Expenditure Authority.....	7
	Reporting, Quality and Evaluation.....	10
	Oversight and Monitoring.....	10
	Quarterly and Annual Progress Reports.....	10
	Demonstration Evaluation.....	10
Section 3	Budget Neutrality.....	11
Section 4	Required Elements of Amendment Process.....	13
	Summary of Tribal Consultation.....	13
	Summary of Public Comment.....	13
	Amendment Changes Made as a Result of Tribal and Public Comment.....	13
Section 5	CHIP Allotment Neutrality Worksheet.....	13
Section 6	Non-Federal Share.....	14
Attachments.....		15
	1. Tribal Consultation Documentation.....	16
	2. Public Notice Documentation.....	19

## Section 1 Executive Summary

### Demonstration Background

The Oklahoma Health Care Authority (OHCA) is the State's Single State Agency for Medicaid. The OHCA operates the SoonerCare Choice and Insure Oklahoma programs under Section 1115(a) demonstration authorities. The current demonstration is approved for August 31, 2018 through December 31, 2023.

The current SoonerCare demonstration provides authority for the State to operate the Insure Oklahoma program, which includes two distinct plans:

- Insure Oklahoma Individual Plan (IO IP) - Offers limited coverage for uninsured Oklahomans, ages 19 to 64 with incomes up to 100% of the Federal Poverty Level (FPL). IO IP is administered by the OHCA and program participants access care through the IO-participating providers. Individuals pay a monthly premium based on income.
- Insure Oklahoma Employer-Sponsored Insurance (IO ESI) – Offers subsidies for coverage provided through qualifying employers on behalf of individuals and their families with incomes up to 200% of the FPL.

### Summary of Amendment Request

On July 31, 2020, Oklahoma posted formal public notice for submission of three State Plan Amendments (SPAs) to CMS to expand SoonerCare eligibility to low-income adults. The proposed eligibility expansion will add the New Adult Group ages 19 – 64 with incomes at or below 133% of the FPL (plus applicable disregards) as per Section 1902(a)(10)(A)(i)(VIII) of the Social Security Act, 42 CFR 435.119, Oklahoma State Questions 802, and consistent with the expanded eligibility criteria as defined in the Affordable Care Act (referenced henceforth as 'Adult Group').

The OHCA seeks approval of the following modifications to the 1115(a) demonstration Special Terms and Conditions (STCs), effective July 1, 2021, for the current extension period that will be in effect through the end of the demonstration on December 31, 2023:

- Phase-out the IO IP plan; and
- Establish a new income band for the IO ESI plan at 134% - 200% of the FPL, plus any applicable income disregards.

The requested effective date of July 1, 2021 will coincide with the State's intent to expand Medicaid to adults ages 19-64, with incomes at or below 133% of the FPL, plus any applicable income disregards, as per 42 CFR 435.119 and Oklahoma State Question 802.

The waiver amendment and phase-out plan will ensure continuity of care by making the transition of eligible IO members to the Adult Group as seamless and effortless as possible. It also will improve access to high-quality, person-centered services that produce positive health outcomes for individuals who were previously under or uninsured.

Proposed changes are further detailed in the Insure Oklahoma Phase-Out Plan required by the Special Terms and Conditions of the 1115(a) waiver. The Insure Oklahoma Phase-Out Plan was available for review at: [www.okhca.org/PolicyBlog](http://www.okhca.org/PolicyBlog) from October 1, 2020 through October 31, 2020.

## Section 2 Demonstration Amendment Request and Goals

### Demonstration Amendment Goals

Oklahoma seeks to continue its commitment to promoting access to affordable coverage and align coverage policies with the forthcoming eligibility expansion, effective July 1, 2021. This amendment will:

- **Enhance access to affordable coverage** – Effective July 1, 2021, Oklahomans with incomes at or below 133% of the FPL, plus any applicable income disregards, will be eligible for the Adult Group. Individuals who enroll in the Adult Group will not pay monthly premiums.
- **Enhance benefits for program participants** – Covered services for the Adult Group will be based on the Alternative Benefit Plan, which exceeds the IO IP covered benefits and the minimum qualified benefit plan requirements for IO ESI.
- **Streamline programs and eligibility policies** – Individuals eligible for the IO program and with incomes at or below 133% of the FPL, plus any applicable income disregards, will transition to the Adult Group. The phase-out of the IO IP plan and elimination of coverage for the IO ESI plan for individuals with incomes at or below 133% of the FPL, plus any applicable income disregards, will eliminate overlapping eligibility policies across programs. Streamlining programs will reduce confusion on the part of program participants and minimize the impact of transitioning across SoonerCare programs as individuals' incomes change.
- **Continue Oklahoma's commitment to making affordable health coverage accessible and reducing the number of uninsured** – IO ESI will continue to operate for individuals with incomes between 134% and 200% of the FPL, plus any applicable income disregards.

### Amendment Description

The OHCA seeks approval of the following modifications to the 1115(a) demonstration Special Terms and Conditions (STCs) for the current extension period that will be in effect through the end of the demonstration on December 31, 2023:

- Phase-out the IO IP plan; and
- Establish a new income band for the IO ESI plan at 134% - 200% of the FPL, plus any applicable income disregards.

The requested amendment effective date of July 1, 2021 will coincide with the State's plan to expand Medicaid to adults ages 19-64, with incomes at or below 133% of the FPL, plus any applicable income disregards, as per 42 CFR 435.119 and Oklahoma State Question 802.

The waiver amendment and phase-out plan will ensure continuity of care by making the transition of eligible IO members to the Adult Group as seamless and effortless as possible. The transition will improve access to high-quality, person-centered services that produce positive health outcomes for individuals.

Proposed changes are further detailed in the Insure Oklahoma Phase-Out Plan required by the Special Terms and Conditions of the SoonerCare demonstration. The Insure Oklahoma Phase-Out Plan was available for review at: [www.okhca.org/PolicyBlog](http://www.okhca.org/PolicyBlog) from October 1, 2020 through October 31, 2020.

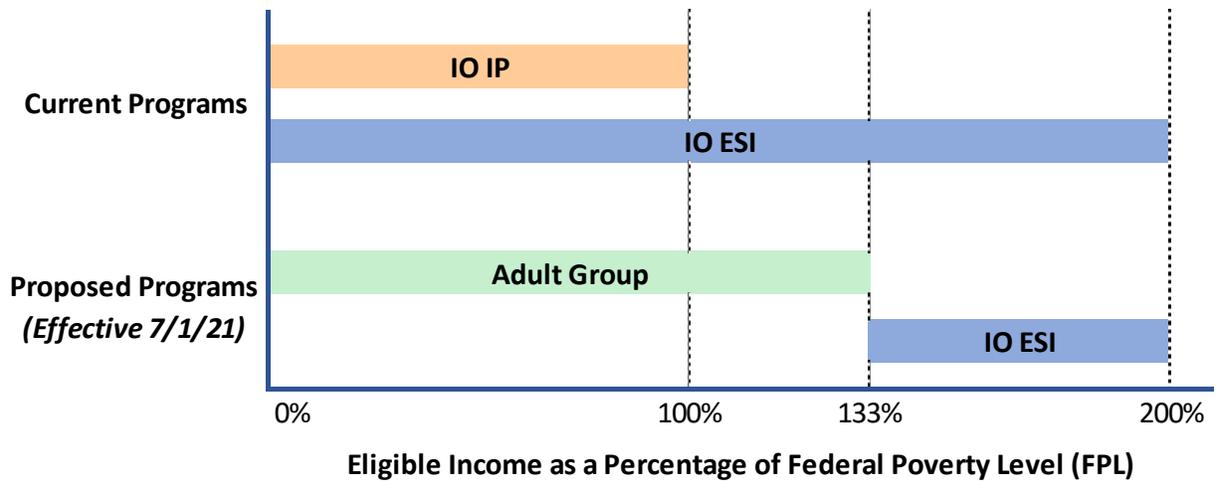
### Beneficiary Impact

As of August 2020, approximately 30,000 individuals participate in the IO IP and IO ESI plans. The majority of current IO program participants (approximately 21,000) have incomes at or below 133% of the FPL, plus any applicable income disregards, and will transition to the new Adult group, effective July 1, 2021. The IO ESI plan will continue for individuals with incomes between 134% and 200% of the FPL, plus any applicable income disregards.

### Program Eligibility

This amendment continues Oklahoma’s commitment to making health care accessible to low-income Oklahomans and streamlines eligibility policies across programs. The table below summarizes the current and proposed income eligibility criteria by program.

*Summary of Program Eligibility as a Percentage of Federal Poverty Level, Current and Proposed*



## Program Benefits

The proposed amendment will preserve and enhance covered services for eligible individuals. The table below provides a summary of covered benefits for the IO IP, IO ESI, and Adult Group expansion.

### *Summary of Covered Services, by Program*

<b>Program</b>	<b>Covered Services</b>
IO IP	Benefit package includes, but is not limited to, office visits, emergency care, inpatient and outpatient hospital benefits, pharmacy, X-rays, maternity care, and durable medical equipment. Does not include coverage for transplants and non-emergency transportation services.
IO ESI	Qualified plans must include the following minimum benefits: <ul style="list-style-type: none"><li>• Hospital services;</li><li>• Physician services;</li><li>• Clinical laboratory and radiology;</li><li>• Pharmacy;</li><li>• Office visits;</li><li>• Well baby/well child exams;</li><li>• Age appropriate immunizations as required by law; and</li><li>• Emergency services as required by law.</li></ul>
Adult Group	Benefits based on Alternative Benefit Plan; benefit package includes, but is not limited to, office visits, emergency care, inpatient and outpatient hospital benefits, pharmacy, X-rays, maternity care, durable medical equipment, transplants and non-emergency transportation services.

Individuals enrolled in the IO IP plan access covered services through IO-participating providers. Upon transition to the Adult Group, individuals will access services through the full network of SoonerCare-participating providers.

IO ESI plan participants access services through the network of providers participating in their employers' health plans. IO ESI plan participants with incomes at or below 133% of the FPL, plus any applicable income disregards, will transition to the Adult Group and will access services through SoonerCare-participating providers.

## Premiums and Cost Sharing

Individuals who transition from IO IP and IO ESI to the Adult Group will no longer be required to pay monthly premiums and will have lower cost sharing obligations. Premiums and cost sharing for individuals with incomes between 134% and 200% of the FPL (plus any applicable income disregards) who enroll in the IO ESI plan will remain unchanged. A summary of monthly premiums and other cost sharing obligations for each program is presented in the table on the following page.

*Summary of Premiums and Cost Sharing Requirements, by Plan*

<b>Program</b>	<b>Monthly Premiums</b>	<b>Copayments and Deductibles</b>	<b>Annual Cost Sharing Limit</b>
IO IP	Up to 15 percent of estimated costs (not to exceed four percent of the monthly gross household income)	Not to exceed amounts permitted under federal regulations (42 CFR 447), except emergency room copay <ul style="list-style-type: none"> <li>• Office Visit: \$10</li> <li>• Pharmacy: \$5 Generic</li> <li>• Pharmacy: \$10 Brand</li> <li>• Emergency: \$30 (waived if admitted)</li> <li>• Hospital Inpatient Stay: \$50</li> <li>• Hospital Outpatient Visit: \$25</li> </ul> Members must pay copays to receive services	Not to exceed five percent of the family's gross income
IO ESI	Up to 15 percent of total premium (not to exceed three percent of the five percent household income cap)	Based on the requirements for the employer plan, subject to the following limitations: <ul style="list-style-type: none"> <li>• Copays for physician office visits: not to exceed \$50 per visit</li> <li>• Annual pharmacy deductible not to exceed \$500 per individual</li> <li>• Annual out-of-pocket maximum not to exceed \$3,000 per individual, excluding pharmacy deductible</li> </ul>	Not to exceed five percent of family's total income
Adult Group	None	Not to exceed amounts permitted under federal law and as described within the Oklahoma State Plan	Not to exceed five percent of family's total income

**Requested Waivers**

Insure Oklahoma already operates under authority of the demonstration. Therefore, Oklahoma is not seeking any waivers of federal laws or regulations.

## Conforming State Plan Amendment

Insure Oklahoma already operates under authority of the demonstration. Therefore, no Title XIX or Title XXI State Plan Amendments are required.

## Requested Expenditure Authority

This amendment seeks to eliminate and revise current expenditure authorities. Expenditure authority to operate the IO IP plan will no longer be required and expenditure authority for the IO ESI plan will be limited to individuals with incomes between 134% and 200% of the FPL, plus any applicable income disregards.

The table below presents a summary of the current expenditure authorities for the IO programs and the proposed revisions to demonstration authorities.

### *Summary of Current Demonstration Authorities and Proposed Revisions*

<b>IO Program</b>	<b>Demonstration Populations</b>	<b>Current Authority</b>	<b>Proposed Revision</b>
ESI	5, 6, 8, 10 & 11	Incomes between 0 and 200% of the FPL	Incomes between 134% and 200% of the FPL, effective July 1, 2021
IP	12, 13, 14, 15 & 16	Incomes between 0 and 100% of the FPL	Phased out, effective July 1, 2021

The table on the following page presents a detailed listing of the currently approved expenditure authorities for the IO ESI demonstration Populations and the proposed revisions to these authorities to reflect the revised income eligibility criteria. Expenditure authorities for the IO IP plan will no longer be required, effective July 1, 2021.

*Current and Proposed Expenditure Authorities: IO ESI (Demonstration Populations 5, 6, 8, 10 & 11)*

<b>Current Expenditure Authority</b>	<b>Proposed Revision to Expenditure Authority</b>
<b>Demonstration Population 5.</b> Expenditures for health benefits coverage who are “Non-Disabled Low Income Workers” age 19-64 years who work for a qualifying employer and have income no more than 200 percent of the federal poverty level (FPL), and their spouses	<b>Demonstration Population 5.</b> Expenditures for health benefits coverage who are “Non-Disabled Low Income Workers” age 19-64 years who work for a qualifying employer and have income greater than 133 percent and no more than 200 percent of the federal poverty level (FPL), and their spouses
<b>Demonstration Population 6.</b> Expenditures for health benefits coverage who are “Working Disabled Adults” 19-64 years of age who work for a qualifying employer and have income up to 200 percent of FPL	<b>Demonstration Population 6.</b> Expenditures for health benefits coverage who are “ Working Disabled Adults” 19-64 years of age who work for a qualifying employer and have income greater than 133 percent of the FPL and up to 200 percent of FPL
<b>Demonstration Population 8.</b> Expenditures for health benefits coverage for no more than 3,000 individuals at any one time who are full-time college students age 19 through age 22 and have income not to exceed 200 percent of the FPL, who have no creditable health coverage, and work for a qualifying employer	<b>Demonstration Population 8.</b> Expenditures for health benefits coverage for no more than 3,000 individuals at any one time who are full-time college students age 19 through age 22 and have income greater than 133 percent of the FPL and not to exceed 200 percent of the FPL, who have no creditable health coverage, and work for a qualifying employer
<b>Demonstration Population 10.</b> Expenditures for health benefits coverage for foster parents who work for an eligible employer and their spouses with household incomes no greater than 200 percent of the FPL	<b>Demonstration Population 10.</b> Expenditures for health benefits coverage for foster parents who work for an eligible employer and their spouses with household incomes greater than 133 percent of the FPL and no greater than 200 percent of the FPL
<b>Demonstration Population 11.</b> Expenditures for health benefits coverage for individuals who are employees and spouses of not-for-profit businesses with 500 or fewer employees, work for a qualifying employer, and with household incomes no greater than 200 percent of the FPL	<b>Demonstration Population 11.</b> Expenditures for health benefits coverage for individuals who are employees and spouses of not-for-profit businesses with 500 or fewer employees, work for a qualifying employer, and with household incomes greater than 133 percent of the FPL and no greater than 200 percent of the FPL

The current demonstration’s Special Terms and Conditions specify the Title XIX requirements that are not applicable to the Demonstration Expenditure Authorities. The table on the following page summarizes the Title XIX requirements currently specified in the demonstration’s Special Terms and Conditions and the proposed changes to these requirements.

*Title XIX Requirements Not Applicable to IO Programs, Current and Proposed*

<b>Title XIX Requirement</b>	<b>Citation</b>	<b>Current Description in Special Terms and Conditions</b>	<b>Proposed Revision(s)</b>
Comparability	Section 1902(a)(10)(B) and 1902(a)(17)	To permit the state to provide different benefit packages to individuals in demonstration populations 5, 6, 8, 10, and 11 who are enrolled in the Premium Assistance Employer Coverage Plan that may vary by individual.	<i>No changes</i>
Cost Sharing Requirements	Section 1902(a)(14) insofar as it incorporates Section 1916	To permit the state to impose premiums, deductions, cost sharing and similar charges that exceed the statutory limitations for individuals in populations 5, 6, 8, 10, and 11 who are enrolled in the Premium Assistance Employer Coverage Plan.	<i>Revise “deductions” to “deductibles”</i>
Freedom of Choice	Section 1902(a)(23)(A)	To permit the state to restrict choice of provider for beneficiaries eligible under populations 5, 6, 8, 10 and 11 enrolled in the Premium Assistance Employer Coverage Plan. No waiver of freedom of choice is authorized for family planning providers.	<i>No changes</i>
Retroactive Eligibility	Section 1902(a)(34)	To enable the state to not provide retroactive eligibility for demonstration participants in populations 5, 6, 8, 10, 11, 12, 13, 14, 15, and 16	<i>Remove IO IP demonstration populations 12, 13, 14, 15, and 16</i>
Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) Services	Section 1902(a)(4)(B); 1902(a)(10)((A); and 1902(a)(43)	To exempt the state from furnishing or arranging for EPSDT services for full-time college students age 19 through age 22 who are defined in populations 8 and 14.	<i>Remove IO IP demonstration population 14</i>
Assurance of Transportation	Section 1902(a)(4) and 1902(a)(19); 42 CFR 431.53	To permit the state not to provide non-emergency transportation benefits to individuals in populations 12, 13, 14, 15, and 16 enrolled in the Insure Oklahoma Premium Assistance Individual Plan.	<i>Remove (solely applicable to IO IP)</i>

## Reporting, Quality and Evaluation

The OHCA proposes to continue the currently approved monitoring and evaluation components identified in the STCs and will collaborate with CMS to modify monitoring and evaluation activities as appropriate to address the program modifications specified in this amendment request as well as the proposed Adult eligibility expansion.

## Oversight and Monitoring

The OHCA will develop oversight and management reports to monitor access, quality and costs. Analysis of data will allow the OHCA to report key challenges, underlying causes of those challenges, and develop immediate strategies for addressing identified challenges.

## Quarterly and Annual Progress Reports

The OHCA will continue to prepare and submit quarterly and annual progress reports, modified to address Insure Oklahoma transition activities, as described in the Insure Oklahoma Phase-Out Plan.

## Demonstration Evaluation

The approved evaluation design includes hypotheses related to waiving of retroactive eligibility for the IO plans. The OHCA's independent evaluator will continue to evaluate the IO ESI plan. The evaluator also will include the Adult Group as a distinct segment within the evaluation and will stratify all data to produce findings specific to this population.

## Section 3 Budget Neutrality

The following Medicaid Eligibility Groups (MEGs) under the currently approved demonstration are impacted by the proposed changes:<sup>1</sup>

- Non-Disabled Working Adults ESI
- Full-Time College Students ESI
- Non-Disabled Working Adults IP
- Full-Time College Students IP

The table below presents projected expenditures under the currently approved demonstration, prior to approval of this amendment request. (Impacted MEGs are highlighted with blue font.)

### *Projected “With Waiver” Expenditures – Currently Approved Demonstration*

<b>Calendar Year Demonstration Year</b>	<b>2021 26</b>	<b>2022 27</b>	<b>2023 28</b>
<b><u>Medicaid Per Capita</u></b>			
<i>TANF-Urban</i>	\$1,041,752,175	\$1,111,183,707	\$1,185,242,768
<i>TANF-Rural</i>	\$736,329,206	\$777,532,273	\$821,040,958
<i>ABD-Urban</i>	\$492,959,366	\$507,335,244	\$522,130,357
<i>ABD-Rural</i>	\$384,088,145	\$395,448,243	\$407,144,336
<b><u>Medicaid Aggregate - WW only</u></b>			
<i>Non-Disabled Working Adults ESI</i>	\$65,789,186	\$69,980,698	\$74,439,257
<i>TEFRA Children</i>	\$11,414,642	\$12,728,688	\$14,194,006
<i>Full-Time College Students ESI</i>	\$516,218	\$547,488	\$580,653
<i>Non-Disabled Working Adults IP</i>	\$51,959,648	\$56,876,221	\$62,258,014
<i>Full-Time College Students IP</i>	\$428,088	\$442,676	\$457,760
<i>HAN Expenditures</i>	\$11,405,439	\$11,720,229	\$12,043,707
<i>HMP Expenditures</i>	\$12,679,813	\$13,440,501	\$14,248,007
<b>Total</b>	<b>\$2,809,321,926</b>	<b>\$2,957,235,968</b>	<b>\$3,113,779,823</b>

Effective July 1, 2021 (the second half of demonstration Year 26), the IO IP plan will end, along with the IO ESI plan for individuals with incomes at or below 133% of the FPL, plus any applicable income disregards. The IO ESI plan will continue for individuals eligible with incomes between 134% and 200% of the FPL, plus any applicable income disregards.

Based on current enrollment data, 70.0% of the population enrolled in the Non-Disabled Working Adults ESI MEG and 66.0% of the population enrolled in the Full-Time College Students ESI MEG have incomes between 134% and 200% of the FPL, plus any applicable income disregards. The table on the following page presents the estimated financial impact on program expenditures under the approved demonstration.

<sup>1</sup> The currently approved Demonstration includes additional IO MEGs, but these MEGs do not have any reported expenditures and therefore are not included in the Budget Neutrality impact analysis.

*Impact: Phase-Out of IO IP and Partial Phase-Out of IO ESI*

<b>Calendar Year Demonstration Year</b>	<b>2021 (1/2) 26 (1/2)</b>	<b>2022 27</b>	<b>2023 28</b>
<i>Non-Disabled Working Adults ESI</i>	-\$9,872,372	-\$21,002,706	-\$22,340,816
<i>Full-Time College Students ESI</i>	-\$87,829	-\$186,298	-\$197,583
<i>Non-Disabled Working Adults IP</i>	-\$25,979,824	-\$56,876,221	-\$62,258,014
<i>Full-Time College Students IP</i>	-\$214,044	-\$442,676	-\$457,760
<b>Total</b>	<b>-\$36,154,069</b>	<b>-\$78,507,901</b>	<b>-\$85,254,173</b>

The table below presents projected expenditures under the approved demonstration upon implementation of the Insure Oklahoma phase-out plan.

*Projected “With Waiver” Expenditures – Phase-Out of IO IP and Partial Phase-Out of IO ESI*

<b>Calendar Year Demonstration Year</b>	<b>2021 26</b>	<b>2022 27</b>	<b>2023 28</b>
<b><u>Medicaid Per Capita</u></b>			
<i>TANF-Urban</i>	\$1,041,752,175	\$1,111,183,707	\$1,185,242,768
<i>TANF-Rural</i>	\$736,329,206	\$777,532,273	\$821,040,958
<i>ABD-Urban</i>	\$492,959,366	\$507,335,244	\$522,130,357
<i>ABD-Rural</i>	\$384,088,145	\$395,448,243	\$407,144,336
<b><u>Medicaid Aggregate - WW only</u></b>			
<i>Non-Disabled Working Adults ESI</i>	\$55,916,814	\$48,977,992	\$52,098,441
<i>TEFRA Children</i>	\$11,414,642	\$12,728,688	\$14,194,006
<i>Full-Time College Students ESI</i>	\$428,389	\$361,190	\$383,070
<i>Non-Disabled Working Adults IP</i>	\$25,979,824	\$0	\$0
<i>Full-Time College Students IP</i>	\$214,044	\$0	\$0
<i>HAN Expenditures</i>	\$11,405,439	\$11,720,229	\$12,043,707
<i>HMP Expenditures</i>	\$12,679,813	\$13,440,501	\$14,248,007
<b>Total</b>	<b>\$2,773,167,857</b>	<b>\$2,878,728,067</b>	<b>\$3,028,525,650</b>

Note: The fiscal impact analysis does not incorporate changes related to the OHCA’s proposed Medicaid expansion and introduction of the new Adult Group. The purpose of this analysis is to illustrate the specific impact of the Insure Oklahoma program changes on demonstration expenditures. The impact of the Medicaid expansion is presented in the OHCA’s separate expansion application.

## Section 4 Required Elements of Amendment Process

The OHCA began a 30-day public notice process on October 1, 2020 and concluded the process on October 31, 2020. An abbreviated public notice was posted on the OHCA's website on September 17, 2020; the public notice was also published in area newspapers with circulation dates prior to October 1, 2020. A full public notice was posted on the OHCA's website on October 1, 2020. A copy of the public notice and instructions about the public comment process is available at [www.okhca.org/PolicyBlog](http://www.okhca.org/PolicyBlog).

The Agency conducted an in-person tribal consultation on September 1, 2020 to solicit stakeholder comments regarding the proposed amendment and phase-out plan.

### Summary of Tribal Consultation

A tribal partner in attendance asked whether Insure Oklahoma would still be available for individuals with incomes between 134%-200% of the FPL. OHCA staff informed the individual that members 134%-200% of the FPL enrolled in the IO ESI plan would continue to receive services through that plan and that the IO IP plan will be completely phased out. It was explained that IO IP members will transition into the Adult Group and be provided with services under the State Plan and by SoonerCare-contracted providers in the network. Finally, the individual was informed that individuals at or below 133% of the FPL and in the IO ESI plan would also transition into the Adult Group.

### Summary of Public Comment

No public comments were received during the 30-day public comment period.

### Amendment Changes Made as a Result of Tribal and Public Comment

The State received no comments during its 30-day public comment period; therefore, no changes were made to the amendment.

## Section 5 CHIP Allotment Neutrality Worksheet

Not Applicable: The proposed amendment does not impact Oklahoma's CHIP Allotment Neutrality.

## Section 6 Non-Federal Share

This amendment request will transition all individuals enrolled in the IO IP plan and individuals enrolled in the IO ESI plan with incomes at or below 133% of the FPL, plus any applicable income disregards, to the Adult Group expansion.

The OHCA will utilize multiple sources of non-federal share to fund the continuation of the IO ESI plan for individuals with incomes between 134% and 200% of the FPL, plus any applicable income disregards, and the Adult Group expansion. These include direct appropriations from the General Revenue Fund of the State Treasury, which totaled \$698,679,598 in SFY 2021; the Special Cash Fund, which totaled \$112,000,000 in SFY 2021; the Health Care Enhancement Fund, which totaled \$144,863,600 in SFY 2021; the Tobacco Settlement Endowment Trust (TSET), which totaled \$11,718,750 in SFY 2021; and the Opioid Lawsuit Fund, which totaled \$7,977,420 in SFY 2021.

The OHCA receives and may expend all or a portion of the 22.06% placed to the credit of the Health Employee and Economy Improvement Act Revolving Fund from the sale, use, gift, possession, or consumption of cigarettes, as defined in Sections 301 through 325 of Title 68 of the Oklahoma Statutes.

A health care-related tax, called the supplemental hospital offset payment program (SHOPP) fee, is assessed to Oklahoma hospitals and a portion of that assessment may be used to fund the non-federal share. The assessment rate is currently capped at 4% in state statute. Funds are received in the first month of each quarter to be expended on the OHCA Medicaid program.

State appropriated funds are provided from the legislature and transferred to the OHCA by inter-governmental transfer (IGT) from The University Hospital Authority /Trust (UHA /UHT), the State Regents for Higher Education, the OSU Medical Authority (OSUMA), the Oklahoma State Department of Health (OSDH), the Oklahoma Department of Mental Health and Substance Abuse (ODMHSAS) and the Oklahoma Department of Corrections (ODOC). The transferred funds are deposited into the OHCA Medicaid Program Revolving Fund.

All funds described above may be used to fund the non-federal share of costs related to the demonstration.

## Attachments

1. Tribal Consultation Documentation
2. Public Notice Documentation

## 1. Tribal Consultation Documentation

### *Agenda*

**Tribal Consultation Meeting Agenda  
11 AM, September 1st  
Web X Meeting  
Online Web X Webinar**

1. Welcome— Dana Miller, Director of Tribal Government Relations
2. Proposed Rule, State Plan, Waiver, and Rate Amendments— Dana Miller, Director of Tribal Government Relations

### **Proposed Rule, State Plan, and Waiver Amendments**

- Therapy Assistants and Clinical Fellows
  - SoonerPlan Termination
  - SUPPORT Act Drug Utilization Review (DUR) Standard
  - Insure Oklahoma Changes
  - Bariatric Surgery Revisions
  - Dental Managed Care Organizations
  - Disaster Relief COVID-19 Mobile Testing Authority
  - Child Support Cooperation Exemption for Recipients of Indian Health Services
  - Residential SUD Services
  - PRTF Base Rate Increase for Specialty Populations
  - The Oklahoma Department of Human Services (DHS) Development Disabilities
  - Certified Community Behavioral Health (CCBH) Services
3. Other Business and Project Updates- Dana Miller, Director of Tribal Government Relations
    - ITU MCO Workgroup and Waiver update – Traylor Rains, Deputy State Medicaid Director
    - HIV Task Force- Michelle Dennison-Farris, Healthy Policy Liaison Oklahoma City Indian Clinic
    - Tribal Health Outreach- Vivian Morris, OHCA Health Promotion Coordinator
  4. Adjourn—Next Tribal Consultation Scheduled for 11 AM, November 3rd, 2020

### **Proposed Rule, State Plan, and Waiver Amendments**

**Therapy Assistants and Clinical Fellows** — The OHCA originally presented policy changes to add provider qualifications, coverage, and reimbursement for services provided by therapy assistants and speech language pathology clinical fellows during the March 3, 2020 Tribal consultation. Due to public comment received, the OHCA has made revisions to its policy request. OHCA will continue to seek adding provider qualifications, coverage, and reimbursement for services performed by physical therapy assistants, occupational therapy assistants, speech language pathology assistants (SLPAs), and speech language pathology clinical fellows. However, as compared to the original request to reimburse all assistants and clinical fellows at 85% of the rate

of the fully licensed practitioner, the OHCA will seek to reimburse provisionally licensed speech language pathology clinical fellows at 100% of the fully licensed therapist rate and reimburse assistants (OT, PT, ST) at 85% of the fully licensed therapist rate. Additionally, the requested effective date of this proposal changed from 1/1/2021 to 2/1/2021. **This item requests an expedited 30-day tribal consultation comment period.**

**SoonerPlan Termination** — Effective July 1, 2021, the SoonerPlan program will terminate as adults served by SoonerPlan will transition to the new adult Medicaid expansion population and will be eligible to receive comprehensive SoonerCare services.

**SUPPORT Act Drug Utilization Review (DUR) Standard** — The proposed revisions update the standard for retrospective drug utilization reviews in accordance with Section 1004(b) of the SUPPORT Act, HR 6 including the standards of “excessive utilization” and “inappropriate or medically unnecessary care or prescribing or billing practices that indicate abuse or excessive utilization.”

**Insure Oklahoma Changes** — The OHCA will revise policies, including but not limited to, the 1115(a) demonstration waiver and agency rules, to reflect changes to the Insure Oklahoma (IO) program. Effective July 1, 2021, all IO Individual Plan (IP) members, and IO Employer-Sponsored Insurance (ESI) members with incomes at or below 133% of the federal poverty level (FPL), will transition to and be provided services by the SoonerCare program under the expansion adult option. Additionally, revisions will clarify that IO ESI members’ FPL threshold is 134%-200%.

**Bariatric Surgery Revisions** — The proposed revisions will update bariatric surgery requirements and guidelines to reflect current business practice. Additional revisions will involve fixing grammatical and/or formatting errors, as well as, revoking obsolete sections.

**Dental Managed Care Organization** — To improve Oklahoma’s health outcomes and increase access to care, the OHCA will seek proposals from qualified dental managed care organizations (DMO) to facilitate the delivery of dental services to eligible and enrolled members of Oklahoma’s Medicaid program, commonly known as SoonerCare. The agency will also obtain authority to operate DMOs and will revise and add federal and state policy including: 1915 waiver requests, Title XIX and XXI state plan amendments, and state rules.

**Disaster Relief COVID-19 Mobile Testing Authority** — In response to the COVID-19 public health emergency, the OHCA provided notice of the second submitted disaster relief Title XIX state plan amendment to the Centers for Medicare and Medicaid Services (CMS). Effective March 1st, 2020, the agency will allow for testing to diagnose or detect COVID-19 and COVID-19 antibodies within non-office settings, such as mobile test sites. The agency also provided notice of the request to allow for self-collected test systems that the FDA has authorized for home use; however, since submission to CMS, the agency has decided only to move forward with the request to allow for mobile testing sites only. **The proposed request will be in effect until the termination of the public health emergency.**

**Child Support Cooperation Exemption for Recipients of Indian Health Services** — Policy revisions are needed to note a difference in the Medicaid agency’s process for medical child support referrals due to changes in federal regulations at 42 CFR 433.152 and 45 CFR 303.11. Policy revisions are needed to reflect the provisions within the federal regulation which notes that the Medicaid agency may not refer a case to the state child support agency for medical support enforcement when the Medicaid referral is based solely upon health care services provided through an Indian Health Program. System changes will be implemented to ensure compliance with agency and federal regulations.

**Residential SUD Services** — The proposed amendment will add coverage and reimbursement of residential substance use disorder (SUD) services for individuals (under age 64) residing in a facility with 16 beds or less to the Oklahoma state plan and rules. **This item requests an expedited 30-day tribal consultation comment period.**

**PRTF Base Rate Increase for Specialty Populations** — The proposed revisions will increase the per diem base rate paid to Psychiatric Residential Treatment Facilities (PRTFs) serving individuals under 21 considered specialty populations i.e., individuals with developmental delays, eating disorders). Revisions will help support infrastructure for specialty providers serving children with specialized treatment needs, with a goal of increasing access to services. **This item requests an expedited 30-day tribal consultation comment period.**

**The Oklahoma Department of Human Services (DHS) Development Disabilities** — To comply with federal regulations, DDS will implement a provider rate increase for current job coaching services for individuals. Additionally, DDS will make changes to their group job coaching services and group enhanced job coaching services based on new group sizes for participants. The services are available to waiver recipients on the Medicaid In-Home Supports Waiver for Adults, Homeward Bound Waiver and Community Based Waiver. These changes will be necessary to support individuals who work in competitive integrated settings; and allow DHS to better empower and support Oklahomans with developmental disabilities.

**Certified Community Behavioral Health (CCBH) Services** — The OHCA originally presented policy changes to replace the current process by which new rates for CCBHs are established during the July 1 tribal consultation. OHCA continues to seek the previously presented changes in addition to an adjustment to the provider-specific standard rate to facilitate the expanded use of new mobile technology and crisis stabilization services to transform the CCBH delivery system. A payment adjustment of \$50 per member per month (PMPM) added to the trended provider-specific standard rate will be paid to providers whose standard CCBH rate is less than 95% of the average of all urban and rural CCBH provider-specific standard rates and is effective 12 months following the determination of the final rate. These revisions and subsequent changes are requested on behalf of the Oklahoma Department of Mental Health and Substance Abuse Services (ODMHSAS). **This item requests an expedited 14-day tribal consultation comment period.**

## 2. Public Notice Documentation

### **NOTICE OF PUBLIC COMMENT PERIOD FOR TRANSITION OF CERTAIN INSURE OKLAHOMA MEMBERS**

Pursuant to Title 42 of the Code of Federal Regulations Sections 431.408 and 447.205 and the 1115 waiver's Standard Terms and Conditions (STCs) #15, the Oklahoma Health Care Authority (OHCA) is required to provide public notice of its intent to submit an amendment to its 1115(a) demonstration waiver as well as a phase-out plan required by the demonstration's special terms and conditions to the Centers for Medicare & Medicaid Services (CMS). The OHCA currently has an approved 1115(a) waiver for the 2018-2023 demonstration period.

This notice provides details about the waiver amendment submission and serves to open the 30-day public comment period, which closes on October 31, 2020. In addition to the 30-day public comment period, during which the public will be able to provide written comments to the OHCA, the agency presented the proposed policy changes during its virtual Tribal Consultation on September 1, 2020.

Prior to finalizing the proposed waiver amendment and phase-out plan, the OHCA will consider all written and verbal public comments received. The comments will be summarized and addressed in the final version submitted to CMS.

#### **INSURE OKLAHOMA WAIVER AMENDMENT SUMMARY AND OBJECTIVES**

The OHCA plans to eliminate the Insure Oklahoma Individual Plan (IO IP) plan and to establish a new income band for the Insure Oklahoma Employer Sponsored Insurance (IO ESI) at 134% - 200% of FPL, plus any applicable income disregards. (The IO ESI plan's current income band is 0 – 200% of FPL, plus any applicable income disregards.)

The effective date for the changes will be July 1, 2021, concurrent with expansion of SoonerCare Medicaid eligibility to qualifying adults ages 19 to 64 with incomes at or below 133% of the FPL, as per 42 CFR 435.119. Affected individuals in the IO IP and IO ESI plans will automatically be transitioned into the newly-established SoonerCare "Adult Group" with no interruption in coverage.

The IO waiver amendment and phase-out plan will ensure continuity of care by making the transition of eligible IO members to the Adult Group as seamless and effortless as possible. The transition will improve access to high-quality, person-centered services that produce positive health outcomes for individuals.

Oklahoma will continue to honor its commitment to promoting access to affordable coverage through the proposed IO waiver amendment, which will:

- **Enhance access to affordable coverage** – Effective July 1, 2021, Oklahomans with incomes at or below 133% of the FPL (plus any applicable income disregards) will be

eligible for the Adult Group. Individuals who enroll in the Adult Group will not pay monthly premiums.

- **Enhance benefits for program participants** – Covered services for the Adult Group will be based on the Alternative Benefit Plan, which exceeds the IO IP covered benefits and the minimum qualified benefit plan requirements for IO ESI.
- **Streamline programs and eligibility policies** – Individuals eligible for the IO plans and with incomes at or below 133% of the FPL, plus any applicable income disregards, will transition to the Adult Group. The phase out of the IO IP plan and elimination of coverage for the IO ESI plan for individuals with incomes at or below 133% of the FPL, plus any applicable income disregards, will eliminate overlapping eligibility policies across programs. Streamlining programs will reduce confusion on the part of program participants and minimize the impact of transitioning across SoonerCare programs as individuals' incomes change.
- **Continue Oklahoma's commitment to making affordable health coverage accessible and reducing the number of uninsured** – IO ESI will continue to operate for individuals with incomes between 134 and 200% of the FPL (plus any applicable income disregards).

### **Eligibility and Enrollment**

The following Medicaid Eligibility Groups (MEGs) under the currently approved demonstration are impacted by the proposed changes:

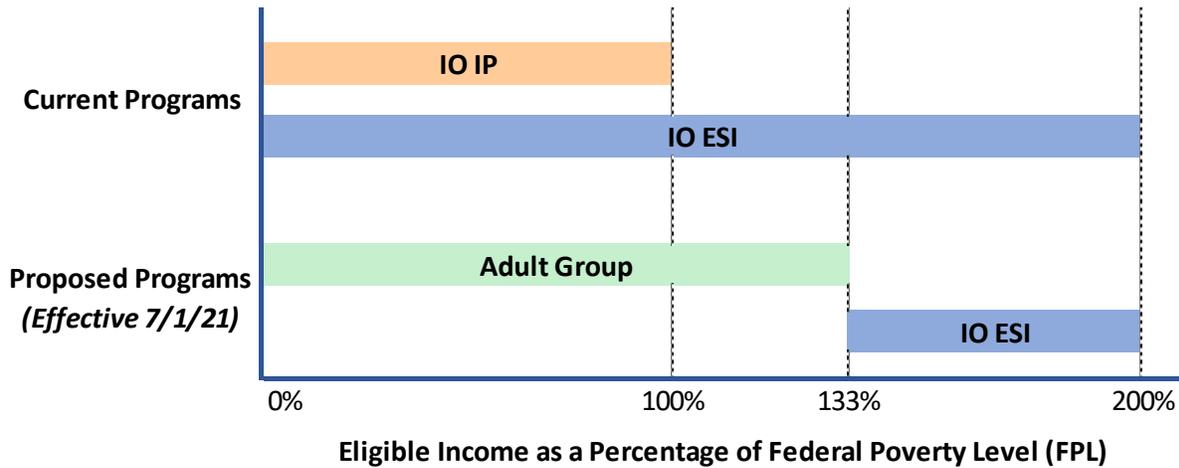
- Non-Disabled Working Adults ESI
- Full-Time College Students ESI
- Non-Disabled Working Adults IP
- Full-Time College Students IP

Approximately 29,000 individuals currently participate in the IO IP and IO ESI plans. The majority of current plan participants (approximately 21,000) have incomes at or below 133% of the FPL (plus any applicable income disregards) and will transition automatically to the new Adult group, effective July 1, 2021.

The IO ESI plan will continue for individuals with incomes between 134 and 200% of the FPL (plus any applicable income disregards). Based on current enrollment data, 70.0% of the population enrolled in the Non-Disabled Working Adults ESI MEG and 66.0% of the population enrolled in the Full-Time College Students ESI MEG have incomes between 134% and 200% of the FPL.

The exhibit below summarizes the current and proposed income eligibility criteria by program.

## IO Eligibility – Current and Proposed



## Fiscal Projections

The proposed waiver amendment will eliminate expenditures for the IO IP plan and reduce expenditures for the IO ESI plan, as illustrated in the tables below. The affected Medicaid Eligibility Groups (MEGs) are highlighted in blue font. Other MEGs, which include Medicaid beneficiaries, will not be affected.

## Projected “With Waiver” Expenditures – Currently Approved Demonstration

Calendar Year Demonstration Year	2021 26	2022 27	2023 28
<b><u>Medicaid Per Capita</u></b>			
TANF-Urban	\$1,041,752,175	\$1,111,183,707	\$1,185,242,768
TANF-Rural	\$736,329,206	\$777,532,273	\$821,040,958
ABD-Urban	\$492,959,366	\$507,335,244	\$522,130,357
ABD-Rural	\$384,088,145	\$395,448,243	\$407,144,336
<b><u>Medicaid Aggregate - WW only</u></b>			
Non-Disabled Working Adults ESI	\$65,789,186	\$69,980,698	\$74,439,257
TEFRA Children	\$11,414,642	\$12,728,688	\$14,194,006
Full-Time College Students ESI	\$516,218	\$547,488	\$580,653
Non-Disabled Working Adults IP	\$51,959,648	\$56,876,221	\$62,258,014
Full-Time College Students IP	\$428,088	\$442,676	\$457,760
HAN Expenditures	\$11,405,439	\$11,720,229	\$12,043,707
HMP Expenditures	\$12,679,813	\$13,440,501	\$14,248,007
<b>Total</b>	<b>\$2,809,321,926</b>	<b>\$2,957,235,968</b>	<b>\$3,113,779,823</b>

**Impact: Phase-Out of IO IP and Partial Phase-Out of IO ESI**

<b>Calendar Year Demonstration Year</b>	<b>2021 (1/2) 26 (1/2)</b>	<b>2022 27</b>	<b>2023 28</b>
<i>Non-Disabled Working Adults ESI</i>	-\$9,872,372	-\$21,002,706	-\$22,340,816
<i>Full-Time College Students ESI</i>	-\$87,829	-\$186,298	-\$197,583
<i>Non-Disabled Working Adults IP</i>	-\$25,979,824	-\$56,876,221	-\$62,258,014
<i>Full-Time College Students IP</i>	-\$214,044	-\$442,676	-\$457,760
<b>Total</b>	<b>-\$36,154,069</b>	<b>-\$78,507,901</b>	<b>-\$85,254,173</b>

**Projected “With Waiver” Expenditures – Phase-Out of IO IP and Partial Phase-Out of IO ESI**

<b>Calendar Year Demonstration Year</b>	<b>2021 26</b>	<b>2022 27</b>	<b>2023 28</b>
<b><u>Medicaid Per Capita</u></b>			
<i>TANF-Urban</i>	\$1,041,752,175	\$1,111,183,707	\$1,185,242,768
<i>TANF-Rural</i>	\$736,329,206	\$777,532,273	\$821,040,958
<i>ABD-Urban</i>	\$492,959,366	\$507,335,244	\$522,130,357
<i>ABD-Rural</i>	\$384,088,145	\$395,448,243	\$407,144,336
<b><u>Medicaid Aggregate - WW only</u></b>			
<i>Non-Disabled Working Adults ESI</i>	\$55,916,814	\$48,977,992	\$52,098,441
<i>TEFRA Children</i>	\$11,414,642	\$12,728,688	\$14,194,006
<i>Full-Time College Students ESI</i>	\$428,389	\$361,190	\$383,070
<i>Non-Disabled Working Adults IP</i>	\$25,979,824	\$0	\$0
<i>Full-Time College Students IP</i>	\$214,044	\$0	\$0
<i>HAN Expenditures</i>	\$11,405,439	\$11,720,229	\$12,043,707
<i>HMP Expenditures</i>	\$12,679,813	\$13,440,501	\$14,248,007
<b>Total</b>	<b>\$2,773,167,857</b>	<b>\$2,878,728,067</b>	<b>\$3,028,525,650</b>

Note: The fiscal impact analysis does not incorporate changes related to the OHCA’s proposed Medicaid expansion and introduction of the new Adult Group. The purpose of this analysis is to illustrate the specific impact of the Insure Oklahoma program changes on demonstration expenditures. The impact of the Medicaid expansion is presented in the OHCA’s separate expansion application.

## BENEFITS, COST SHARING AND DELIVERY SYSTEM

### Covered Benefits

The proposed amendment will preserve and enhance covered services for eligible individuals. Individuals transitioning from IO IP and IO ESI will be enrolled automatically into the new Adult Group and will receive services not covered by IO IP or mandated for IO ESI insurers, including non-emergency transportation and organ transplants. The table below provides a summary of covered benefits for the IO IP, IO ESI and Adult Group expansion.

### Summary of Covered Services, by Program

Program	Covered Services
IO IP	Benefit package includes, but is not limited to, office visits, emergency care, inpatient and outpatient hospital benefits, pharmacy, X-rays, maternity care, and durable medical equipment. Does not include coverage for transplants and non-emergency transportation services.
IO ESI	Qualified plans must include the following minimum benefits: <ul style="list-style-type: none"><li>• Hospital services;</li><li>• Physician services;</li><li>• Clinical laboratory and radiology;</li><li>• Pharmacy;</li><li>• Office visits;</li><li>• Well baby/well child exams;</li><li>• Age appropriate immunizations as required by law; and</li><li>• Emergency services as required by law.</li></ul>
Adult Group	Benefits based on Alternative Benefit Plan; benefit package includes, but is not limited to, office visits, emergency care, inpatient and outpatient hospital benefits, pharmacy, X-rays, maternity care, durable medical equipment, transplants and non-emergency transportation services.

### Cost Sharing

Individuals who transition from IO IP and IO ESI to the Adult Group will no longer be required to pay monthly premiums and will have lower cost sharing obligations. Premiums and cost sharing for individuals with incomes between 134 and 200% of the FPL, plus any applicable income disregards, who enroll in the IO ESI will remain unchanged. A summary of monthly premiums and other cost sharing obligations for each program is presented in the table on the following page.

## Summary of Premiums and Cost Sharing Requirements, by Program

Program	Monthly Premiums	Copayments and Deductibles	Annual Cost Sharing Limit
IO IP	Up to 15 percent of estimated costs (not to exceed four percent of the monthly gross household income)	Not to exceed amounts permitted under federal regulations (42 CFR 447), except emergency room copay <ul style="list-style-type: none"> <li>• Office Visit: \$10</li> <li>• Pharmacy: \$5 Generic</li> <li>• Pharmacy: \$10 Brand</li> <li>• Emergency: \$30 (waived if admitted)</li> <li>• Hospital Inpatient Stay: \$50</li> <li>• Hospital Outpatient Visit: \$25</li> </ul> Members must pay copays to receive services	Not to exceed five percent of the family's gross income
IO ESI	Up to 15 percent of total premium (not to exceed three percent of the five percent household income cap)	Based on the requirements for the employer plan, subject to the following limitations: <ul style="list-style-type: none"> <li>• Copays for physician office visits: not to exceed \$50 per visit</li> <li>• Annual pharmacy deductible not to exceed \$500 per individual</li> <li>• Annual out-of-pocket maximum not to exceed \$3,000 per individual, excluding pharmacy deductible</li> </ul>	Not to exceed five percent of family's total income
Adult Group	None	Not to exceed amounts permitted under federal law and as described within the Oklahoma State Plan.	Not to exceed five percent of family's total income

### Delivery System

Individuals enrolled in the IO IP plan access covered services through IO-participating providers. Upon transition to the Adult Group, individuals will access services through the full network of SoonerCare-participating providers.

IO ESI plan participants access services through the network of providers participating in their employers' health plans. IO ESI plan participants with incomes at or below 133% of the FPL , plus any applicable income disregards, will transition to the Adult Group and also will access services through the full network of SoonerCare-participating providers.

### **Demonstration Evaluation**

The approved evaluation design includes hypotheses related to waiving of retroactive eligibility for the IO program. The OHCA's independent evaluator will continue to evaluate the IO ESI plan. The evaluator also will include the Adult Group as a distinct segment within the evaluation and will stratify all data to produce findings specific to this population.

### **WAIVER AND EXPENDITURE AUTHORITY**

This amendment seeks to eliminate and revise current expenditure authorities. Expenditure authority to operate the IO IP plan will no longer be required and expenditure authority for the IO ESI plan will be limited to individuals with incomes between 134 and 200% of the FPL (plus any applicable income disregards).

### **ADDITIONAL INFORMATION AND COMMENTS**

Interested persons may visit [www.okhca.org/PolicyBlog](http://www.okhca.org/PolicyBlog) to view a copy of the proposed waiver amendment and phase-out plan, public notice(s), and a link to provide public comments on the proposal, supplemental information, and updates.

Due to the current public health emergency and the associated social distancing guidelines, persons wishing to present their views in writing or obtain copies of the proposed waiver may do so via mail by writing to: Oklahoma Health Care Authority, Federal Authorities Unit, 4345 N. Lincoln Blvd., Oklahoma City, Oklahoma 73105, or by email at [federal.authorities@okhca.org](mailto:federal.authorities@okhca.org). Written comments or requests for copies of the proposed waiver will be accepted by contacting OHCA as indicated. Comments submitted through the OHCA policy blog will be available for review online at [www.okhca.org/PolicyBlog](http://www.okhca.org/PolicyBlog). Other written comments are available upon request at [federal.authorities@okhca.org](mailto:federal.authorities@okhca.org). Comments will be accepted October 1-31, 2020.

## ABBREVIATED PUBLIC NOTICE

Pursuant to Section 431.408 and 447.205 of Title 42 of the Code of Federal Regulations, the Oklahoma Health Care Authority (OHCA) is required to provide public notice of its intent to submit an amendment to its 1115(a) demonstration waiver as well as a phase-out plan required by the demonstration's special terms and conditions to the Centers for Medicare & Medicaid Services (CMS). The OHCA currently has an approved 1115(a) waiver for the 2018-2023 demonstration period.

**Phase-out of the Insure Oklahoma Individual Plan, transition of certain Insure Oklahoma Employer-Sponsored Insurance (IO ESI) members, and establishment of the Federal Poverty Level (FPL) for the IO ESI program; Effective date: July 1, 2021, contingent upon CMS approval.**

With this amendment and phase-out plan request, the OHCA seeks approval of the following modifications to the 1115(a) demonstration Special Terms and Conditions (STCs) for the current extension period that will be in effect through the end of the waiver demonstration on December 31, 2023:

- Phase out the IO IP plan.
- Transition IO IP and IO ESI members with incomes at or below 133% of the FPL to the new expansion adult option, receiving services under the SoonerCare program.
- Clarify that the income threshold for the IO ESI program will be established at 134% - 200% of the FPL, plus any applicable income disregards.
- The waiver amendment and phase-out plan will ensure continuity of care by making the transition of eligible IO members to the new adult expansion population as seamless and effortless as possible and improve access to high-quality, person-centered services that produce positive health outcomes for individuals who were previously under or uninsured.
- The requested effective date of July 1, 2021 will coincide with the State's intent to expand Medicaid to adults ages 19-64, with incomes at or below 133% of the FPL, as per 42 CFR 435.119 and Oklahoma State Question 802.

Proposed changes are further detailed in the Insure Oklahoma phase-out plan required by the STCs of the 1115(a) waiver. The IO phase-out plan can be located on the Agency's website at [www.okhca.org/PolicyBlog](http://www.okhca.org/PolicyBlog) or can be requested as per the information at the end of this notice.

*Budget Neutrality Impact: Current Demonstration*

The following Medicaid Eligibility Groups (MEGs) under the currently approved Demonstration are impacted by the proposed changes:<sup>2</sup>

- Non-Disabled Working Adults ESI
- Full-Time College Students ESI

---

<sup>2</sup> The currently approved Demonstration includes additional IO MEGs, but these MEGs do not have any enrollment or expenditures and therefore are not included in the Budget Neutrality impact analysis.

- Non-Disabled Working Adults IP
- Full-Time College Students IP

The table on the following page presents projected expenditures under the Demonstration and prior to implementation of the phase-out plan. (Impacted MEGs are highlighted with blue font.)

**Projected “With Waiver” Expenditures**

Calendar Year Demonstration Year	2021 26	2022 27	2023 28
<b><i>Medicaid Per Capita</i></b>			
<i>TANF-Urban</i>	\$1,041,752,175	\$1,111,183,707	\$1,185,242,768
<i>TANF-Rural</i>	\$736,329,206	\$777,532,273	\$821,040,958
<i>ABD-Urban</i>	\$492,959,366	\$507,335,244	\$522,130,357
<i>ABD-Rural</i>	\$384,088,145	\$395,448,243	\$407,144,336
<b><i>Medicaid Aggregate - WW only</i></b>			
<i>Non-Disabled Working Adults ESI</i>	\$65,789,186	\$69,980,698	\$74,439,257
<i>TEFRA Children</i>	\$11,414,642	\$12,728,688	\$14,194,006
<i>Full-Time College Students ESI</i>	\$516,218	\$547,488	\$580,653
<i>Non-Disabled Working Adults IP</i>	\$51,959,648	\$56,876,221	\$62,258,014
<i>Full-Time College Students IP</i>	\$428,088	\$442,676	\$457,760
<i>HAN Expenditures</i>	\$11,405,439	\$11,720,229	\$12,043,707
<i>HMP Expenditures</i>	\$12,679,813	\$13,440,501	\$14,248,007
<b>Total</b>	<b>\$2,809,321,926</b>	<b>\$2,957,235,968</b>	<b>\$3,113,779,823</b>

Effective July 1, 2021 (the second half of Demonstration Year 26), the IO IP plan will be phased out along with the IO ESI plan for individuals with incomes up to 133% of the FPL. The IO ESI plan will continue for individuals eligible with incomes between 134 and 200% of the FPL. Based on current enrollment data, 70.0% of the population enrolled in the Non-Disabled Working Adults ESI MEG and 66.0% of the population enrolled in the Full-Time College Students ESI MEG have incomes between 134 and 200% of the FPL. The table below presents the estimated impact on program expenditures under the approved Demonstration.

**Impact: Phase Oklahoma Phase-Out (Effective 7/1/21)**

Calendar Year Demonstration Year	2021 (1/2) 26 (1/2)	2022 27	2023 28
<i>Non-Disabled Working Adults ESI</i>	-\$9,872,372	-\$21,002,706	-\$22,340,816
<i>Full-Time College Students ESI</i>	-\$87,829	-\$186,298	-\$197,583
<i>Non-Disabled Working Adults IP</i>	-\$25,979,824	-\$56,876,221	-\$62,258,014
<i>Full-Time College Students IP</i>	-\$214,044	-\$442,676	-\$457,760
<b>Total</b>	<b>-\$36,154,069</b>	<b>-\$78,507,901</b>	<b>-\$85,254,173</b>

The table below presents projected expenditures under the approved Demonstration and upon implementation of the Insure Oklahoma phase-out plan.

**Projected “With Waiver” Expenditures, Including Phase-Out of IO IP and Partial Phase-Out of IO ESI**

<b>Calendar Year Demonstration Year</b>	<b>2021 26</b>	<b>2022 27</b>	<b>2023 28</b>
<b><i>Medicaid Per Capita</i></b>			
<i>TANF-Urban</i>	\$1,041,752,175	\$1,111,183,707	\$1,185,242,768
<i>TANF-Rural</i>	\$736,329,206	\$777,532,273	\$821,040,958
<i>ABD-Urban</i>	\$492,959,366	\$507,335,244	\$522,130,357
<i>ABD-Rural</i>	\$384,088,145	\$395,448,243	\$407,144,336
<b><i>Medicaid Aggregate - WW only</i></b>			
<i>Non-Disabled Working Adults ESI</i>	\$55,916,814	\$48,977,992	\$52,098,441
<i>TEFRA Children</i>	\$11,414,642	\$12,728,688	\$14,194,006
<i>Full-Time College Students ESI</i>	\$428,389	\$361,190	\$383,070
<i>Non-Disabled Working Adults IP</i>	\$25,979,824	\$0	\$0
<i>Full-Time College Students IP</i>	\$214,044	\$0	\$0
<i>HAN Expenditures</i>	\$11,405,439	\$11,720,229	\$12,043,707
<i>HMP Expenditures</i>	\$12,679,813	\$13,440,501	\$14,248,007
<b>Total</b>	<b>\$2,773,167,857</b>	<b>\$2,878,728,067</b>	<b>\$3,028,525,650</b>

Interested persons may visit [www.okhca.org/PolicyBlog](http://www.okhca.org/PolicyBlog) to view a copy of the proposed waiver amendment, phase-out plan, public notice, and a link to provide public comments on the proposal. Due to the current public health emergency and the associated social distancing guidelines, persons wishing to present their views in writing or obtain copies of the proposed waiver amendment and phase-out plan may do so via mail by writing to: Oklahoma Health Care Authority, Federal Authorities Unit, 4345 N. Lincoln Blvd., Oklahoma City, Oklahoma 73105, or by email at [federal.authorities@okhca.org](mailto:federal.authorities@okhca.org). Written comments or requests for copies of the proposed waiver will be accepted by contacting OHCA as indicated. Comments submitted will be available for review online at [www.okhca.org/PolicyBlog](http://www.okhca.org/PolicyBlog). Comments will be accepted October 1-31, 2020.



# **OKLAHOMA**

## **Health Care Authority**

**§1115(a) SoonerCare  
Demonstration 11/W/00048/6**

**Insure Oklahoma Individual Plan and  
Employer Sponsored Insurance  
Phase-out Plan**

**Submitted November 16, 2020**

## Table of Contents

I.	EXECUTIVE SUMMARY .....	2
II.	INSURE OKLAHOMA PHASE-OUT REQUIREMENTS .....	4
1.	The Process by which the Agency will Notify Affected Beneficiaries, Employers, Agents, and Providers .....	4
a.	Affected Beneficiaries, Employers, Agents and Providers .....	4
b.	Notification Process .....	6
c.	Notification Letters to Insure Oklahoma Members, Employer Sponsored Insurance Members, Employers, and Agents .....	9
2.	Process by which the Agency will Conduct Administrative Reviews of Medicaid Eligibility for the Affected Beneficiaries .....	15
3.	Procedures in which the Agency will Assure all Appeal and Hearing Rights are Afforded .....	15
4.	Process by which the Agency will Ensure Ongoing Coverage for Eligible Individuals .....	15
5.	Community Outreach Activities .....	15
III.	PUBLIC NOTICE AND TRIBAL CONSULTATION .....	16
IV.	Attachment 1 - Tribal Consultation Agenda .....	17
V.	Attachment 2 – Public Notices .....	21

## I. EXECUTIVE SUMMARY

The Oklahoma Health Care Authority (OHCA) is the single state Medicaid agency in Oklahoma. OHCA operates the SoonerCare and Insure Oklahoma program under Section 1115(a) demonstration authorities. On August 31, 2018, the Centers for Medicare & Medicaid Services (CMS) approved OHCA's request to extend Oklahoma's SoonerCare 1115(a) waiver. The current demonstration is approved for the period August 31, 2018 through December 31, 2023.

Subsequent to the passage of [State Question 802](#), on July 31, 2020, Oklahoma posted a formal public notice for submission of three state plan amendments (SPAs) to CMS to expand SoonerCare to low-income adults up to 133 percent (133%) of the federal poverty level (FPL), plus any applicable income disregards, effective July 1, 2021. The notice included OHCA's intent to modify the state plan to:

- Add the new adult group, ages 19-64, with incomes at or below 133% of the FPL, plus any applicable income disregards, as per Section 1902(a)(10)(A)(i)(VIII) of the Social Security Act and 42 CFR 435.119, and consistent with the expanded eligibility criteria as defined in the Affordable Care Act (referenced henceforth as "expansion adults").
- Establish an alternative benefit plan (ABP) for expansion adults.
- Establish Oklahoma's eligibility procedures for identification of expansion adults for the purpose of securing the Federal Medical Assistance Percentage (FMAP) rate for expansion adults.

## Phase-Out Plan

The focus of this request is the phase-out of individuals with incomes at or below 133% of the FPL (plus any applicable income disregards) from the Insure Oklahoma (IO) program. This includes phasing out the entire Individual Plan (IP) and members within the Employer Sponsored Insurance (ESI) plan with income at or below 133% FPL (plus any applicable income disregards). OHCA has operated the IO program since 2005 as a premium assistance program for adults who are not otherwise eligible for Medicaid. The IO program currently has two components:

- Insure Oklahoma Individual Plan (IP) – Offers coverage for qualifying individuals with incomes at or below 100% of the FPL who do not have access to employer-sponsored insurance.
- Insure Oklahoma Employer Sponsored Insurance (ESI) – Offers coverage for qualifying individuals with incomes up to 200% of the FPL who obtain coverage through qualifying employers and health plans.

Insure Oklahoma IP members and ESI members that have incomes at or below 133 percent (133%) of FPL (plus any applicable income disregards) will transition to the expansion adult group effective July 1, 2021.

OHCA submits this phase-out plan outlining the following requirements in accordance with the Special Terms & Conditions (STC) 10, Demonstration Phase-Out:

- Process by which the Agency will notify affected beneficiaries;
- Content of notices sent out to beneficiaries (including information on the beneficiary's appeal rights);
- Process by which the Agency will conduct administrative reviews of Medicaid eligibility for the affected beneficiaries;
- Assurance of ongoing coverage for eligible individuals; and
- Community outreach activities.

As OHCA moves toward the phase-out of the IP plan and certain ESI plan members, it is the Agency's intent to make the transition of eligible IO members to the new adult population as seamless and effortless as possible for the members, employers, agents, and providers. It should be noted, however, that the details of this document are subject to change as the OHCA receives additional guidance and direction from state and federal leadership.

## **Effects on the Phase-out Plan Due to a Continuing Public Health Emergency**

If the COVID-19 public health emergency (PHE) is still in effect past January 2021, the IO phase-out plan will need to be revised and the dates for the various phase-out activities described herein will also need to be adjusted. The Agency will actively collaborate with CMS on the final phase-out date and implementation to accommodate procedures surrounding the PHE. If the PHE is still in effect past January 2021, the Agency assures members will be promptly notified of the continuation of benefits and eligibility in IO. Additionally, OHCA will ensure there is a systematic way to avoid inappropriate termination of eligibility in IO and that systems are in place to claim expenditures accurately for affected populations.

### **II. INSURE OKLAHOMA PHASE-OUT REQUIREMENTS**

#### **1. The Process by which the Agency will Notify Affected Beneficiaries, Employers, Agents, and Providers**

##### **a. Affected Beneficiaries, Employers, Agents and Providers**

The current beneficiaries and stakeholders affected by the Insure Oklahoma phase-out are identified below.

##### Affected Beneficiaries

The phase-out of Insure Oklahoma will affect members with incomes at or below 133% of FPL (plus applicable income disregards) who are:

- Non-disabled, low-income working adults ages 19-64 — and their spouses — who work for an eligible employer with 250 or fewer employees, are self-employed, or unemployed;
- Working disabled adults ages 19-64 — and their spouses — who are ineligible for Medicaid due to employment earnings and who otherwise, except for earned income, would be eligible to receive Supplemental Security Income (SSI) benefits;
- Foster parents ages 19-64 — and their spouses — who work full time or part time for an eligible employer;
- Qualified employees of not-for-profit businesses ages 19-64 — and their spouses — who work for an eligible employer with 500 or fewer employees; and
- Full-time college students ages 19-22.

As of August 2020, there were 30,117 ESI and IP members. Approximately 20,264 of these members will be affected by the phase-out of the IO IP plan and the transition of IO ESI members with incomes at or below 133% FPL (plus applicable income disregards). This includes an overall total of 16,720 employees, 2,955 spouses, and 579 college students.

**Table 1. Affected Insure Oklahoma IP Beneficiaries (by FPL<sup>1</sup>)**

	<b>Total (0-100%)</b>
Employee	12,851
Spouse	2,186
Student	525
Dependent Child	N/A
<b>IP Total</b>	<b>15,562</b>

**Table 2. Affected Insure Oklahoma ESI Beneficiaries (by FPL<sup>2</sup>)**

	0-100%	101-138%	<b>Total</b>
Employee	1,820	2,049	<b>3,869</b>
Spouse	344	425	<b>769</b>
Student	29	25	<b>54</b>
Dependent Child	8	2	<b>10</b>
<b>ESI Total</b>	<b>2,201</b>	<b>2,501</b>	<b>4,702</b>

**Table 3. Employer Participation in Insure Oklahoma ESI, by Employer Size<sup>3</sup>**

	Employers with 1-25 Employees	Employers with 26-50 Employees	Employers with 51-99 Employees	Employers with 100 or More Employees	<b>Total</b>
Current	2,689	419	273	321	<b>3,711</b>
New	16	1	2	0	<b>19</b>
<b>Total</b>	<b>2,705</b>	<b>420</b>	<b>275</b>	<b>321</b>	<b>3,730</b>

Affected Insure Oklahoma Employers

As of August 2020, a total of 3,730 employers are actively enrolled in one of 322 qualified health plans<sup>3</sup> under the Insure Oklahoma ESI plan.

Affected Insure Oklahoma Agents

As of August 2020, Insure Oklahoma has approximately 1,740 qualified agents throughout the Agency to promote the ESI plan to business employers.

Affected Insure Oklahoma Providers

The OHCA currently contracts with 2,420<sup>4</sup> Insure Oklahoma IP providers including physicians (MD/DO), physician assistants (PA), and registered nurse

<sup>1</sup> Individual Plan Fast Facts, August 2020

<sup>2</sup> Federal Poverty Level Fast Facts, August 2020

<sup>3</sup> An Insure Oklahoma qualified health plan, as described in STC VI Item #29, must meet certain requirements as outlined in Oklahoma Administrative Code 317:45-5-1. Numbers presented in the chart are August 2020 figures.

<sup>4</sup> Insure Oklahoma Fast Facts, August 2020

practitioners (APN). Insure Oklahoma IP providers must enter into a SoonerCare contract. However, not all Insure Oklahoma IP providers render services to SoonerCare members; some providers may choose to only provide services to members covered by Insure Oklahoma. In addition, providers that are contracted with the ESI qualified benefit plans will have fewer lives covered by Insure Oklahoma. The qualified benefit plans will communicate plan changes to their contracted providers.

## **b. Notification Process**

During the phase-out of the IO IP plan and applicable ESI members, the OHCA will provide IO stakeholders with timely notification of the program changes. The OHCA will ensure affected members are sent information to make an informed decision on continuing their health care coverage. Insure Oklahoma IP members and ESI members with incomes at or below 133% FPL (plus any applicable income disregards) will be enrolled automatically in SoonerCare. OHCA will use the following notification techniques for those affected by the program changes<sup>5</sup>:

### General Notifications

Beginning in February 2021, OHCA will leverage social media (e.g., Facebook, YouTube and Twitter) and webpages for general public distribution of the messaging on the phase-out of the Insure Oklahoma IP plan and ESI members with incomes at or below 133% FPL (plus any applicable income disregards).

### Email Blasts

Insure Oklahoma employers and agents will receive email alerts directly to their email accounts. Beginning November 2020, OHCA will be able to use this notification technique to apprise employers and agents of the upcoming changes to the Insure Oklahoma program.

### Provider Notifications

Insure Oklahoma will use global notices and the provider enrollment webpage to message Insure Oklahoma providers beginning April 2021 about the phase-out of IO IP plan and ESI members with incomes at or below 133% of FPL (plus any applicable income disregards) and claims run-out deadlines.

### Helpline Message

Insure Oklahoma members<sup>6</sup>, employers, and agents have access to the Insure Oklahoma helpline for any questions or concerns. Beginning June 2021, when an IO member, employer, or agent calls the Helpline, they will hear a brief message about the changes coming to the Insure Oklahoma IP and ESI plans,

---

<sup>5</sup> Notification to members, employers, and agents will closely resemble language from the monthly notification letters.

<sup>6</sup> The member receives the helpline contact information through letters they receive from the OHCA, their handbooks, and in their monthly statements.

the new expansion coverage, and they will be directed to the OHCA SoonerCare or Insure Oklahoma website for more information. Members, employers, and agents will also be able to directly speak with a customer service representative.

#### Notification Letters

Beginning May 2021, the OHCA will send out notification letters to members, employers, and agents informing them of the phase-out of the Insure Oklahoma IP plan and ESI members with incomes at or below 133% of FPL (plus any applicable income disregards) and provide specific information for how these changes will affect them. Refer to Section II(c) of this document for a more detailed description of the sample letters.

#### Insure Oklahoma and OHCA Websites

Beginning April 2021, prominent communication will be added at or near the top of the Insure Oklahoma homepage as well as the OHCA homepage for members, employers, agents, and providers to click. When individuals click on the banner of the OHCA webpage, it will take them directly to a webpage where information is posted about the IO program, including information for members on how to apply for other available coverage options.

#### Secure Site

The OHCA SoonerCare provider secure site is a tool SoonerCare and IO providers use to obtain provider information, access claims and prior authorization-related functions, and receive messages from the OHCA. Beginning on or about April - June 2021, OHCA will add a message banner specifically for the IO providers informing them of the IO phase-out changes.

#### Eligibility Letter

By February 2021, renewing Insure Oklahoma affected members will have an eligibility end date of June 30, 2021, which will be stated in the eligibility determination letter they receive upon their renewal with the IO program.

**Table 4. 2020-2021 Insure Oklahoma Notification Timeline**

	Oct 2020	Nov 2020	Dec 2020	Jan 2021	Feb 2021	Mar 2021	Apr 2021	May 2021	Jun 2021
<b>Member Notification</b>									
Eligibility Letters <sup>7</sup> for ESI and IP Members					✓	✓	✓	✓	✓
Helpline Message for ESI and IP Members									✓
Notification Letter for ESI and IP Members								✓	✓
<b>Employer Notification</b>									
Notification Letters								✓	✓
Email Blasts		✓	✓	✓	✓	✓	✓	✓	✓
Helpline Message									✓
<b>Agent Notification</b>									
Notification Letter								✓	✓
Email Blasts		✓	✓	✓	✓	✓	✓	✓	✓
Helpline Message									✓
<b>Provider Notification</b>									
Provider Notification Letter							✓	✓	✓
Global Messages							✓	✓	✓
Secure Site							✓	✓	✓
<b>Member/Employer/Agent/Provider Website Notification</b>									
Insure Oklahoma Web Banner							✓	✓	✓
OHCA Web Banner							✓	✓	✓
Insure Oklahoma Website							✓	✓	✓
OHCA Website							✓	✓	✓

<sup>7</sup> By February 2021, all member renewal letters for IP and ESI below 133% FPL for IP and ESI will include an eligibility end date of June 30, 2021.

### **c. Notification Letters to Insure Oklahoma Members, Employer Sponsored Insurance Members, Employers, and Agents**

Beginning on or around May 2021, OHCA will send out notification letters to IO members, employers, and agents. The sample content of the notification letters is detailed below.

#### Sample Member Notification Letter

##### ***Insure Oklahoma Individual Plan***

Dear Individual Plan member:

Our records show that you are enrolled in the Insure Oklahoma Individual Plan. This program is ending on July 1, 2021 but you are not losing health coverage.

You will be enrolled automatically in the SoonerCare (Medicaid) program starting July 1. This program comes with new benefits and no monthly premium. Read below to learn more.

##### **Why is my coverage changing?**

In June 2020, Oklahoma's voters approved State Question 802, to expand the SoonerCare program (Medicaid). Starting July 1, 2021 SoonerCare will cover adults with incomes up to 133% of the federal poverty level (plus any applicable income disregards). The Insure Oklahoma Individual Plan will end on July 1, 2021.

At that time, Insure Oklahoma Individual Plan members will be enrolled into SoonerCare.

##### **Why is SoonerCare better coverage?**

You will receive all the benefits offered through Insure Oklahoma. You also will receive some new benefits. For example, the SoonerCare program covers non-emergency transportation. You can learn more about these benefits at [www.okhca.org](http://www.okhca.org).

You will no longer be charged a monthly premium. The SoonerCare program does have some co-payments (with a monthly household cap equal to 5% of your income). You can learn more about these co-payments at [www.okhca.org](http://www.okhca.org).

##### **Can I keep my primary care provider?**

Most Insure Oklahoma primary care providers also see SoonerCare members. Ask your current health provider if you will still be able to be seen under SoonerCare.

We also can help you find a SoonerCare provider. Just call the SoonerCare Helpline at 800-987-7767 or 711 (TDD).

American Indian and Alaska Native members may select an IHS, Tribal or Urban Indian clinic as a SoonerCare provider.

**What about other providers?**

Most other Insure Oklahoma providers also see SoonerCare members. You can call your other providers to ask if they see SoonerCare members. If they don't, we can help you to find a new provider. Just call the SoonerCare Helpline at 800-987-7767 or 711 (TDD).

**What if I have Insure Oklahoma out-of-pocket expenses to be reimbursed?**

The Insure Oklahoma Individual Plan will end on July 1, 2021. If you have out-of-pocket expenses to be reimbursed, you must submit them with a postmark no later than December 31, 2021.

**What do I have to do to enroll in SoonerCare?**

Nothing! You will be automatically enrolled into the SoonerCare program.

**What if I do not want to enroll in SoonerCare?**

If you do not wish to be covered by SoonerCare, go to [www.MySoonerCare.org](http://www.MySoonerCare.org) before July 1 and uncheck the SoonerCare box.

**Who do I call with questions?**

If you have questions about this letter or your existing Insure Oklahoma benefits, call the Insure Oklahoma Helpline at 888-365-3742.

If you have questions about SoonerCare, call the SoonerCare Helpline at 800-987-7767.

*We are excited about these changes and look forward to serving you in the SoonerCare program!*

---

Sample Employer Sponsored Insurance –Member Letter (at or below 133% FPL, plus applicable income disregards)

**IMPORTANT – YOUR HEALTH COVERAGE IS CHANGING!**

**PLEASE READ CAREFULLY**

Dear Insure Oklahoma ESI member:

Our records show that you are enrolled in the Insure Oklahoma Employer-Sponsored Insurance plan (IO ESI). Under this plan, the State helps to pay part of the cost of your employer’s health insurance. You and your employer pay the rest.

The IO ESI plan is ending on July 1, 2021 for adults with incomes at or below 133% of the federal poverty level (plus any applicable income disregards). Our records also show that your income is below this percentage. This means you (and your spouse, if applicable) will be disenrolled from the IO ESI plan on July 1.

You are being disenrolled from the IO ESI plan but you are not losing health coverage.

You will be enrolled automatically in the SoonerCare (Medicaid) program. This program comes with no monthly premium. Read below to learn more.

**Why is my coverage changing?**

In June 2020, Oklahoma’s voters approved State Question 802, to expand the SoonerCare program (Medicaid). Starting July 1, 2021 SoonerCare will cover adults with incomes up to 133% of the federal poverty level (plus any applicable income disregards). Individuals in the Insure Oklahoma Employer Sponsored Insurance Plan with incomes up to 133% of FPL (plus any applicable income disregards) will transition into SoonerCare.

**How will my coverage be different?**

Under SoonerCare, you will get to pick a health care provider for your primary care. Your health care provider also will help you to manage your other care needs. You will have a wide choice of providers for your other care needs.

SoonerCare offers a wide range of benefits. These include most or all the benefits your employer’s plan covers. You also may receive some new benefits. You can learn more about SoonerCare benefits at [www.okhca.org](http://www.okhca.org).

You no longer will be charged a monthly premium. SoonerCare does have some co-payments (with a monthly household cap equal to 5% of your income). You can learn more about these co-payments at [www.okhca.org](http://www.okhca.org).

**Can I keep my primary care provider, if I already have one?**

Ask your current health provider if you will still be able to be seen under SoonerCare. We also can help you find a SoonerCare provider. Just call the SoonerCare Helpline at 800-987-7767 or 711 (TDD).

American Indian and Alaska Native members may select an IHS, Tribal or Urban Indian clinic as a SoonerCare provider.

**What about other providers?**

Most other Insure Oklahoma providers also see SoonerCare members. You can call your other providers to ask if they see SoonerCare members. If they don't, we can help you to find a new provider. Just call the SoonerCare Helpline at 800-987-7767 or 711 (TDD).

**What if I have IO ESI out-of-pocket expenses to be reimbursed?**

Your IO ESI coverage will end on July 1, 2021. If you have out-of-pocket expenses to be reimbursed, you must submit them with a postmark no later than December 31, 2021.

**What do I have to do to enroll in SoonerCare?**

Nothing! You will be automatically enrolled into the SoonerCare program.

**What if I do not want to enroll in SoonerCare?**

If you do not wish to be covered by SoonerCare, go to [www.MySoonerCare.org](http://www.MySoonerCare.org) before July 1 and uncheck the SoonerCare box.

**Who do I call with questions?**

If you have questions about this letter or your existing Insure Oklahoma benefits, call the Insure Oklahoma Helpline at 888-365-3742

If you have questions about SoonerCare, call the SoonerCare Helpline at 800-987-7767.

*We are excited about these changes and look forward to serving you in the SoonerCare program!*

## Sample Employer Notification Letter

Below is a sample of the language that may be used for the employer notification letter.

Dear Insure Oklahoma Employer:

Insure Oklahoma has operated as a partnership between the state and federal governments since 2005. At this time, Oklahoma is pursuing federal approval for an exciting new coverage option that will make SoonerCare available to a new group we are calling expansion adults. These adults are ages 19-64, with incomes at or below 133 percent (133%) of the federal poverty level (FPL) (plus any applicable income disregards). To qualify, individuals cannot be pregnant, included in any other mandatory Medicaid group or have Medicare Part A and/or Part B. Expansion adults is a SoonerCare program with no premiums. SoonerCare co-pays apply, with a five percent (5%) household cap on cost sharing each month. For more information about SoonerCare and its benefits, see [www.okhca.org](http://www.okhca.org).

The Insure Oklahoma Employer Sponsored Insurance (ESI) program will continue to cover qualifying individuals with incomes above 133% of FPL (plus any applicable income disregards). All Insure Oklahoma Individual Plan members and ESI members with incomes at or below 133% of FPL (plus any applicable income disregards) will be transferred to the expansion adult population.

Some of your employees will qualify as expansion adults and may apply with their [MySoonerCare.org](http://MySoonerCare.org) account. Another option for employees may be to apply in the federal health insurance marketplace at [www.healthcare.gov](http://www.healthcare.gov).

August 31, 2021 is the deadline for submitting any remaining Insure Oklahoma invoices for ESI members with incomes at or below 133 percent (133%) of the FPL (plus any applicable income disregards) who are transitioning to the expansion adult population.

Should you have questions or need assistance, please contact the Insure Oklahoma Helpline at 888-365-3742.

We appreciate the opportunity you have given us to assist you and your employees.

## Sample Agent Notification Letter

Below is a sample of the language that may be used for the agent notification letter.

Dear Insure Oklahoma Agent:

Insure Oklahoma has operated as a partnership between the state and federal governments since 2005. At this time, Oklahoma has received exciting new federal approval for a coverage option that will make SoonerCare available to a new group we are calling expansion adults. These adults are ages 19-64, with incomes at or below 133 percent (133%) of the federal poverty level (FPL) (plus any applicable income disregards). To qualify, individuals cannot be pregnant, included in any other mandatory Medicaid group or have Medicare Part A and/or Part B. Expansion adults is a SoonerCare program with no premiums. SoonerCare co-pays apply, with a five percent (5%) household cap on cost sharing each month. For more information about SoonerCare and its benefits, see [www.okhca.org](http://www.okhca.org).

The Insure Oklahoma Employer Sponsored Insurance (ESI) plan will continue to cover qualifying individuals with incomes at or below 133 percent of FPL through June 30, 2021. Employers are being directed to contact you to discuss future options for coverage. If the business chooses not to continue providing health insurance for employees after Insure Oklahoma ends, we are asking them to inform the employees of their options to apply for Sooner Care using the [MySoonerCare.org](http://MySoonerCare.org) account or to apply for coverage through the marketplace using [www.healthcare.gov](http://www.healthcare.gov).

Please remind your businesses that August 31, 2021, is the deadline to submit any remaining Insure Oklahoma invoices. The Insure Oklahoma Helpline at 888-365-3742 is available if you have any questions.

We appreciate the opportunity you have given us to assist you, your clients and their employees.

## **2. Process by which the Agency will Conduct Administrative Reviews of Medicaid Eligibility for the Affected Beneficiaries**

The Agency conducts administrative renewals for all affected beneficiaries in order to determine if they qualify for Medicaid eligibility under a different eligibility category as discussed in October 1, 2010, State Health Official Letter #10-008. Individuals enrolled in the Insure Oklahoma Individual Plan and those enrolled in Insure Oklahoma ESI with incomes at or below 133% of the FPL (plus any applicable income disregards) will be enrolled automatically in SoonerCare.

## **3. Procedures in which the Agency will Assure all Appeal and Hearing Rights are Afforded**

The Agency complies with all notice requirements found in 42 CFR sections 431.206, 431.210 and 431.213. In addition, the Agency assures all appeal and hearing rights afforded to demonstration participants as outlined in 42 CFR sections 431.220 and 431.221. If a demonstration participant requests a hearing before the date of action, the Agency maintains benefits as required in 42 CFR section 431.230.

## **4. Process by which the Agency will Ensure Ongoing Coverage for Eligible Individuals**

OHCA will take measures to ensure all members are considered for Expansion and to ensure continuity of coverage as our members switch programs. OHCA will evaluate the system reprocess results to resolve any processing related errors to minimize action required by members. In the event of a large processing errors data fixes will be employed. Any outliers will be evaluated and resolved as they are discovered. If issues are discovered by operational staff or members, existing Helpdesk procedures will be used to make needed corrections.

## **5. Community Outreach Activities**

OHCA will use multiple outreach strategies — such as radio, social media, and marketing materials – to inform the community of the phase-out of the Insure Oklahoma program. The OHCA communications and provider services units, along with the Insure Oklahoma outreach team, will coordinate and implement these efforts.

**Table 5. 2020 Community Outreach Activities**

	Jan	Feb	Mar	Apr	May	Jun	Jul
Finalize messaging and marketing materials aimed at community partners	✓						
Finalize development of packets to include FAQs, community resources or referral services	✓						
Produce audio recordings for distribution to radio stations	✓						
Train Insure Oklahoma outreach team on phase-out plan and community options	✓						
Social media marketing via OHCA web (main page banner, community relations page), Facebook and Twitter, as well as partner social media		✓	✓	✓	✓	✓	✓
Media appearances/coverage (radio, TV, newspaper)		✓	✓	✓	✓	✓	✓
Share phase-out and other coverage options at health fairs and events where Insure Oklahoma would typically promote the program		✓	✓	✓	✓	✓	✓
Presentations to groups as requested		✓	✓	✓	✓	✓	✓

**III. PUBLIC NOTICE AND TRIBAL CONSULTATION**

In accordance with STC III, STC #15, *Public Notice, Tribal Consultation, and Consultation with Interested Parties*, Oklahoma has provided meaningful public notice to the Native American Tribes, pursuant to Section 1902(a)(73) of the Act as amended by Section 5006(e) of the American Recovery and Reinvestment Act of 2009, and the tribal consultation requirements contained in the Agency’s approved state plan.

The OHCA formally presented the Insure Oklahoma IP expiration plan at the tribal consultation meeting<sup>8</sup> held at the OHCA on September 1, 2020. Due to the public health emergency, the meeting was held via teleconference and consisted of 63 participants. The participants asked one question in association with the proposed IO phase-out and amendment. The meeting participant asked whether the IO program would still be available for individuals 134%-200% of the FPL. OHCA staff responded that effective July 1, 2021, members at or below 133% of the FPL who are currently covered by the IO program would transition into Medicaid under the expansion population. Additionally, IO ESI members at 134% FPL and above, would still be able to obtain services through the IO ESI program.

In addition, this phase-out plan was posted in statewide newspapers and the Agency’s website, [www.okhca.org/PolicyBlog](http://www.okhca.org/PolicyBlog)<sup>9</sup> for public comment from October 1-31, 2020. No public comments were received during this time.

<sup>8</sup> Refer to Attachment 1 for a copy of the Tribal Consultation agenda.

<sup>9</sup> Refer to Attachment 2 for a copy of the public notice.

## IV. Attachment 1 - Tribal Consultation Agenda

**Tribal Consultation Meeting Agenda  
11 AM, September 1st  
Web X Meeting  
Online Web X Webinar**

1. Welcome— Dana Miller, Director of Tribal Government Relations
2. Proposed Rule, State Plan, Waiver, and Rate Amendments— Dana Miller, Director of Tribal Government Relations

### **Proposed Rule, State Plan, and Waiver Amendments**

- Therapy Assistants and Clinical Fellows
  - SoonerPlan Termination
  - SUPPORT Act Drug Utilization Review (DUR) Standard
  - Insure Oklahoma Changes
  - Bariatric Surgery Revisions
  - Dental Managed Care Organizations
  - Disaster Relief COVID-19 Mobile Testing Authority
  - Child Support Cooperation Exemption for Recipients of Indian Health Services
  - Residential SUD Services
  - PRTF Base Rate Increase for Specialty Populations
  - The Oklahoma Department of Human Services (DHS) Development Disabilities
  - Certified Community Behavioral Health (CCBH) Services
3. Other Business and Project Updates- Dana Miller, Director of Tribal Government Relations
    - ITU MCO Workgroup and Waiver update – Traylor Rains, Deputy State Medicaid Director
    - HIV Task Force- Michelle Dennison-Farris, Healthy Policy Liaison Oklahoma City Indian Clinic
    - Tribal Health Outreach- Vivian Morris, OHCA Health Promotion Coordinator

#### 4. Adjourn—Next Tribal Consultation Scheduled for 11 AM, November 3rd, 2020

### **Proposed Rule, State Plan, and Waiver Amendments**

**Therapy Assistants and Clinical Fellows** — The OHCA originally presented policy changes to add provider qualifications, coverage, and reimbursement for services provided by therapy assistants and speech language pathology clinical fellows during the March 3, 2020 Tribal consultation. Due to public comment received, the OHCA has made revisions to its policy request. OHCA will continue to seek adding provider qualifications, coverage, and reimbursement for services performed by physical therapy assistants, occupational therapy assistants, speech language pathology assistants (SLPAs), and speech language pathology clinical fellows. However, as compared to the original request to reimburse all assistants and clinical fellows at 85% of the rate of the fully licensed practitioner, the OHCA will seek to reimburse provisionally licensed speech language pathology clinical fellows at 100% of the fully licensed therapist rate and reimburse assistants (OT, PT, ST) at 85% of the fully licensed therapist rate. Additionally, the requested effective date of this proposal changed from 1/1/2021 to 2/1/2021. **This item requests an expedited 30-day tribal consultation comment period.**

**SoonerPlan Termination** — Effective July 1, 2021, the SoonerPlan program will terminate as adults served by SoonerPlan will transition to the new adult Medicaid expansion population and will be eligible to receive comprehensive SoonerCare services.

**SUPPORT Act Drug Utilization Review (DUR) Standard** — The proposed revisions update the standard for retrospective drug utilization reviews in accordance with Section 1004(b) of the SUPPORT Act, HR 6 including the standards of “excessive utilization” and “inappropriate or medically unnecessary care or prescribing or billing practices that indicate abuse or excessive utilization.”

**Insure Oklahoma Changes** — The OHCA will revise policies, including but not limited to, the 1115(a) demonstration waiver and agency rules, to reflect changes to the Insure Oklahoma (IO) program. Effective July 1, 2021, all IO Individual Plan (IP) members, and IO Employer-Sponsored Insurance (ESI) members with incomes at or below 133% of the federal poverty level (FPL), will transition to and be provided services by the SoonerCare program under the expansion adult option. Additionally, revisions will clarify that IO ESI members’ FPL threshold is 134%-200%.

**Bariatric Surgery Revisions** — The proposed revisions will update bariatric surgery requirements and guidelines to reflect current business practice. Additional revisions will involve fixing grammatical and/or formatting errors, as well as, revoking obsolete sections.

**Dental Managed Care Organization** — To improve Oklahoma’s health outcomes and increase access to care, the OHCA will seek proposals from qualified dental managed care organizations (DMO) to facilitate the delivery of dental services to eligible and enrolled members of Oklahoma’s Medicaid program, commonly known as SoonerCare. The agency will also obtain authority to operate DMOs and will revise and add federal and state policy including: 1915 waiver requests, Title XIX and XXI state plan amendments, and state rules.

**Disaster Relief COVID-19 Mobile Testing Authority** — In response to the COVID-19 public health emergency, the OHCA provided notice of the second submitted disaster relief Title XIX state plan

amendment to the Centers for Medicare and Medicaid Services (CMS). Effective March 1st, 2020, the agency will allow for testing to diagnose or detect COVID-19 and COVID-19 antibodies within non-office settings, such as mobile test sites. The agency also provided notice of the request to allow for self-collected test systems that the FDA has authorized for home use; however, since submission to CMS, the agency has decided only to move forward with the request to allow for mobile testing sites only. **The proposed request will be in effect until the termination of the public health emergency.**

**Child Support Cooperation Exemption for Recipients of Indian Health Services** — Policy revisions are needed to note a difference in the Medicaid agency’s process for medical child support referrals due to changes in federal regulations at 42 CFR 433.152 and 45 CFR 303.11. Policy revisions are needed to reflect the provisions within the federal regulation which notes that the Medicaid agency may not refer a case to the state child support agency for medical support enforcement when the Medicaid referral is based solely upon health care services provided through an Indian Health Program. System changes will be implemented to ensure compliance with agency and federal regulations.

**Residential SUD Services** — The proposed amendment will add coverage and reimbursement of residential substance use disorder (SUD) services for individuals (under age 64) residing in a facility with 16 beds or less to the Oklahoma state plan and rules. **This item requests an expedited 30-day tribal consultation comment period.**

**PRTF Base Rate Increase for Specialty Populations** — The proposed revisions will increase the per diem base rate paid to Psychiatric Residential Treatment Facilities (PRTFs) serving individuals under 21 considered specialty populations i.e., individuals with developmental delays, eating disorders). Revisions will help support infrastructure for specialty providers serving children with specialized treatment needs, with a goal of increasing access to services. **This item requests an expedited 30-day tribal consultation comment period.**

**The Oklahoma Department of Human Services (DHS) Development Disabilities** — To comply with federal regulations, DDS will implement a provider rate increase for current job coaching services for individuals. Additionally, DDS will make changes to their group job coaching services and group enhanced job coaching services based on new group sizes for participants. The services are available to waiver recipients on the Medicaid In-Home Supports Waiver for Adults, Homeward Bound Waiver and Community Based Waiver. These changes will be necessary to support individuals who work in competitive integrated settings; and allow DHS to better empower and support Oklahomans with developmental disabilities.

**Certified Community Behavioral Health (CCBH) Services** — The OHCA originally presented policy changes to replace the current process by which new rates for CCBHs are established during the July 1 tribal consultation. OHCA continues to seek the previously presented changes in addition to an adjustment to the provider-specific standard rate to facilitate the expanded use of new mobile technology and crisis stabilization services to transform the CCBH delivery system. A payment adjustment of \$50 per member per month (PMPM) added to the trended provider-specific standard rate will be paid to providers whose standard CCBH rate is less than 95% of the average of all urban and rural CCBH provider-specific standard rates and is effective 12 months following the determination of the final rate. These revisions and subsequent changes are requested on behalf of the Oklahoma Department of

Mental Health and Substance Abuse Services (ODMHSAS). **This item requests an expedited 14-day tribal consultation comment period.**

## V. Attachment 2 – Public Notices

### NOTICE OF PUBLIC COMMENT PERIOD FOR TRANSITION OF CERTAIN INSURE OKLAHOMA MEMBERS

Pursuant to Title 42 of the Code of Federal Regulations Sections 431.408 and 447.205 and the 1115 waiver's Standard Terms and Conditions (STCs) #15, the Oklahoma Health Care Authority (OHCA) is required to provide public notice of its intent to submit an amendment to its 1115(a) demonstration waiver as well as a phase-out plan required by the demonstration's special terms and conditions to the Centers for Medicare & Medicaid Services (CMS). The OHCA currently has an approved 1115(a) waiver for the 2018-2023 demonstration period.

This notice provides details about the waiver amendment submission and serves to open the 30-day public comment period, which closes on October 31, 2020. In addition to the 30-day public comment period, during which the public will be able to provide written comments to the OHCA, the agency presented the proposed policy changes during its virtual Tribal Consultation on September 1, 2020.

Prior to finalizing the proposed waiver amendment and phase-out plan, the OHCA will consider all written and verbal public comments received. The comments will be summarized and addressed in the final version submitted to CMS.

#### INSURE OKLAHOMA WAIVER AMENDMENT SUMMARY AND OBJECTIVES

The OHCA plans to eliminate the Insure Oklahoma Individual Plan (IO IP) plan and to establish a new income band for the Insure Oklahoma Employer Sponsored Insurance (IO ESI) at 134% - 200% of FPL, plus any applicable income disregards. (The IO ESI plan's current income band is 0 – 200% of FPL, plus any applicable income disregards).

The effective date for the changes will be July 1, 2021, concurrent with expansion of SoonerCare Medicaid eligibility to qualifying adults ages 19 to 64 with incomes at or below 133% of the FPL (plus any applicable income disregards), as per 42 CFR 435.119. Affected individuals in the IO IP and IO ESI plans will automatically be transitioned into the newly-established SoonerCare "Adult Group" with no interruption in coverage.

The IO waiver amendment and phase-out plan will ensure continuity of care by making the transition of eligible IO members to the Adult Group as seamless and effortless as possible. The transition will improve access to high-quality, person-centered services that produce positive health outcomes for individuals.

Oklahoma will continue to honor its commitment to promoting access to affordable coverage through the proposed IO waiver amendment, which will:

- **Enhance access to affordable coverage** – Effective July 1, 2021, Oklahomans with incomes at or below 133% of the FPL (plus any applicable income disregards) will be eligible for the Adult Group. Individuals who enroll in the Adult Group will not pay monthly premiums.
- **Enhance benefits for program participants** – Covered services for the Adult Group will be based on the Alternative Benefit Plan, which exceeds the IO IP covered benefits and the minimum qualified benefit plan requirements for IO ESI.

- **Streamline programs and eligibility policies** – Individuals eligible for the IO plans and with incomes at or below 133% of the FPL (plus any applicable income disregards) will transition to the Adult Group. The phase out of the IO IP plan and elimination of coverage for the IO ESI plan for individuals with incomes at or below 133% of the FPL, plus any applicable income disregards, will eliminate overlapping eligibility policies across programs. Streamlining programs will reduce confusion on the part of program participants and minimize the impact of transitioning across SoonerCare programs as individuals’ incomes change.
- **Continue Oklahoma’s commitment to making affordable health coverage accessible and reducing the number of uninsured** – IO ESI will continue to operate for individuals with incomes between 134 and 200% of the FPL (plus any applicable income disregards).

### **Eligibility and Enrollment**

The following Medicaid Eligibility Groups (MEGs) under the currently approved demonstration are impacted by the proposed changes:

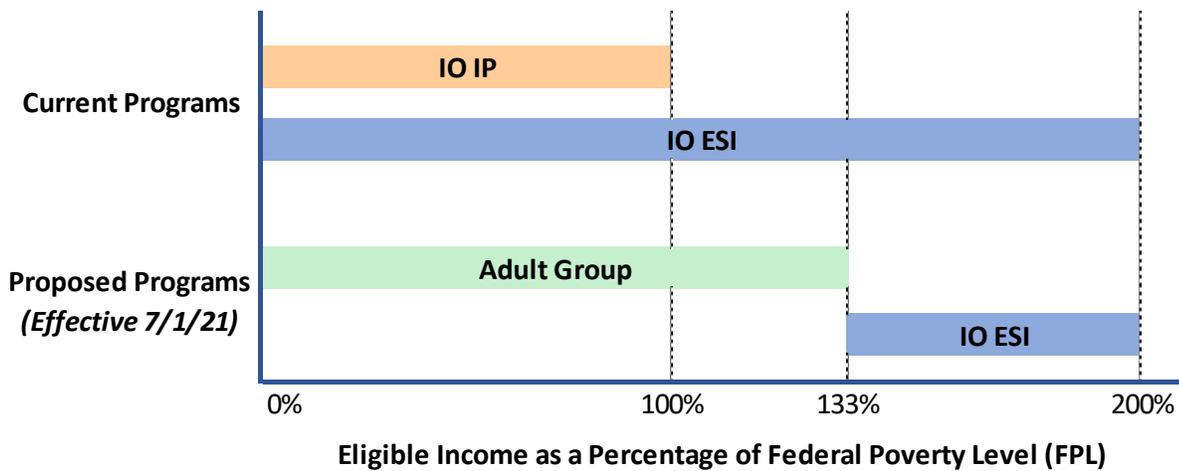
- Non-Disabled Working Adults ESI
- Full-Time College Students ESI
- Non-Disabled Working Adults IP
- Full-Time College Students IP

Approximately 29,000 individuals currently participate in the IO IP and IO ESI plans. The majority of current plan participants (approximately 21,000) have incomes at or below 133% of the FPL (plus any applicable income disregards) and will transition automatically to the new Adult group, effective July 1, 2021.

The IO ESI plan will continue for individuals with incomes between 134% and 200% of the FPL (plus any applicable income disregards). Based on current enrollment data, 70.0% of the population enrolled in the Non-Disabled Working Adults ESI MEG and 66.0% of the population enrolled in the Full-Time College Students ESI MEG have incomes between 134% and 200% of the FPL.

The exhibit below summarizes the current and proposed income eligibility criteria by program.

## IO Eligibility – Current and Proposed



## Fiscal Projections

The proposed waiver amendment will eliminate expenditures for the IO IP plan and reduce expenditures for the IO ESI plan, as illustrated in the tables below. The affected Medicaid Eligibility Groups (MEGs) are highlighted in blue font. Other MEGs, which include Medicaid beneficiaries, will not be affected.

### Projected “With Waiver” Expenditures – Currently Approved Demonstration

Calendar Year	2021	2022	2023
Demonstration Year	26	27	28
<b><u>Medicaid Per Capita</u></b>			
TANF-Urban	\$1,041,752,175	\$1,111,183,707	\$1,185,242,768
TANF-Rural	\$736,329,206	\$777,532,273	\$821,040,958
ABD-Urban	\$492,959,366	\$507,335,244	\$522,130,357
ABD-Rural	\$384,088,145	\$395,448,243	\$407,144,336
<b><u>Medicaid Aggregate - WW only</u></b>			
<i>Non-Disabled Working Adults ESI</i>	\$65,789,186	\$69,980,698	\$74,439,257
TEFRA Children	\$11,414,642	\$12,728,688	\$14,194,006
<i>Full-Time College Students ESI</i>	\$516,218	\$547,488	\$580,653
<i>Non-Disabled Working Adults IP</i>	\$51,959,648	\$56,876,221	\$62,258,014
<i>Full-Time College Students IP</i>	\$428,088	\$442,676	\$457,760
HAN Expenditures	\$11,405,439	\$11,720,229	\$12,043,707
HMP Expenditures	\$12,679,813	\$13,440,501	\$14,248,007
<b>Total</b>	<b>\$2,809,321,926</b>	<b>\$2,957,235,968</b>	<b>\$3,113,779,823</b>

**Impact: Insure Oklahoma Phase-Out (Effective 7/1/21)**

<b>Calendar Year Demonstration Year</b>	<b>2021 (1/2) 26 (1/2)</b>	<b>2022 27</b>	<b>2023 28</b>
<i>Non-Disabled Working Adults ESI</i>	-\$9,872,372	-\$21,002,706	-\$22,340,816
<i>Full-Time College Students ESI</i>	-\$87,829	-\$186,298	-\$197,583
<i>Non-Disabled Working Adults IP</i>	-\$25,979,824	-\$56,876,221	-\$62,258,014
<i>Full-Time College Students IP</i>	-\$214,044	-\$442,676	-\$457,760
<b>Total</b>	<b>-\$36,154,069</b>	<b>-\$78,507,901</b>	<b>-\$85,254,173</b>

**Projected “With Waiver” Expenditures – Phase-Out of IO IP and Partial Phase-Out of IO ESI**

<b>Calendar Year Demonstration Year</b>	<b>2021 26</b>	<b>2022 27</b>	<b>2023 28</b>
<b><u>Medicaid Per Capita</u></b>			
<i>TANF-Urban</i>	\$1,041,752,175	\$1,111,183,707	\$1,185,242,768
<i>TANF-Rural</i>	\$736,329,206	\$777,532,273	\$821,040,958
<i>ABD-Urban</i>	\$492,959,366	\$507,335,244	\$522,130,357
<i>ABD-Rural</i>	\$384,088,145	\$395,448,243	\$407,144,336
<b><u>Medicaid Aggregate - WW only</u></b>			
<i>Non-Disabled Working Adults ESI</i>	\$55,916,814	\$48,977,992	\$52,098,441
<i>TEFRA Children</i>	\$11,414,642	\$12,728,688	\$14,194,006
<i>Full-Time College Students ESI</i>	\$428,389	\$361,190	\$383,070
<i>Non-Disabled Working Adults IP</i>	\$25,979,824	\$0	\$0
<i>Full-Time College Students IP</i>	\$214,044	\$0	\$0
<i>HAN Expenditures</i>	\$11,405,439	\$11,720,229	\$12,043,707
<i>HMP Expenditures</i>	\$12,679,813	\$13,440,501	\$14,248,007
<b>Total</b>	<b>\$2,773,167,857</b>	<b>\$2,878,728,067</b>	<b>\$3,028,525,650</b>

Note: The fiscal impact analysis does not incorporate changes related to the OHCA’s proposed Medicaid expansion and introduction of the new Adult Group. The purpose of this analysis is to illustrate the specific impact of the Insure Oklahoma program changes on demonstration expenditures. The impact of the Medicaid expansion is presented in the OHCA’s separate expansion application.

## **BENEFITS, COST SHARING AND DELIVERY SYSTEM**

### **Covered Benefits**

The proposed amendment will preserve and enhance covered services for eligible individuals. Individuals transitioning from IO IP and IO ESI will be enrolled automatically into the new Adult Group and will receive services not covered by IO IP or mandated for IO ESI insurers, including non-emergency transportation and organ transplants. The table below provides a summary of covered benefits for the IO IP, IO ESI and Adult Group expansion.

### **Summary of Covered Services, by Program**

<b>Program</b>	<b>Covered Services</b>
IO IP	Benefit package includes, but is not limited to, office visits, emergency care, inpatient and outpatient hospital benefits, pharmacy, X-rays, maternity care, and durable medical equipment. Does not include coverage for transplants and non-emergency transportation services.
IO ESI	Qualified plans must include the following minimum benefits: <ul style="list-style-type: none"><li>• Hospital services;</li><li>• Physician services;</li><li>• Clinical laboratory and radiology;</li><li>• Pharmacy;</li><li>• Office visits;</li><li>• Well baby/well child exams;</li><li>• Age appropriate immunizations as required by law; and</li><li>• Emergency services as required by law.</li></ul>
Adult Group	Benefits based on Alternative Benefit Plan; benefit package includes, but is not limited to, office visits, emergency care, inpatient and outpatient hospital benefits, pharmacy, X-rays, maternity care, durable medical equipment, transplants and non-emergency transportation services.

### **Cost Sharing**

Individuals who transition from IO IP and IO ESI to the Adult Group will no longer be required to pay monthly premiums and will have lower cost sharing obligations. Premiums and cost sharing for individuals with incomes between 134 and 200% of the FPL, plus any applicable income disregards, who enroll in the IO ESI will remain unchanged. A summary of monthly premiums and other cost sharing obligations for each program is presented in the table on the following page.

## Summary of Premiums and Cost Sharing Requirements, by Program

Program	Monthly Premiums	Copayments and Deductibles	Annual Cost Sharing Limit
IO IP	Up to 15 percent of estimated costs (not to exceed four percent of the monthly gross household income)	Not to exceed amounts permitted under federal regulations (42 CFR 447), except emergency room copay <ul style="list-style-type: none"> <li>• Office Visit: \$10</li> <li>• Pharmacy: \$5 Generic</li> <li>• Pharmacy: \$10 Brand</li> <li>• Emergency: \$30 (waived if admitted)</li> <li>• Hospital Inpatient Stay: \$50</li> <li>• Hospital Outpatient Visit: \$25</li> </ul> Members must pay copays to receive services	Not to exceed five percent of the family's gross income
IO ESI	Up to 15 percent of total premium (not to exceed three percent of the five percent household income cap)	Based on the requirements for the employer plan, subject to the following limitations: <ul style="list-style-type: none"> <li>• Copays for physician office visits: not to exceed \$50 per visit</li> <li>• Annual pharmacy deductible not to exceed \$500 per individual</li> <li>• Annual out-of-pocket maximum not to exceed \$3,000 per individual, excluding pharmacy deductible</li> </ul>	Not to exceed five percent of family's total income
Adult Group	None	Not to exceed amounts permitted under federal law and as described within the Oklahoma State Plan.	Not to exceed five percent of family's total income

### Delivery System

Individuals enrolled in the IO IP plan access covered services through IO-participating providers. Upon transition to the Adult Group, individuals will access services through the full network of SoonerCare-participating providers.

IO ESI plan participants access services through the network of providers participating in their employers' health plans. IO ESI plan participants with incomes at or below 133% of the FPL (plus any applicable

income disregards) will transition to the Adult Group and also will access services through the full network of SoonerCare-participating providers.

### **Demonstration Evaluation**

The approved evaluation design includes hypotheses related to waiving of retroactive eligibility for the IO program. The OHCA's independent evaluator will continue to evaluate the IO ESI plan. The evaluator also will include the Adult Group as a distinct segment within the evaluation and will stratify all data to produce findings specific to this population.

### **WAIVER AND EXPENDITURE AUTHORITY**

This amendment seeks to eliminate and revise current expenditure authorities. Expenditure authority to operate the IO IP plan will no longer be required and expenditure authority for the IO ESI plan will be limited to individuals with incomes between 134 and 200% of the FPL (plus any applicable income disregards).

### **ADDITIONAL INFORMATION AND COMMENTS**

Interested persons may visit [www.okhca.org/PolicyBlog](http://www.okhca.org/PolicyBlog) to view a copy of the proposed waiver amendment and phase-out plan, public notice(s), and a link to provide public comments on the proposal, supplemental information, and updates.

Due to the current public health emergency and the associated social distancing guidelines, persons wishing to present their views in writing or obtain copies of the proposed waiver may do so via mail by writing to: Oklahoma Health Care Authority, Federal Authorities Unit, 4345 N. Lincoln Blvd., Oklahoma City, Oklahoma 73105, or by email at [federal.authorities@okhca.org](mailto:federal.authorities@okhca.org). Written comments or requests for copies of the proposed waiver will be accepted by contacting OHCA as indicated. Comments submitted through the OHCA policy blog will be available for review online at [www.okhca.org/PolicyBlog](http://www.okhca.org/PolicyBlog). Other written comments are available upon request at [federal.authorities@okhca.org](mailto:federal.authorities@okhca.org). Comments will be accepted October 1-31, 2020.

## ABBREVIATED PUBLIC NOTICE

Pursuant to Section 431.408 and 447.205 of Title 42 of the Code of Federal Regulations, the Oklahoma Health Care Authority (OHCA) is required to provide public notice of its intent to submit an amendment to its 1115(a) demonstration waiver as well as a phase-out plan required by the demonstration's special terms and conditions to the Centers for Medicare & Medicaid Services (CMS). The OHCA currently has an approved 1115(a) waiver for the 2018-2023 demonstration period.

### **Phase-out of the Insure Oklahoma Individual Plan, transition of certain Insure Oklahoma Employer-Sponsored Insurance (IO ESI) members, and establishment of the Federal Poverty Level (FPL) for the IO ESI program; Effective date: July 1, 2021, contingent upon CMS approval.**

With this amendment and phase-out plan request, the OHCA seeks approval of the following modifications to the 1115(a) demonstration Special Terms and Conditions (STCs) for the current extension period that will be in effect through the end of the waiver demonstration on December 31, 2023:

- Phase out the IO IP plan.
- Transition IO IP and IO ESI members with incomes at or below 133% of the FPL to the new expansion adult option, receiving services under the SoonerCare program.
- Clarify that the income threshold for the IO ESI program will be established at 134% - 200% of the FPL, plus any applicable income disregards.
- The waiver amendment and phase-out plan will ensure continuity of care by making the transition of eligible IO members to the new adult expansion population as seamless and effortless as possible and improve access to high-quality, person-centered services that produce positive health outcomes for individuals who were previously under or uninsured.
- The requested effective date of July 1, 2021 will coincide with the State's intent to expand Medicaid to adults ages 19-64, with incomes at or below 133% of the FPL, as per 42 CFR 435.119 and Oklahoma State Question 802.

Proposed changes are further detailed in the Insure Oklahoma phase-out plan required by the STCs of the 1115(a) waiver. The IO phase-out plan can be located on the Agency's website at [www.okhca.org/PolicyBlog](http://www.okhca.org/PolicyBlog) or can be requested as per the information at the end of this notice.

#### *Budget Neutrality Impact: Current Demonstration*

The following Medicaid Eligibility Groups (MEGs) under the currently approved Demonstration are impacted by the proposed changes:<sup>10</sup>

- Non-Disabled Working Adults ESI
- Full-Time College Students ESI
- Non-Disabled Working Adults IP
- Full-Time College Students IP

The table on the following page presents projected expenditures under the Demonstration and prior to implementation of the phase-out plan. (Impacted MEGs are highlighted with blue font.)

---

<sup>10</sup> The currently approved Demonstration includes additional IO MEGs, but these MEGs do not have any enrollment or expenditures and therefore are not included in the Budget Neutrality impact analysis.

**Projected “With Waiver” Expenditures**

<b>Calendar Year Demonstration Year</b>	<b>2021 26</b>	<b>2022 27</b>	<b>2023 28</b>
<b><u>Medicaid Per Capita</u></b>			
<i>TANF-Urban</i>	\$1,041,752,175	\$1,111,183,707	\$1,185,242,768
<i>TANF-Rural</i>	\$736,329,206	\$777,532,273	\$821,040,958
<i>ABD-Urban</i>	\$492,959,366	\$507,335,244	\$522,130,357
<i>ABD-Rural</i>	\$384,088,145	\$395,448,243	\$407,144,336
<b><u>Medicaid Aggregate - WW only</u></b>			
<i>Non-Disabled Working Adults ESI</i>	\$65,789,186	\$69,980,698	\$74,439,257
<i>TEFRA Children</i>	\$11,414,642	\$12,728,688	\$14,194,006
<i>Full-Time College Students ESI</i>	\$516,218	\$547,488	\$580,653
<i>Non-Disabled Working Adults IP</i>	\$51,959,648	\$56,876,221	\$62,258,014
<i>Full-Time College Students IP</i>	\$428,088	\$442,676	\$457,760
<i>HAN Expenditures</i>	\$11,405,439	\$11,720,229	\$12,043,707
<i>HMP Expenditures</i>	\$12,679,813	\$13,440,501	\$14,248,007
<b>Total</b>	<b>\$2,809,321,926</b>	<b>\$2,957,235,968</b>	<b>\$3,113,779,823</b>

Effective July 1, 2021 (the second half of Demonstration Year 26), the IO IP plan will be phased out along with the IO ESI plan for individuals with incomes up to 133% of the FPL. The IO ESI plan will continue for individuals eligible with incomes between 134 and 200% of the FPL. Based on current enrollment data, 70.0% of the population enrolled in the Non-Disabled Working Adults ESI MEG and 66.0% of the population enrolled in the Full-Time College Students ESI MEG have incomes between 134 and 200% of the FPL. The table below presents the estimated impact on program expenditures under the approved Demonstration.

**Impact: Insure Oklahoma Phase-Out (Effective 7/1/21)**

<b>Calendar Year Demonstration Year</b>	<b>2021 (1/2) 26 (1/2)</b>	<b>2022 27</b>	<b>2023 28</b>
<i>Non-Disabled Working Adults ESI</i>	-\$9,872,372	-\$21,002,706	-\$22,340,816
<i>Full-Time College Students ESI</i>	-\$87,829	-\$186,298	-\$197,583
<i>Non-Disabled Working Adults IP</i>	-\$25,979,824	-\$56,876,221	-\$62,258,014
<i>Full-Time College Students IP</i>	-\$214,044	-\$442,676	-\$457,760
<b>Total</b>	<b>-\$36,154,069</b>	<b>-\$78,507,901</b>	<b>-\$85,254,173</b>

The table below presents projected expenditures under the approved Demonstration and upon implementation of the Insure Oklahoma phase-out plan.

**Projected “With Waiver” Expenditures – Phase-Out of IO IP and Partial Phase-Out of IO ESI**

<b>Calendar Year Demonstration Year</b>	<b>2021 26</b>	<b>2022 27</b>	<b>2023 28</b>
<b><i>Medicaid Per Capita</i></b>			
<i>TANF-Urban</i>	\$1,041,752,175	\$1,111,183,707	\$1,185,242,768
<i>TANF-Rural</i>	\$736,329,206	\$777,532,273	\$821,040,958
<i>ABD-Urban</i>	\$492,959,366	\$507,335,244	\$522,130,357
<i>ABD-Rural</i>	\$384,088,145	\$395,448,243	\$407,144,336
<b><i>Medicaid Aggregate - WW only</i></b>			
<i>Non-Disabled Working Adults ESI</i>	\$55,916,814	\$48,977,992	\$52,098,441
<i>TEFRA Children</i>	\$11,414,642	\$12,728,688	\$14,194,006
<i>Full-Time College Students ESI</i>	\$428,389	\$361,190	\$383,070
<i>Non-Disabled Working Adults IP</i>	\$25,979,824	\$0	\$0
<i>Full-Time College Students IP</i>	\$214,044	\$0	\$0
<i>HAN Expenditures</i>	\$11,405,439	\$11,720,229	\$12,043,707
<i>HMP Expenditures</i>	\$12,679,813	\$13,440,501	\$14,248,007
<b>Total</b>	<b>\$2,773,167,857</b>	<b>\$2,878,728,067</b>	<b>\$3,028,525,650</b>

Interested persons may visit [www.okhca.org/PolicyBlog](http://www.okhca.org/PolicyBlog) to view a copy of the proposed waiver amendment, phase-out plan, public notice, and a link to provide public comments on the proposal. Due to the current public health emergency and the associated social distancing guidelines, persons wishing to present their views in writing or obtain copies of the proposed waiver amendment and phase-out plan may do so via mail by writing to: Oklahoma Health Care Authority, Federal Authorities Unit, 4345 N. Lincoln Blvd., Oklahoma City, Oklahoma 73105, or by email at [federal.authorities@okhca.org](mailto:federal.authorities@okhca.org). Written comments or requests for copies of the proposed waiver will be accepted by contacting OHCA as indicated. Comments submitted will be available for review online at [www.okhca.org/PolicyBlog](http://www.okhca.org/PolicyBlog). Comments will be accepted October 1-31, 2020.