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**State/Territory Name: Oklahoma**

**State Plan Amendment (SPA) #: 22-0024**

This file contains the following documents in the order listed:

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

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
601 E. 12th St., Room 355  
Kansas City, Missouri 64106



Medicaid and CHIP Operations Group

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May 18, 2022

Melody Anthony  
Oklahoma Health Care Authority  
(OHCA)  
4345 N. Lincoln Blvd.  
Oklahoma City, OK 73105

Re: Oklahoma State Plan Amendment (SPA) 22-0024

Dear Ms. Anthony:

The Centers for Medicare & Medicaid Services (CMS) reviewed your Medicaid State Plan Amendment (SPA) submitted under transmittal number (TN) 22-0024. This amendment proposes to amend the State Plan to include an exemption from the recovery audit contract (RAC) requirement.

We conducted our review of your submittal according to statutory requirements in Title XIX of the Social Security Act, Section 1902(a)(42)(B)(i). This letter is to inform you that Oklahoma Medicaid SPA 22-0024 was approved on May 17, 2022, with an effective date of April 1, 2022.

If you have any questions, please contact Stacey Steiner at 214-767-6479 or via email at [stacey.steiner@cms.hhs.gov](mailto:stacey.steiner@cms.hhs.gov).

Sincerely,



James G. Scott, Director  
Division of Program Operations

Enclosures

cc: Traylor Rains, OHCA  
Sandra Puebla, OHCA  
Kasie McCarty, OHCA

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

1. TRANSMITTAL NUMBER <u>2 2 — 0 0 2 4</u>	2. STATE <u>O K</u>
3. PROGRAM IDENTIFICATION: TITLE <u>XIX</u> OF THE SOCIAL SECURITY ACT	
4. PROPOSED EFFECTIVE DATE April 1, 2022	
5. FEDERAL STATUTE/REGULATION CITATION Section 1902(a)(42)(B)(i) of the Social Security Act	6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY <u>2022</u> \$ <u>0</u> b. FFY <u>2023</u> \$ <u>0</u>
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.5-A, Page 1	8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Attachment 4.5-A, Page 1; TN# 20-19

TO: CENTER DIRECTOR  
CENTERS FOR MEDICAID & CHIP SERVICES  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

9. SUBJECT OF AMENDMENT  
Amending the State Plan to include an exemption from the recovery audit contract requirement.

10. GOVERNOR'S REVIEW (Check One)  
 GOVERNOR'S OFFICE REPORTED NO COMMENT  
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED  
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL  
 OTHER, AS SPECIFIED:

11. SIGNATURE OF STATE AGENCY OFFICIAL  
[Redacted]

12. TYPED NAME  
Traylor Rains

13. TITLE  
State Medicaid Director

14. DATE SUBMITTED  
April 21, 2022

15. RETURN TO  
Oklahoma Health Care Authority  
Attn: Melody Anthony  
4345 N. Lincoln Blvd.  
Oklahoma City, OK 73105

**FOR CMS USE ONLY**

16. DATE RECEIVED April 21, 2022	17. DATE APPROVED May 17, 2022
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**PLAN APPROVED - ONE COPY ATTACHED**

18. EFFECTIVE DATE OF APPROVED MATERIAL April 1, 2022	19. SIGNATURE OF APPROVING OFFICIAL [Redacted]
20. TYPED NAME OF APPROVING OFFICIAL James G. Scott	21. TITLE OF APPROVING OFFICIAL Director, Division of Program Operations

22. REMARKS

**PROPOSED SECTION 4 - GENERAL PROGRAM ADMINISTRATION**

**4.5 Medicaid Recovery Audit Contractor Program**

<p><u>Citation</u></p> <p>Section 1902(a)(42)(B)(i) of the Social Security Act</p>	<p><input type="checkbox"/> The State has established a program under which it will contract with one or more recovery audit contractors (RACs) for the purpose of identifying underpayments and overpayments of Medicaid claims under the State plan and under any waiver of the State plan.</p> <p><input checked="" type="checkbox"/> The State is seeking an exception to establishing such program for the following reasons:</p> <ul style="list-style-type: none"> <li>• The State is seeking to discontinue its RAC program because Oklahoma has robust and effective program integrity procedures in place to combat fraud, waste, and abuse (FWA) for the state’s Medicaid program, including: <ul style="list-style-type: none"> <li>○ Individual provider – claim analysis reports;</li> <li>○ Individual provider – prepayment review capabilities;</li> <li>○ Clinical provider audits – medical record review audits (21 person unit consisting of Registered Nurses, Certified Professional Coders, and a Dental Hygienist);</li> <li>○ Clinical provider audits with extended capabilities utilizing third party software applications;</li> <li>○ Behavioral health audits – record review audits (unit consists of Licensed Professional Counselors and Licensed Marital and Family Therapists);</li> <li>○ Advanced program integrity data analytics proven effective in identifying FWA;</li> <li>○ Federal Unified Program Integrity Contractor (UPIC).</li> </ul> </li> <li>• The Payment Error Rate Measurement (PERM) program has shown that Oklahoma’s Medicaid program error rate has been far less than the national average.</li> <li>• The exception will be granted by CMS for a two (2) year period.</li> </ul> <p><input type="checkbox"/> The State/Medicaid agency will implement c ontracts of the type(s) listed in section 1902(a)(42)(B)(ii)(I) of the Act. All contracts meet the requirements of the statute. RACs are consistent with the statute.</p>
<p>Section 1902(a)(42)(B)(ii)(I) of the Act</p> <p>Section 1902(a)(42)(B)(ii)(II)(aa) of the Act</p>	<p>Place a check mark to provide assurance of the following:</p> <p><input type="checkbox"/> The State will make payments to the RAC(s) only from amounts recovered.</p> <p><input type="checkbox"/> The State will make payments to the RAC(s) on a contingent basis for collecting overpayments.</p> <p>The following payment methodology shall be used to determine State payments to Medicaid RACs for identification and recovery of overpayments (e.g., the percentage of the contingency fee):</p>

Revised 04-01-22