

## **Table of Contents**

**State/Territory Name: Oklahoma**

**State Plan Amendment (SPA) #: 24-0025**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS Form 179
- 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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December 10, 2024

Traylor Rains  
State Medicaid Director  
Oklahoma Health Care Authority  
4345 N. Lincoln Blvd.  
Oklahoma City, OK 73105

Re: Oklahoma State Plan Amendment (SPA) – 24-0025

Dear Director Rains:

The Centers for Medicare & Medicaid Services (CMS) reviewed your Medicaid State Plan Amendment (SPA) submitted under transmittal number (TN) 24-0025. This amendment proposes to extend the exception for the Recovery Audit Contractor (RAC) Program for an additional two-year period.

We conducted our review of your submittal according to statutory requirements in Title XIX of the Social Security Act and implementing regulations 42 CFR 455.516 and 430.20(b)(3). This letter informs you that Oklahoma Medicaid SPA TN 24-0025 was approved on December 10, 2024, with an effective date of April 1, 2024.

Enclosed are copies of Form CMS-179 and approved SPA pages to be incorporated into the Oklahoma State Plan.

If you have any questions, please contact Stacey Steiner at (469) 904-1068 or via email at [Stacey.Steiner@cms.hhs.gov](mailto:Stacey.Steiner@cms.hhs.gov).

Sincerely,

Ruth A. Hughes, Acting Director  
Division of Program Operations

Enclosures

cc: Kasie McCarty  
Heather Cox

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

1. TRANSMITTAL NUMBER <u>2 4 — 0 0 2 5</u>	2. STATE <u>O K</u>
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3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT

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

4. PROPOSED EFFECTIVE DATE  
April 1, 2024

5. FEDERAL STATUTE/REGULATION CITATION  
SSA 1902(a)(42)(B)(i), 42 CFR 455.516

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)  
a. FFY 2024 \$ 0.00  
b. FFY 2025 \$ 0.00

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)  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# 22-0024

9. SUBJECT OF AMENDMENT  
Request to extend exception for the Recovery Audit Contractor (RAC) Program for an additional two-year period.

10. GOVERNOR'S REVIEW (Check One)

<input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT	<input checked="" type="checkbox"/> OTHER, AS SPECIFIED:
<input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED	The governor's office does not review state plan material.
<input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL	

11. SIGNATURE OF STATE AGENCY OFFICIAL  
  
\_\_\_\_\_  
12. TYPED NAME  
Traylor Rains

13. TITLE  
State Medicaid Director

14. DATE SUBMITTED  
11/12/2024

15. RETURN TO  
Oklahoma Health Care Authority  
Attn: Traylor Rains  
4345 N. Lincoln Blvd.  
Oklahoma City, OK 73105  
  
cc: Kasie McCarty; Heather Cox; Lauren Johnson

**FOR CMS USE ONLY**

16. DATE RECEIVED November 12, 2024	17. DATE APPROVED December 10, 2024
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**PLAN APPROVED - ONE COPY ATTACHED**

18. EFFECTIVE DATE OF APPROVED MATERIAL  
April 1, 2024

20. TYPED NAME OF APPROVING OFFICIAL  
Ruth A. Hughes

19. SIGNATURE OF APPROVING OFFICIAL  
\_\_\_\_\_  
21. TITLE OF APPROVING OFFICIAL  
Acting 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 – comprehensive clinical record review audits (consisting of Registered Nurses, Certified Professional Coders, Behavioral Health Specialists, and a Dental Hygienist);</li> <li>○ Clinical provider audits with extended capabilities utilizing third party software applications;</li> <li>○ Data Analytics audit team – focused on identifying and completing data driven audits and collaborating with State and Federal auditors and/or contractors for completion of audits;</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 state requests an extension of the RAC program exception beginning April 1, 2024, through April 1, 2026.</li> </ul>
<p>Section 1902(a)(42)(B)(ii)(I) of the Act</p>	<p><input type="checkbox"/> The State/Medicaid agency will implement contracts 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>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>Section 1902(a)(42)(B)(ii)(II)(aa) of the Act</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>