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State/Territory Name: Oklahoma

State Plan Amendment (SPA) #: 26-0006

This file contains the following documents in the order listed:

1) Approval Letter
2) CMS 179 Form/Summary Form (with 179-like data)
3) Approved SPA Pages

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

CENTERS FOR MEDICARE & MEDICAID SERVICES
CENTER FOR MEDICAID & CHIP SERVICES

Medicaid and CHIP Operations Group

July 9, 2026

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

Re: Oklahoma State Plan Amendment (SPA) 26-0006

Dear Director Miller:

The Centers for Medicare & Medicaid Services (CMS) reviewed your Medicaid State Plan Amendment (SPA) submitted under transmittal number (TN) 26-0006. 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 Code of Federal Regulations (CFR) 455.516. This letter informs you that Oklahoma's Medicaid SPA TN 26-0006 was approved on July 9, 2026, with an effective date of April 1, 2026, through March 31, 2028.

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 (214) 210-1071 or via email at Stacey.Steiner@cms.hhs.gov.

Sincerely,

Nicole McKnight
Acting Director, Division of Program Operations

Enclosures

cc: Heather Cox, OHCA
Grace Tierney, OHCA

DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES

FORM APPROVED
OMB No. 0938-0193

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL

FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES

1. TRANSMITTAL NUMBER: 25 — 0006

2. STATE: OK

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, 2026

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 2026 $ 0
b. FFY 2027 $ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
Page 35b
Page 35c

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT *(If Applicable)*
Attachment 4.5-A, Page 1; TN # 24-0025 ("Page 35b")
Attachment 4.5-A, Page 2, TN # 18-11 ("Page 35c")

9. SUBJECT OF AMENDMENT
This amendment extends the exception for the Recovery Audit Contractor (RAC) Program for an additional two-year period.

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: The governor's office does not review state plan material.

11. SIGNATURE OF STATE AGENCY OFFICIAL

12. TYPED NAME
Melissa Miller

13. TITLE
State Medicaid Director

14. DATE SUBMITTED
04/21/26

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

cc: Heather Cox, Grace Tierney

FOR CMS USE ONLY

16. DATE RECEIVED
April 21, 2026

17. DATE APPROVED
July 9, 2026

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
April 1, 2026

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL

21. TITLE OF APPROVING OFFICIAL

22. REMARKS

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PROPOSED SECTION 4 - GENERAL PROGRAM ADMINISTRATION

4.5 Medicaid Recovery Audit Contractor Program

Citation	
Section 1902(a)(42)(B)(i) of the Social Security Act	__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. X The State is seeking a two-year exception to establishing such program effective April 1, 2026, through March 31, 2028, for the following reasons: • Oklahoma has robust and effective program integrity procedures in place to combat fraud, waste, and abuse (FWA) for the state's Medicaid program, including: o Individual provider – claim analysis reports; o Individual provider – prepayment review capabilities; o Clinical Provider Audits – comprehensive clinical record review audits (consisting of Registered Nurses, Certified Professional Coders, Behavioral Health Specialists, and a Dental Hygienist); o Clinical provider audits with extended capabilities utilizing third party software applications; o 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; o Advanced program integrity data analytics proven effective in identifying FWA; o Federal Unified Program Integrity Contractor (UPIC). • The Payment Error Rate Measurement (PERM) program has shown that Oklahoma's Medicaid program error rate has been far less than the national average. • The exception will be granted by CMS for a two (2) year period.
Section 1902(a)(42)(B)(ii)(I) of the Act	__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. Place a check mark to provide assurance of the following: __The State will make payments to the RAC(s) only from amounts recovered.
Section 1902(a)(42)(B)(ii)(II)(aa) of the Act	__The State will make payments to the RAC(s) on a contingent basis for collecting overpayments. 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):

PROPOSED SECTION 4 - GENERAL PROGRAM ADMINISTRATION

4.5 Medicaid Recovery Audit Contractor Program

Section 1902 (a)(42)(B)(ii)(II)(bb) of the Act	___The State attests that the contingency fee rate paid to the Medicaid RAC will not exceed the highest rate paid to Medicare RACs, as published in the Federal Register. ___The State attests that the contingency fee rate paid to the Medicaid RAC will exceed the highest rate paid to Medicare RACs, as published in the Federal Register. The State will only submit for FFP up to the amount equivalent to that published rate.
Section 1902 (a)(42)(B)(ii)(III) of the Act	___The contingency fee rate paid to the Medicaid RAC that will exceed the highest rate paid to Medicare RACs, as published in the Federal Register. The State will submit a justification for that rate and will submit for FFP for the full amount of the contingency fee.
Section 1902 (a)(42)(B)(ii)(IV)(aa) of the Act	___The following payment methodology shall be used to determine State payments to Medicaid RACs for the identification of underpayments (e.g., amount of flat fee, the percentage of the contingency fee).
Section 1902(a)(42)(B)(ii)(IV(bb) of the Act	___The State has an adequate appeal process in place for entities to appeal any adverse determination made by the Medicaid RAC(s).
Section 1902 (a)(42)(B)(ii)(IV)(cc) Of the Act	___The State assures that the amounts expended by the State to carry out the program will be amounts expended as necessary for the proper and efficient administration of the State plan or a waiver of the plan. ___The State assures that the recovered amounts will be subject to a State's quarterly expenditure estimates and funding of the State's share. ___Efforts of the Medicaid RAC(s) will be coordinated with other contractors or entities performing audits of entities receiving payments under the State plan or waiver in the State, and/or State and Federal law enforcement entities and the CMS Medicaid Integrity Program.