

Oklahoma Senate Committee on Appropriations

2013-14 Performance Report

Oklahoma Health Care Authority

AGENCY MISSION STATEMENT:

Below is the adopted mission of the OHCA, along with the entity who adopted the mission statement and when it was adopted.

The agency's mission statement is taken from the original legislation enacted in 1993 which can be found at 63 O.S. § 5003. The mission statement is as follows:

To purchase state and federally funded health care in the most efficient and comprehensive manner possible and to study and recommend strategies for optimizing the accessibility and quality of health care.

LEAD ADMINISTRATOR:

Here is the name, title and contact information for the lead administrative person:

Nico Gomez, Chief Executive Officer

Address: 2401 NW 23rd Street, Suite 1-A, Oklahoma City, OK 73107

Email: nico.gomez@okhca.org Phone: 405-522-7417 Fax: 405-530-3202

GOVERNANCE:

Here is a brief description of the agency's governance structure.

The OHCA is governed by a board comprised of seven appointed members who serve terms of four years and are appointed as follows:

- 3 members are appointed by the Governor
- 2 members are appointed by the President Pro Tempore of the Senate
- 2 members are appointed by the Speaker of the House of Representatives

OHCA's current board members are:

- Governor appointees: Ann Bryant; Marc Nuttle; and Carol Robison
- Senate Pro Tempore appointees: Anthony Armstrong, vice chairman; and Melvin McVay
- Speaker of House appointees: Ed McFall, chairman; and George Miller

The board has five committees-each comprised of three board members:

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The Audit/Finance Committee consists of George Miller, committee chair; Anthony Armstrong and Marc Nuttle. This committee is tasked with reviewing the OHCA's financials and audit activities, and providing an update to the full board.

The Rules Committee consists of Carol Robison, committee chair; Ann Bryant and Marc Nuttle. This committee is tasked with reviewing proposed rules and rates and proposed changes to existing rules and rates, and providing an update to the full board.

The Strategic Planning Committee consists of Anthony Armstrong, committee chair; Ed McFall; and Carol Robison. This committee is tasked with reviewing innovations/issues that impact the agency's programs and future operations, and providing an update to the full board.

The Legislative Committee consists of Ann Bryant, committee chair; Ed McFall; and Melvin McVay. This committee is tasked with reviewing legislation that impacts the agency's programs and future operations, and providing an update to the full board.

The Personnel Committee consists of Melvin McVay, committee chair; Ed McFall; and George Miller. This committee is tasked with reviewing personnel actions that relate to the Agency Administrator, and providing an update to the full board.

GOVERNANCE ACCOUNTABILITY:

See attached for Board minutes. There is not an attendance policy for board members.

MODERNIZATION EFFORTS:

Below is a list of all government modernization efforts undertaken by the agency and authorizing statutory changes that prompted the modernization efforts and whether those efforts led to cost savings or additional cost burden since July 1, 2010.

SoonerCare Online Enrollment

In September 2010, OHCA launched online enrollment. This implementation included transferring responsibility to qualify and enroll more than 500,000 members of the state's SoonerCare population. Oklahoma's system has been acclaimed nationally for its innovative approach, making the state the first in the nation to offer real-time enrollment and reduced application processing time from weeks to minutes. OHCA processes between 30,000 and 40,000 applications per month. The online application is consistently the most utilized- with about 50 percent choosing this method to apply. Paper applications have dropped to only 8 percent of all the applications received. The system uses a rules engine to determine qualification for SoonerCare. This process insures that policy is applied uniformly and utilizes data exchanges with other agencies to verify information. Eligibility is established real time and the member is immediately aligned with a medical home.

Program Integrity

The Program Integrity (PI) Subsystem provides OHCA with a comprehensive solution for identifying and tracking fraud and abuse within the Medicaid program. The PI Case Tracker solution will allow users to add and change cases as well as providing the capability to house documents and files related to the case such as claim details form the PI function, MMIS financial accounting information, exception and summary profiles and other reports identifying irregular patterns and practices. Letters and reports can be sent through an approval process allowing for manager review. In addition, the PI Case Tracker will feature a slimmed down 'desktop' version to enable OHCA staff to perform field audits at provider locations with the ability to upload findings seamlessly into the online system. It also will allow entry of various types of notes such as memos, journals, and consulting and provide the ability to attach any pertinent documents to a specific case.

DME Reuse Project

Since April 2012, OHCA and Oklahoma ABLE Tech have partnered in the Durable Medical Equipment Reuse Program (OKDMERP). This program is designed to refurbish valuable Durable Medical Equipment (DME) products that are no longer being utilized, and offer them to Oklahomans in need, regardless of income, age, or disability. Priority is given to SoonerCare members but any Oklahoman is eligible with a completed application packet. As of December 2013, 848 DME products have been redistributed through this program, with \$249,478 worth of products being reassigned to SoonerCare members.

Letter Generator Enhancement

OHCA upgraded a rigid collection of processes and systems for generating letters to a new integrated flexible solution. The new generator allows OHCA to quickly create and send correspondence to members and providers while saving the state hundreds to thousands of dollars a year in related mail costs. This technology allows OHCA to print by ZIP code eliminating the need for third party handling, resulting in an initial savings of more than \$175,000 a year.

Oklahoma Electronic Health Records Incentives Program

The Centers for Medicare & Medicaid Services (CMS) implemented, through the American Recovery and Reinvestment Act of 2009 (ARRA), incentive payments to eligible professionals and eligible hospitals that adopt, implement, or upgrade and/or meaningfully use certified electronic health records (EHR) technology. EHR's will enable the exchange of clinical information with other care providers to provide crucial health information in a timely manner. This should assist providers to improve quality, safety, efficiency, and reduce health disparities. Oklahoma was the first state in the nation to approve and issue an incentive payment. This program has paid more than \$118 million to health professionals and hospitals.

Call Center Project

OHCA gained new and enhanced features through a call center enhancement project. A new Hewlett Packard telephone platform replaced a 10-year-old system that was no longer able to support OHCA with customer service operations. The new system has new robust hardware and updated software. It includes 100 recording of all calls, an automated outbound dialer, online archival of call center reports and access to a disaster recovery site. A phone carrier change has saved the agency an estimated \$40,000 per month.

Provider Portal

The SoonerCare Provider Portal is a key enabler for OHCA providers to view and submit claims, verify member eligibility, request prior authorizations (PAs) and provide secured communications to and from OHCA all through an online, secure portal. The SoonerCare Provider Portal provides a view into the Oklahoma Medicaid Management System (OK MMIS) for providers and trading partners which will allow for more streamlined service delivery.

Claims - Rules Engine

Software solution that would allow the State to write business rules and decision logic to work with the MMIS claims engine. Project used Progress Software's Corticon Business Rules Management System as the tool to develop, manage, and execute business rules in the MMIS. The use of a Rules Engine allows for external configuration of system functionality without the need for extensive code changes (or often any code changes at all) which drastically reduces cost for systems changes and reduced man-hours required.

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CORE MISSION:

OHCA is not providing any services outside of its core mission. The agency's mission statement is taken from the original enacting legislation in 1993 which can be found at 63 O.S. § 5003. The mission statement is as follows:

To purchase state and federally funded health care in the most efficient and comprehensive manner possible and to study and recommend strategies for optimizing the accessibility and quality of health care.

The Employees Group Insurance Division (EGID) in the Office of Management and Enterprise Services (OMES) is also a purchaser of health care in the State of Oklahoma. Their client base is different from OHCA's; EGID is responsible for health benefits for state, education and local government employees, retirees and their dependents.

There are no services which are core to our mission which OHCA is unable to perform because of requirements to perform non-core services elsewhere.

PRIVATE ALTERNATIVES:

Approximately 94 percent of the SoonerCare program represents reimbursements to providers for the delivery of health care goods and services. The remaining 5.89 percent accounts for the program's administrative costs that are split between the five participating state agencies (OHCA, OKDHS, OJA, DMHSAS, and OSDH). OHCA operating costs represented 31 percent of OHCA administrative costs, and the other 69 percent were contract costs. OHCA is constantly evaluating opportunities to outsource work in the most effective and efficient manner. For example, the agency is currently advertising for Requests for Proposals (RFPs) to obtain the services of private vendors to develop and function as the Medicaid Recovery Audit Contractor and to operate the revised SoonerCare Health Management Program.

Oklahoma experimented with fully-capitated HMO vendors to manage the care of the SoonerCare population in the mid-1990s. Although it was unsustainable, it provided a wealth of information that has made today's program better and more responsive. Out of our lessons learned came the development of our current managed care model SoonerCare Choice. An independent evaluation of the SoonerCare Choice program by Pacific Health Policy Group, Inc. can be found on our website at <http://www.okhca.org/WorkArea/linkit.aspx?LinkIdentifier=id&ItemID=15382&libID=14365>.