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Cheyenne and Arapaho Tribes' Comments in Support of the Oklahoma Health Care Authority's
Section 1115(a) SoonerCare Research and Demonstration Waiver Amendment Request

The Cheyenne and Arapaho Tribes (the "Tribes") strongly support the Oklahoma Health Care Authority's (OHCA) March 4, 2016 Section 1115(a) SoonerCare Amendment Request (the "Waiver Amendment"). The intent of the Waiver Amendment is to increase the flow of Medicaid resources to IHS and tribal health programs in the State, which remain dramatically underfunded. The Waiver Amendment would achieve this goal by authorizing IHS and Tribal health programs in the State to sponsor the enrollment of their beneficiaries in a new arm of OHCA's existing Insure Oklahoma managed care demonstration. The Amendment would authorize the State to reimburse the IHS and tribal health programs for the cost of such sponsorship, and, in turn, be reimbursed by CMS for those expenditures.

The Waiver Amendment would result in up to 50,000 individuals becoming eligible for IHS/Tribal sponsored coverage in the Medicaid managed care plan authorized by the Amendment, and potentially result in over \$55,000,000 in Medicaid claims being authorized for IHS and Tribal facilities in the State. These critically needed resources could be used to free up scarce IHS and tribal resources, including Purchased/Referred care resources, and result in better care for our people. Following is a brief overview of the key elements of the Waiver Amendment and how it would benefit both the IHS and tribal health programs in the State.

Eligible Population and Voluntary Enrollment

OHCA estimates there are 50,000 uninsured American Indians and Alaska Natives in Oklahoma, and projects that up to that many individuals would be eligible to be covered under the Waiver Amendment. It is important to note, however, that the Waiver Amendment would not restrict eligibility to AI/ANs alone, but rather would authorize the IHS and tribal facilities to sponsor the enrollment of any of the beneficiaries they serve, native and non-native alike. Enrollment would be voluntary on the part of the beneficiary.

Facility-Based Reimbursement Mechanism

The Waiver Amendment employs a facility-based reimbursement mechanism. The IHS or tribal facility would pay for the cost of enrolling the beneficiaries they serve on a voluntary basis, and then get reimbursed for the cost of such enrollments from the State. The State, in turn, would be authorized to claim reimbursement from CMS for the costs of such payments to the IHS and

tribal facilities. The payments from CMS would be facility-based payments to the IHS/Tribal facilities, made through the State.

Costs to the State and Budget Neutrality

The Waiver Amendment should not result in any additional costs to the State, as the cost of reimbursing the IHS and tribal facilities for the cost of premiums/capitated payments would be eligible for 100 percent FMAP reimbursement. As CMS recently clarified in its February 26, 2016 SHO Letter, No. 16-002, a State may claim 100 percent FMAP reimbursement for that portion of a capitated payment made for services “received through” an IHS/Tribal facility if those services are received in an IHS/Tribal facility, or under a care coordination agreement the conforms to the requirements set out in SHO Letter 16-002. As a result, reimbursement of payments made by the State to the IHS and Tribal facilities for the cost of the capitated payment and/or premiums charged by the Medicaid managed care entity authorized under the Waiver Amendment should be reimbursed at 100 percent FMAP when services are received through the IHS/Tribal facilities in the State. Under the SHO Letter, 100 percent FMAP reimbursement would be available for such costs associated with care provided directly by IHS and Tribal health care facilities, or by outside providers under a care coordination agreement of the kind authorized in the SHO Letter.

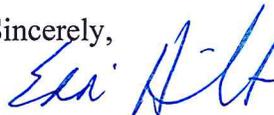
The Waiver Amendment should also be consistent with Budget Neutrality requirements. OHCA’s updated budget neutrality worksheet shows that the total projected cost of extending the entire Sponsor’s Choice Waiver (including the Tribal option presented in the Waiver Amendment) would be \$19,905,523 in 2016 with an estimated 65,000 member months, and \$141,396,589 in 2018 with an estimated 380,000 member months. Those costs are estimated by OHCA to be offset by other savings, however, resulting in a net savings under the waiver.

Benefits to IHS and Tribal Health Programs

IHS and tribal health programs in the State would receive significant and critically needed new Medicaid resources from CMS if the Waiver Amendment were approved. The waiver would require the Medicaid managed care entity providing Medicaid coverage to reimburse the IHS and tribal facilities at the OMB encounter rate for IHS and tribal facilities published annually in the Federal Register. The OMB outpatient rate for 2016 is \$368 for the lower 48 States. If the full estimate of 50,000 individuals opt to receive IHS/Tribal sponsored enrollment through the Waiver Amendment, and each individual has an estimated 3 encounters per year, the IHS and tribal facilities stand to receive up to \$55,200,000 in additional Medicaid resources annually.

Thank you for the opportunity to provide comments on the waiver. The Cheyenne and Arapaho Tribes have been working with OHCA and other tribes in the State for months in developing this Waiver Amendment proposal, and strongly urge CMS to consider and approve it as quickly as possible.

Sincerely,



Eddie Hamilton

Governor