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Table of Contents

Agency/Action/Subject Index	iii
Rules Affected Index	iv
Agency Index (Title numbers assigned)	vii
Submissions for Review	
Agriculture, Food, and Forestry, Oklahoma Department of (Title 35)	639
Horse Racing Commission, Oklahoma (Title 325)	640, 641
Juvenile Affairs, Office of (Title 377)	641, 642
Motor Vehicle Commission, Oklahoma (Title 465)	642
Nursing, Oklahoma Board of (Title 485)	642, 643
Real Estate Appraiser Board (Title 600)	643, 644
Gubernatorial Approvals	
Agriculture, Food, and Forestry, Oklahoma Department of (Title 35)	645
Lottery Commission, Oklahoma (Title 429)	645
Emergency Adoptions	
Agriculture, Food, and Forestry, Oklahoma Department of (Title 35)	647
Health Care Authority, Oklahoma (Title 317)	648, 653, 656, 658, 659, 660, 673, 674, 698
Executive Orders (Title 1)	705

Agency/Action/Subject Index

AGRICULTURE, Food, and Forestry, Oklahoma

Department of (Title 35)

Submissions for Review

Animal Industry (Chapter 15)	639
Water Quality (Chapter 17)	639
Plant Industry <u>Consumer Protection</u> (Chapter 30)	639
Food Safety (Chapter 37)	639

Gubernatorial Approvals

Animal Industry (Chapter 15)	645
Plant Industry <u>Consumer Protection</u> (Chapter 30)	645
Agriculture Pollutant Discharge Elimination System (Chapter 44)	645

Emergency Adoptions

Plant Industry <u>Consumer Protection</u> (Chapter 30)	647
---	-----

GOVERNOR

Executive Orders

Ordering flags at half-staff to honor former Oklahoma State Representative Opio Toure (08-7)	705
Continuing Governor's CLASS Task Force created by Amended EO 07-17 (08-8)	705

HEALTH Care Authority, Oklahoma (Title 317)

Emergency Adoptions

Medical Providers-Fee for Service (Chapter 30)	648, 653, 656, 658, 659, 660, 673
Medical Assistance for Adults and Children-Eligibility (Chapter 35)	674, 698

HORSE Racing Commission, Oklahoma (Title 325)

Submissions for Review

Racing Organization (Chapter 10)	640
Licensing (Chapter 15)	640

HORSE Racing Commission, Oklahoma – *continued*

Submissions for Review – continued

Racing Officials and Racing Personnel (Chapter 20)	640
Running the Race (Chapter 60)	640
Oklahoma-Bred Program (Chapter 75)	640
Gaming Machine Specifications and Use and Operation Requirements (Chapter 85)	641

JUVENILE Affairs, Office of (Title 377)

Submissions for Review

Administrative Services (Chapter 3)	641
Office of Juvenile Affairs (Chapter 10)	641
Juvenile Services Unit (Chapter 25)	641
Institutional Services (Chapter 35)	642

LOTTERY Commission, Oklahoma (Title 429)

Gubernatorial Approvals

Retailer Provisions (Chapter 10)	645
--	-----

MOTOR Vehicle Commission, Oklahoma (Title 465)

Submissions for Review

<u>Temporary License Plates</u> (Chapter 20)	642
--	-----

NURSING, Oklahoma Board of (Title 485)

Submissions for Review

Administration (Chapter 1)	642
Licensure of Practical and Registered Nurses (Chapter 10)	642, 643

REAL Estate Appraiser Board (Title 600)

Submissions for Review

Licensure and Certification Requirements (Chapter 10)	643
Disciplinary Procedures (Chapter 15)	644

Rules Affected Index

[(E) = Emergency action]

Rule	Register Page	Rule	Register Page
35:17-11-1.	[NEW] (E) 69	230:35-5-177.	[AMENDED] (E) 356
35:17-11-2.	[RESERVED] (E) 69	230:40-5-77.	[AMENDED] (E) 358
35:17-11-3.	[NEW] (E) 69	230:40-7-16.	[AMENDED] (E) 358
35:17, App. A.	[NEW] (E) 71	230:40-7-35.	[AMENDED] (E) 359
35:30-17-21.	[AMENDED] (E) 647	230:50-9-9.	[AMENDED] (E) 360
40:30-1-3.	[AMENDED] (E) 391	252:515-19-132.	[AMENDED] (E) 565
87:10-27-2.	[AMENDED] (E) 79	252:515-19-133.	[AMENDED] (E) 565
87:10-27-14.	[NEW] (E) 79	252:515-19-134.	[AMENDED] (E) 565
150:110-1-1.	[AMENDED] (E) 57	252:515-19-135.	[AMENDED] (E) 566
150:110-1-2.	[AMENDED] (E) 57	252:515-19-136.	[AMENDED] (E) 566
155:25-1-1.	[NEW] (E) 7	252:515-19-137.	[AMENDED] (E) 566
155:25-1-2.	[NEW] (E) 8	310:2-27-1.	[NEW] (E) 507
160:45-9-2.	[AMENDED] (E) 563	310:2-27-2.	[NEW] (E) 507
210:10-1-5.	[AMENDED] (E) 629	310:2-27-3.	[NEW] (E) 508
210:10-13-2.	[AMENDED] (E) 80	310:2-27-4.	[NEW] (E) 508
210:10-17-1.	[AMENDED] (E) 8	310:2-27-5.	[NEW] (E) 508
210:15-13-5.	[NEW] (E) 10	310:2-27-6.	[NEW] (E) 508
210:15-13-6.	[NEW] (E) 10	310:550-1-1.	[AMENDED] (E) 105
210:15-30-1.	[NEW] (E) 213	310:550-1-2.	[AMENDED] (E) 105
210:15-30-2.	[NEW] (E) 213	310:550-3-1.	[AMENDED] (E) 107
210:15-30-3.	[NEW] (E) 214	310:550-5-1.	[AMENDED] (E) 107
210:15-30-4.	[NEW] (E) 214	310:550-7-1.	[AMENDED] (E) 108
210:15-31-2.	[AMENDED] (E) 82	310:550-13-1.	[AMENDED] (E) 108
210:15-33-1.	[NEW] (E) 215	310:550-17-1.	[AMENDED] (E) 109
210:15-33-2.	[NEW] (E) 215	310:550-19-1.	[AMENDED] (E) 109
210:20-9-99.	[AMENDED] (E) 216	310:550-21-1.	[AMENDED] (E) 109
210:20-9-99.1.	[AMENDED] (E) 216	310:550, App. B.	[REVOKED] (E) 110
210:20-9-172.	[AMENDED] (E) 217	310:550, App. B.	[NEW] (E) 110
210:20-26-3.	[AMENDED] (E) 82	310:550, App. C.	[REVOKED] (E) 111
210:20-27-1.	[AMENDED] (E) 83	310:550, App. C.	[NEW] (E) 111
210:25-3-4.	[AMENDED] (E) 84	317:30-3-59.	[AMENDED] (E) 112
210:35-3-186.	[AMENDED] (E) 85	317:30-5-2.	[AMENDED] (E) 114
210:35-5-31.	[NEW] (E) 11	317:30-5-2.	[AMENDED] (E) 648
210:35-9-31.	[AMENDED] (E) 254	317:30-5-9.	[AMENDED] (E) 121
210:40-9-1.	[NEW] (E) 12	317:30-5-10.	[AMENDED] (E) 654
210:40-9-2.	[NEW] (E) 12	317:30-5-14.	[AMENDED] (E) 656
210:40-9-3.	[NEW] (E) 12	317:30-5-15.	[AMENDED] (E) 657
210:40-89-1.	[NEW] (E) 87	317:30-5-18.	[AMENDED] (E) 118
210:40-89-2.	[NEW] (E) 87	317:30-5-20.	[AMENDED] (E) 122
210:40-91-1.	[NEW] (E) 88	317:30-5-22.	[AMENDED] (E) 427
210:40-91-2.	[NEW] (E) 88	317:30-5-22.	[AMENDED] (E) 658
210:40-91-3.	[NEW] (E) 88	317:30-5-22.1.	[NEW] (E) 428
210:40-91-4.	[NEW] (E) 88	317:30-5-44.	[AMENDED] (E) 652
230:10-5-1.	[AMENDED] (E) 347	317:30-5-70.2.	[AMENDED] (E) 119
230:10-5-2.	[AMENDED] (E) 348	317:30-5-72.1.	[AMENDED] (E) 120
230:10-5-2.1.	[NEW] (E) 348	317:30-5-96.8.	[NEW] (E) 674
230:10-5-12.	[AMENDED] (E) 348	317:30-5-111.	[AMENDED] (E) 113
230:30-9-3.	[AMENDED] (E) 349	317:30-5-204.	[NEW] (E) 423
230:30-11-2.	[AMENDED] (E) 349	317:30-5-205.	[NEW] (E) 423
230:30-13-1.	[AMENDED] (E) 350	317:30-5-206.	[NEW] (E) 424
230:30-13-2.	[AMENDED] (E) 350	317:30-5-207.	[NEW] (E) 424
230:35-3-3.	[AMENDED] (E) 352	317:30-5-208.	[NEW] (E) 424
230:35-3-84.	[AMENDED] (E) 353	317:30-5-209.	[NEW] (E) 424
230:35-3-85.1.	[AMENDED] (E) 353	317:30-5-210.	[AMENDED] (E) 425
230:35-3-98.	[AMENDED] (E) 354	317:30-5-211.13.	[NEW] (E) 426
230:35-3-103.	[AMENDED] (E) 354	317:30-5-219.	[NEW] (E) 429
230:35-3-131.	[AMENDED] (E) 354	317:30-5-220.	[NEW] (E) 429
230:35-5-31.1.	[AMENDED] (E) 355	317:30-5-221.	[NEW] (E) 429
230:35-5-75.3.	[AMENDED] (E) 355	317:30-5-222.	[NEW] (E) 429
230:35-5-113.3.	[AMENDED] (E) 356	317:30-5-223.	[NEW] (E) 429
230:35-5-176.	[AMENDED] (E) 356	317:30-5-230.	[NEW] (E) 430

317:30-5-231. [NEW] (E)	430	317:35-17-9. [AMENDED] (E)	161
317:30-5-232. [NEW] (E)	430	317:35-17-10. [AMENDED] (E)	688
317:30-5-233. [NEW] (E)	430	317:35-17-11. [AMENDED] (E)	161
317:30-5-234. [NEW] (E)	430	317:35-19-4. [AMENDED] (E)	163
317:30-5-235. [NEW] (E)	430	317:35-19-4. [AMENDED] (E)	692
317:30-5-290. [REVOKED] (E)	113	317:35-19-19. [AMENDED] (E)	165
317:30-5-290. [AMENDED] (E)	123	317:35-19-20. [AMENDED] (E)	694
317:30-5-290.1. [NEW] (E)	124	317:35-19-21. [AMENDED] (E)	166
317:30-5-291. [AMENDED] (E)	124	317:35-22-1. [NEW] (E)	435
317:30-5-291.1. [NEW] (E)	124	317:35-22-2. [NEW] (E)	435
317:30-5-291.2. [NEW] (E)	124	317:35-22-2.1. [NEW] (E)	435
317:30-5-295. [NEW] (E)	124	317:35-22-3. [NEW] (E)	435
317:30-5-296. [NEW] (E)	124	317:35-22-4. [NEW] (E)	435
317:30-5-297. [NEW] (E)	124	317:35-22-5. [NEW] (E)	435
317:30-5-298. [NEW] (E)	124	317:35-22-6. [NEW] (E)	435
317:30-5-327.5. [AMENDED] (E)	660	317:35-22-7. [NEW] (E)	436
317:30-5-420. [AMENDED] (E)	125	317:35-22-8. [NEW] (E)	436
317:30-5-421. [AMENDED] (E)	125	317:35-22-9. [NEW] (E)	436
317:30-5-422. [AMENDED] (E)	125	317:35-22-10. [NEW] (E)	436
317:30-5-423. [AMENDED] (E)	126	317:35-22-11. [NEW] (E)	436
317:30-5-424. [AMENDED] (E)	126	317:45-9-1. [AMENDED] (E)	170
317:30-5-431. [AMENDED] (E)	654	317:45-11-11. [AMENDED] (E)	439
317:30-5-432. [AMENDED] (E)	655	317:45-11-20. [AMENDED] (E)	170
317:30-5-432.1. [NEW] (E)	655	317:45-11-21.1. [NEW] (E)	172
317:30-5-451. [AMENDED] (E)	656	318:10-1-1. [AMENDED] (E)	58
317:30-5-452. [REVOKED] (E)	656	318:10-1-3.1. [NEW] (E)	58
317:30-5-568. [AMENDED] (E)	118	340:2-5-112. [AMENDED] (E)	13
317:30-5-698. [AMENDED] (E)	127	340:2-5-119. [AMENDED] (E)	14
317:30-5-760. [AMENDED] (E)	661	340:5-1-6. [AMENDED] (E)	257
317:30-5-761. [AMENDED] (E)	661	340:5-3-1. [AMENDED] (E)	258
317:30-5-762. [AMENDED] (E)	662	340:5-5-6. [AMENDED] (E)	259
317:30-5-763. [AMENDED] (E)	663	340:10-2-1. [AMENDED] (E)	14
317:30-5-763.1. [AMENDED] (E)	671	340:10-2-5. [AMENDED] (E)	16
317:30-5-764. [AMENDED] (E)	672	340:10-2-6. [AMENDED] (E)	16
317:35-5-2. [AMENDED] (E)	431	340:10-2-7. [AMENDED] (E)	17
317:35-5-6.1. [NEW] (E)	432	340:10-2-8. [AMENDED] (E)	19
317:35-5-8. [AMENDED] (E)	129	340:10-15-1. [AMENDED] (E)	262
317:35-5-25. [AMENDED] (E)	432	340:20-1-8. [AMENDED] (E)	263
317:35-5-26. [AMENDED] (E)	436	340:25-5-244. [AMENDED] (E)	264
317:35-5-41. [AMENDED] (E)	130	340:50-5-67. [AMENDED] (E)	265
317:35-5-41.1. [NEW] (E)	142	340:65-3-1. [AMENDED] (E)	266
317:35-5-41.2. [NEW] (E)	144	340:65-3-8. [AMENDED] (E)	268
317:35-5-41.3. [NEW] (E)	145	340:75-1-16. [AMENDED] (E)	270
317:35-5-41.4. [NEW] (E)	146	340:75-1-17. [AMENDED] (E)	272
317:35-5-41.5. [NEW] (E)	146	340:75-1-18. [AMENDED] (E)	272
317:35-5-41.6. [NEW] (E)	146	340:75-1-18.1. [AMENDED] (E)	274
317:35-5-41.7. [NEW] (E)	150	340:75-1-20. [AMENDED] (E)	274
317:35-5-41.8. [NEW] (E)	151	340:75-1-86. [AMENDED] (E)	632
317:35-5-41.9. [NEW] (E)	153	340:75-6-85. [AMENDED] (E)	275
317:35-5-41.9. [NEW] (E)	675	340:75-7-15. [AMENDED] (E)	21
317:35-5-41.10. [NEW] (E)	154	340:75-7-15. [AMENDED] (E)	277
317:35-5-41.11. [NEW] (E)	154	340:75-15-84. [AMENDED] (E)	279
317:35-5-42. [AMENDED] (E)	676	340:75-15-87. [AMENDED] (E)	280
317:35-5-42. [AMENDED] (E)	699	340:75-15-88. [AMENDED] (E)	281
317:35-5-45. [AMENDED] (E)	154	340:110-1-9.4. [AMENDED] (E)	23
317:35-5-46. [AMENDED] (E)	155	340:110-3-5. [AMENDED] (E)	25
317:35-5-47. [AMENDED] (E)	155	340:110-3-5.1. [AMENDED] (E)	26
317:35-5-49. [AMENDED] (E)	155	340:110-3-27. [AMENDED] (E)	26
317:35-6-15. [AMENDED] (E)	437	340:110-3-39. [AMENDED] (E)	28
317:35-7-15. [AMENDED] (E)	438	340:110-3-40. [AMENDED] (E)	29
317:35-7-48. [AMENDED] (E)	129	340:110-3-49.3. [AMENDED] (E)	29
317:35-9-15. [AMENDED] (E)	155	340:110-3-81. [AMENDED] (E)	31
317:35-9-15. [AMENDED] (E)	681	340:110-3-82. [AMENDED] (E)	31
317:35-9-48.1. [NEW] (E)	169	340:110-3-84. [AMENDED] (E)	32
317:35-9-65. [AMENDED] (E)	157	340:110-3-85. [AMENDED] (E)	32
317:35-9-67. [AMENDED] (E)	683	340:110-3-86. [AMENDED] (E)	35
317:35-9-68. [AMENDED] (E)	158	340:110-3-87. [AMENDED] (E)	37

Rules Affected Index – *continued*

340:110-3-88.	[AMENDED] (E)	37	710:95-5-18.	[REVOKED] (E)	95
340:110-3-89.1.	[AMENDED] (E)	38	710:95-5-19.	[NEW] (E)	95
340:110-3-90.	[AMENDED] (E)	38	710:95-5-20.	[REVOKED] (E)	95
340:110-3-91.	[AMENDED] (E)	39	710:95-5-21.	[REVOKED] (E)	96
340:110-3-91.1.	[NEW] (E)	39	710:95-5-22.	[REVOKED] (E)	96
340:110-3-92.	[AMENDED] (E)	40	715:10-13-3.1.	[AMENDED] (E)	287
340:110-3-93.	[AMENDED] (E)	40	715:10-13-3.2.	[NEW] (E)	288
340:110-3-94.	[AMENDED] (E)	41	715:10-13-3.3.	[NEW] (E)	288
340:110-3-97.	[AMENDED] (E)	41	715:10-21-2.	[AMENDED] (E)	567
340:110-3-97.1.	[AMENDED] (E)	42	715:10-21-3.	[REVOKED] (E)	567
340:110-3-223.	[AMENDED] (E)	43	715:10-21-4.	[REVOKED] (E)	568
340:110-3-224.	[AMENDED] (E)	44	715:10-21-5.	[REVOKED] (E)	568
340:110-3-237.	[AMENDED] (E)	45	765:11-1-2.	[AMENDED] (E)	361
365:25-3-1.	[AMENDED] (E)	173	765:11-3-1.	[AMENDED] (E)	361
365:25-3-1.1.	[NEW] (E)	176	765:11-3-2.	[AMENDED] (E)	361
365:25-3-1.2.	[NEW] (E)	176	765:11-3-4.	[REVOKED] (E)	361
365:25-3-1.3.	[NEW] (E)	176	765:11-5-1.	[AMENDED] (E)	361
365:25-3-14.	[AMENDED] (E)	176	765:11-5-2.	[AMENDED] (E)	362
365:25-27-1.	[NEW] (E)	59	765:12-1-1.	[NEW] (E)	362
365:25-27-2.	[NEW] (E)	59	765:12-1-2.	[NEW] (E)	362
365:25-27-3.	[NEW] (E)	59	765:12-1-3.	[NEW] (E)	362
365:25-27-4.	[NEW] (E)	59	765:12-1-4.	[NEW] (E)	362
365:25-27-5.	[NEW] (E)	59	765:12-5-1.	[NEW] (E)	362
365:25-27-6.	[NEW] (E)	60	765:12-5-2.	[NEW] (E)	363
365:25-27-7.	[NEW] (E)	61	765:12-7-1.	[NEW] (E)	363
365:25-27-8.	[NEW] (E)	63	765:12-7-2.	[NEW] (E)	363
365:25-27-9.	[NEW] (E)	63	765:12-7-3.	[NEW] (E)	363
365:25, App. T.	[NEW] (E)	284	765:12-9-1.	[NEW] (E)	363
465:20-1-1.	[NEW] (E)	286	765:13-1-1.	[NEW] (E)	364
465:20-3-1.	[NEW] (E)	286	765:13-3-1.	[NEW] (E)	364
465:20-3-2.	[NEW] (E)	286	765:13-3-2.	[NEW] (E)	364
465:20-3-3.	[NEW] (E)	287	765:13-3-3.	[NEW] (E)	364
530:10, App. A.	[REVOKED] (E)	90	765:13-3-4.	[NEW] (E)	364
530:10, App. A.	[NEW] (E)	90	765:30-1-1.	[REVOKED] (E)	365
590:10-7-13.	[AMENDED] (E)	46	765:30-1-2.	[REVOKED] (E)	365
590:10-19-2.	[AMENDED] (E)	47	765:30-1-3.	[REVOKED] (E)	365
590:10-19-3.	[AMENDED] (E)	47	765:30-1-4.	[REVOKED] (E)	365
600:15-1-2.	[AMENDED] (E)	91	765:30-1-5.	[REVOKED] (E)	365
600:15-1-4.	[AMENDED] (E)	91	765:30-1-6.	[REVOKED] (E)	365
605:1-1-4.	[AMENDED] (E)	440	765:30-1-7.	[REVOKED] (E)	366
605:10-3-2.	[AMENDED] (E)	442	765:30-3-1.	[REVOKED] (E)	366
605:10-7-2.	[AMENDED] (E)	442	765:30-3-2.	[REVOKED] (E)	366
710:95-5-3.	[AMENDED] (E)	92	765:30-5-1.	[REVOKED] (E)	366
710:95-5-11.	[AMENDED] (E)	93	765:30-7-1.	[REVOKED] (E)	366
710:95-5-13.	[REVOKED] (E)	93	765:30-7-2.	[REVOKED] (E)	367
710:95-5-14.	[REVOKED] (E)	93	765:30-7-3.	[REVOKED] (E)	367
710:95-5-15.	[REVOKED] (E)	94	800:10-1-5.	[AMENDED] (E)	289
710:95-5-16.	[REVOKED] (E)	94	800:25-17-4.	[AMENDED] (E)	290
710:95-5-17.	[REVOKED] (E)	95	800:25-17-5.	[REVOKED] (E)	290

Agency/Title Index

[Assigned as of 3-3-08]

Agency	Title	Agency	Title
Oklahoma ACCOUNTANCY Board	10	Oklahoma Department of EMERGENCY Management	
State ACCREDITING Agency	15	(Formerly: Department of CIVIL Emergency Management) -	
AD Valorem Task Force (abolished 7-1-93)	20	See Title 145	
Oklahoma AERONAUTICS Commission	25	Oklahoma EMPLOYMENT Security Commission	240
Board of Regents for the Oklahoma AGRICULTURAL and Mechanical		Oklahoma ENERGY Resources Board	243
Colleges	30	State Board of Licensure for Professional ENGINEERS and Land	
Oklahoma Department of AGRICULTURE , Food, and Forestry	35	Surveyors (Formerly: State Board of Registration for Professional	
Oklahoma Board of Licensed ALCOHOL and Drug Counselors	38	ENGINEERS and Land Surveyors)	245
Board of Tests for ALCOHOL and Drug Influence	40	Board of Trustees for the ENID Higher	
ALCOHOLIC Beverage Laws Enforcement Commission	45	Education Program	250
ANATOMICAL Board of the State of Oklahoma	50	Department of ENVIRONMENTAL Quality	252
Board of Governors of the Licensed ARCHITECTS , Landscape		State Board of EQUALIZATION	255
Architects and Interior Designers of Oklahoma	55	ETHICS Commission (Title revoked)	257
ARCHIVES and Records Commission	60	ETHICS Commission	258
Board of Trustees for the ARDMORE Higher		Office of State FINANCE	260
Education Program	65	State FIRE Marshal Commission	265
Oklahoma ARTS Council	70	Oklahoma Council on FIREFIGHTER Training	268
ATTORNEY General	75	Oklahoma FIREFIGHTERS Pension and Retirement System	270
State AUDITOR and Inspector	80	[RESERVED]	275
State BANKING Department	85	State Board of Registration for FORESTERS	280
Oklahoma State Employees BENEFITS Council	87	FOSTER Care Review Advisory Board	285
Council of BOND Oversight	90	Oklahoma FUNERAL Board (Formerly: Oklahoma State Board of	
Oklahoma Professional BOXING Commission	92	Embalmers and Funeral Directors) - See Title 235	
State BURIAL Board (abolished 7-1-92)	95	Oklahoma FUTURES	290
[RESERVED]	100	GOVERNOR	295
Oklahoma CAPITAL Investment Board	105	GRAND River Dam Authority	300
Oklahoma CAPITOL Improvement Authority	110	Group Self-Insurance Association GUARANTY Fund Board	302
State CAPITOL Preservation Commission	115	Individual Self-Insured GUARANTY Fund Board	303
CAPITOL-MEDICAL Center Improvement and Zoning		STATE Use Committee (Formerly: Committee on Purchases of Products	
Commission	120	and Services of the Severely HANDICAPPED)	304
Oklahoma Department of CAREER and Technology Education		Office of DISABILITY Concerns (Formerly: Office of	
(Formerly: Oklahoma Department of VOCATIONAL and		HANDICAPPED Concerns)	305
Technical Education) - See Title 780		Oklahoma State Department of HEALTH	310
Board of Regents of CARL Albert State College	125	Oklahoma Basic HEALTH Benefits Board (abolished 11-1-97)	315
Department of CENTRAL Services (Formerly: Office of PUBLIC		Oklahoma HEALTH Care Authority	317
Affairs) - See Title 580		HIGHWAY Construction Materials Technician Certification	
CEREBRAL Palsy Commission	130	Board	318
Commission on CHILDREN and Youth	135	Oklahoma HISTORICAL Society	320
Board of CHIROPRACTIC Examiners	140	Oklahoma HORSE Racing Commission	325
Oklahoma Department of EMERGENCY Management		Oklahoma HOUSING Finance Agency	330
(Formerly: Department of CIVIL Emergency Management)	145	Oklahoma HUMAN Rights Commission	335
Oklahoma Department of COMMERCE	150	Department of HUMAN Services	340
COMMUNITY Hospitals Authority	152	Committee for INCENTIVE Awards for State Employees	345
COMPSOURCE Oklahoma (Formerly: State INSURANCE		Oklahoma INDIAN Affairs Commission	350
Fund) - See Title 370		Oklahoma INDIGENT Defense System	352
Oklahoma CONSERVATION Commission	155	Oklahoma INDUSTRIAL Finance Authority	355
CONSTRUCTION Industries Board	158	INJURY Review Board	357
Department of CONSUMER Credit	160	Oklahoma State and Education Employees Group INSURANCE	
CORPORATION Commission	165	Board	360
Department of CORRECTIONS	170	INSURANCE Department	365
State Board of COSMETOLOGY	175	COMPSOURCE Oklahoma	
Oklahoma State CREDIT Union Board	180	(Formerly: State INSURANCE Fund)	370
CRIME Victims Compensation Board	185	Oklahoma State Bureau of INVESTIGATION	375
Joint CRIMINAL Justice System Task Force Committee	190	Council on JUDICIAL Complaints	376
Board of DENTISTRY	195	Office of JUVENILE Affairs	377
Oklahoma DEVELOPMENT Finance Authority	200	Department of LABOR	380
Office of DISABILITY Concerns (Formerly: Office of		Department of the Commissioners of the LAND Office	385
HANDICAPPED Concerns) - See Title 305		Council on LAW Enforcement Education and Training	390
Board of Regents of EASTERN Oklahoma State College	205	Oklahoma LAW Enforcement Retirement System	395
EDGE Fund Policy Board	208	Board on LEGISLATIVE Compensation	400
State Department of EDUCATION	210	Oklahoma Department of LIBRARIES	405
EDUCATION Oversight Board	215	LIEUTENANT Governor	410
Oklahoma EDUCATIONAL Television Authority	220	Oklahoma LINKED Deposit Review Board	415
[RESERVED]	225	Oklahoma LIQUEFIED Petroleum Gas Board	420
State ELECTION Board	230	Oklahoma LIQUEFIED Petroleum Gas Research, Marketing and Safety	
Oklahoma FUNERAL Board (Formerly: Oklahoma State Board of		Commission	422
EMBALMERS and Funeral Directors)	235	LITERACY Initiatives Commission	425
		LONG-RANGE Capital Planning Commission	428

Agency/Title Index – *continued*

Agency	Title	Agency	Title
Oklahoma State Board of Examiners for LONG-TERM Care Administrators (<i>Formerly:</i> Oklahoma State Board of Examiners for NURSING Home Administrators) - <i>See</i> Title 490		Oklahoma Commission on SCHOOL and County Funds Management	635
LOTTERY Commission, Oklahoma	429	Advisory Task Force on the Sale of SCHOOL Lands (<i>functions concluded 2-92</i>)	640
Board of Trustees for the MCCURTAIN County Higher Education Program	430	The Oklahoma School of SCIENCE and Mathematics	645
Commission on MARGINALLY Producing Oil and Gas Wells	432	Oklahoma Center for the Advancement of SCIENCE and Technology	650
State Board of MEDICAL Licensure and Supervision	435	SECRETARY of State	655
MEDICAL Technology and Research Authority of Oklahoma	440	Department of SECURITIES	660
Board of MEDICOLEGAL Investigations	445	Board of Regents of SEMINOLE State College	665
Department of MENTAL Health and Substance Abuse Services	450	SHEEP and Wool Commission	670
MERIT Protection Commission	455	State Board of Licensed SOCIAL Workers	675
MILITARY Planning Commission, Oklahoma Strategic	457	SOUTHERN Growth Policies Board	680
Department of MINES	460	Oklahoma SOYBEAN Commission (<i>abolished 7-1-97</i>)	685
Oklahoma MOTOR Vehicle Commission	465	Board of Examiners for SPEECH-LANGUAGE Pathology and Audiology	690
Board of Regents of MURRAY State College	470	STATE Employee Charitable Contributions, Oversight Committee for (<i>Formerly:</i> STATE Agency Review Committee)	695
Oklahoma State Bureau of NARCOTICS and Dangerous Drugs Control	475	STATE Use Committee (<i>Formerly:</i> Committee on Purchases of Products and Services of the Severely HANDICAPPED) – <i>See</i> Title 304	
Board of Regents of NORTHERN Oklahoma College	480	Oklahoma STUDENT Loan Authority	700
Oklahoma Board of NURSING	485	TASK Force 2000	705
Oklahoma State Board of Examiners for LONG-TERM Care Administrators (<i>Formerly:</i> Oklahoma State Board of Examiners for NURSING Home Administrators)	490	Oklahoma TAX Commission	710
Board of Regents of OKLAHOMA City Community College	495	Oklahoma Commission for TEACHER Preparation	712
Board of Regents of OKLAHOMA Colleges	500	TEACHERS' Retirement System	715
Board of Examiners in OPTOMETRY	505	State TEXTBOOK Committee	720
State Board of OSTEOPATHIC Examiners	510	Oklahoma TOURISM and Recreation Department	725
PARDON and Parole Board	515	Department of TRANSPORTATION	730
Oklahoma PEANUT Commission	520	Oklahoma TRANSPORTATION Authority (<i>Name changed to</i> Oklahoma TURNPIKE Authority <i>11-1-05</i>) - <i>See</i> Title 731	
Oklahoma State PENSION Commission	525	Oklahoma TURNPIKE Authority (<i>Formerly:</i> Oklahoma TRANSPORTATION Authority AND Oklahoma TURNPIKE Authority) - <i>See</i> also Title 745	731
State Board of Examiners of PERFUSIONISTS	527	State TREASURER	735
Office of PERSONNEL Management	530	Board of Regents of TULSA Community College	740
Oklahoma State Board of PHARMACY	535	Oklahoma TURNPIKE Authority (<i>Name changed to</i> Oklahoma TRANSPORTATION Authority <i>11-1-99</i> - <i>no rules enacted in this Title</i> - <i>See</i> Title 731)	745
PHYSICIAN Manpower Training Commission	540	Board of Trustees for the UNIVERSITY Center at Tulsa	750
Board of PODIATRIC Medical Examiners	545	UNIVERSITY Hospitals Authority	752
Oklahoma POLICE Pension and Retirement System	550	UNIVERSITY Hospitals Trust	753
State Department of POLLUTION Control (<i>abolished 1-1-93</i>)	555	Board of Regents of the UNIVERSITY of Oklahoma	755
POLYGRAPH Examiners Board	560	Board of Regents of the UNIVERSITY of Science and Arts of Oklahoma	760
Oklahoma Board of PRIVATE Vocational Schools	565	Oklahoma USED Motor Vehicle and Parts Commission	765
State Board for PROPERTY and Casualty Rates (<i>abolished 7-1-06; see also Title 365</i>)	570	Oklahoma Department of VETERANS Affairs	770
State Board of Examiners of PSYCHOLOGISTS	575	Board of VETERINARY Medical Examiners	775
Department of CENTRAL Services (<i>Formerly:</i> Office of PUBLIC Affairs)	580	Oklahoma Department of CAREER and Technology Education (<i>Formerly:</i> Oklahoma Department of VOCATIONAL and Technical Education)	780
PUBLIC Employees Relations Board	585	Oklahoma WATER Resources Board	785
Oklahoma PUBLIC Employees Retirement System	590	Board of Regents of WESTERN Oklahoma State College	790
Department of PUBLIC Safety	595	Oklahoma WHEAT Commission	795
REAL Estate Appraiser Board	600	Department of WILDLIFE Conservation	800
Oklahoma REAL Estate Commission	605	WILL Rogers and J.M. Davis Memorials Commission	805
Board of Regents of REDLANDS Community College	607		
State REGENTS for Higher Education	610		
State Department of REHABILITATION Services	612		
Board of Regents of ROGERS State College	615		
Board of Regents of ROSE State College	620		
Oklahoma SAVINGS and Loan Board (<i>abolished 7-1-93</i>)	625		
SCENIC Rivers Commission	630		

Submissions for Review

Within 10 calendar days after adoption by an agency of a proposed PERMANENT rulemaking action, the agency must submit the proposed rules to the Governor and the Legislature for review. In addition, the agency must publish in the *Register* a "statement" that the rules have been submitted for gubernatorial/legislative review.

For additional information on submissions for gubernatorial/legislative review, see 75 O.S., Section 303.1, 303.2, and 308.

TITLE 35. OKLAHOMA DEPARTMENT OF AGRICULTURE, FOOD, AND FORESTRY CHAPTER 15. ANIMAL INDUSTRY

[OAR Docket #08-183]

RULEMAKING ACTION:

Submission for gubernatorial and legislative review

RULES:

Subchapter 45. Brucellosis in Cervidae
Part 13. Certified Brucellosis-Free Cervid Herds
35:15-45-131 [AMENDED]
35:15-45-132 [AMENDED]

SUBMITTED TO GOVERNOR:

January 24, 2008

SUBMITTED TO HOUSE:

January 24, 2008

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January 24, 2008

[OAR Docket #08-183; filed 1-28-08]

TITLE 35. OKLAHOMA DEPARTMENT OF AGRICULTURE, FOOD, AND FORESTRY CHAPTER 30. ~~PLANT~~ INDUSTRY CONSUMER PROTECTION

[OAR Docket #08-185]

RULEMAKING ACTION:

Submission for gubernatorial and legislative review

RULES:

Subchapter 17. Combined Pesticide
Part 9. Minimum Standards for Contracts and Keeping of Records
35:30-17-21 [AMENDED]

SUBMITTED TO GOVERNOR:

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January 24, 2008

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[OAR Docket #08-185; filed 1-28-08]

TITLE 35. OKLAHOMA DEPARTMENT OF AGRICULTURE, FOOD, AND FORESTRY CHAPTER 17. WATER QUALITY

[OAR Docket #08-184]

RULEMAKING ACTION:

Submission for gubernatorial and legislative review

RULES:

Subchapter 11. Eucha-Spavinaw Management Act [NEW]
35:17-11-1 [NEW]
35:17-11-2 [RESERVED]
35:17-11-3 [NEW]
Appendix A. Eucha-Spavinaw Phosphorus Index [NEW]

SUBMITTED TO GOVERNOR:

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January 24, 2008

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[OAR Docket #08-184; filed 1-28-08]

TITLE 35. OKLAHOMA DEPARTMENT OF AGRICULTURE, FOOD, AND FORESTRY CHAPTER 37. FOOD SAFETY

[OAR Docket #08-186]

RULEMAKING ACTION:

Submission for gubernatorial and legislative review

RULES:

Subchapter 3. Meat Inspection
Part 1. General Provisions
35:37-3-1 [AMENDED]
35:37-3-3 [AMENDED]
Subchapter 5. Poultry Products Inspection
Part 1. General Provisions
35:37-5-1 [AMENDED]
35:37-5-2 [AMENDED]
Subchapter 13. Milk and Milk Products
35:37-13-3 [REVOKED]
Appendix A. Chemical, Bacteriological and Temperature Standards for Milk and Milk Products [REVOKED]
Appendix A. Chemical, Bacteriological and Temperature Standards for Milk and Milk Products [NEW]

SUBMITTED TO GOVERNOR:

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January 24, 2008

Submissions for Review

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[OAR Docket #08-186; filed 1-28-08]

**TITLE 325. OKLAHOMA HORSE RACING
COMMISSION
CHAPTER 10. RACING ORGANIZATION**

[OAR Docket #08-195]

RULEMAKING ACTION:

Submission for gubernatorial and legislative review

RULES:

325:10-1-25 [AMENDED]

SUBMITTED TO GOVERNOR:

February 1, 2008

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[OAR Docket #08-195; filed 2-1-08]

**TITLE 325. OKLAHOMA HORSE RACING
COMMISSION
CHAPTER 15. LICENSING**

[OAR Docket #08-196]

RULEMAKING ACTION:

Submission for gubernatorial and legislative review

RULES:

Subchapter 5. Occupational Licensing

325:15-5-19 [AMENDED]

325:15-5-22 [AMENDED]

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[OAR Docket #08-196; filed 2-1-08]

**TITLE 325. OKLAHOMA HORSE RACING
COMMISSION
CHAPTER 20. RACING OFFICIALS AND
RACING PERSONNEL**

[OAR Docket #08-197]

RULEMAKING ACTION:

Submission for gubernatorial and legislative review

RULES:

325:20-1-13 [AMENDED]

SUBMITTED TO GOVERNOR:

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[OAR Docket #08-197; filed 2-1-08]

**TITLE 325. OKLAHOMA HORSE RACING
COMMISSION
CHAPTER 60. RUNNING THE RACE**

[OAR Docket #08-198]

RULEMAKING ACTION:

Submission for gubernatorial and legislative review

RULES:

325:60-1-21 [AMENDED]

SUBMITTED TO GOVERNOR:

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[OAR Docket #08-198; filed 2-1-08]

**TITLE 325. OKLAHOMA HORSE RACING
COMMISSION
CHAPTER 75. OKLAHOMA-BRED
PROGRAM**

[OAR Docket #08-199]

RULEMAKING ACTION:

Submission for gubernatorial and legislative review

RULES:

325:75-1-3 [AMENDED]

SUBMITTED TO GOVERNOR:

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[OAR Docket #08-199; filed 2-1-08]

**TITLE 325. OKLAHOMA HORSE RACING COMMISSION
CHAPTER 85. GAMING MACHINE SPECIFICATIONS AND USE AND OPERATION REQUIREMENTS**

[OAR Docket #08-200]

RULEMAKING ACTION:

Submission for gubernatorial and legislative review

RULES:

Subchapter 25. Transportation, Receipt, Installation and Disposal of Gaming Machines

325:85-25-2 [AMENDED]

325:85-25-4 [AMENDED]

SUBMITTED TO GOVERNOR:

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[OAR Docket #08-200; filed 2-1-08]

**TITLE 377. OFFICE OF JUVENILE AFFAIRS
CHAPTER 3. ADMINISTRATIVE SERVICES**

[OAR Docket #08-206]

RULEMAKING ACTION:

Submission for gubernatorial and legislative review

RULES:

Subchapter 11. Risk Management

Part 1. Drug Policy

377:3-11-5. Substance screening [AMENDED]

377:3-11-9. Consequences of refusal [AMENDED]

Subchapter 13. Office of Public Integrity

Part 1. General Provisions

377:3-13-1. ~~General purpose.~~ Purpose, legal basis and authority [AMENDED]

377:3-13-2. Office of Public Integrity's ~~independent function~~ Internal Affairs Investigations [AMENDED]

377:3-13-3. Affirmative Action Officer Duties and Monitoring reports [AMENDED]

377:3-13-4. Information sharing with other monitoring entities [REVOKED]

377:3-13-5. Access to and collection of information [REVOKED]

377:3-13-6. Certification of Secure Juvenile Detention Facilities, Municipal Juvenile Facilities, and Community Intervention Centers [AMENDED]

SUBMITTED TO THE GOVERNOR:

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[OAR Docket #08-206; filed 2-4-08]

**TITLE 377. OFFICE OF JUVENILE AFFAIRS
CHAPTER 10. OFFICE OF JUVENILE AFFAIRS**

[OAR Docket #08-207]

RULEMAKING ACTION:

Submission for gubernatorial and legislative review

RULES:

Subchapter 7. Contract Programs and Services

Part 3. Contract-based Residential Care

377:10-7-15. Purpose [AMENDED]

377:10-7-16. Level of care system [AMENDED]

377:10-7-17. Specialized Residential Care ("Level C") [AMENDED]

377:10-7-18. Moderate intensity specialized residential care ("Level D") [AMENDED]

377:10-7-19. Moderate to high Intensity Specialized Residential Care ("Level D Plus") [AMENDED]

377:10-7-20. Specialized residential high intensity treatment programs ("Level E") [AMENDED]

377:10-7-21. Wilderness camp [REVOKED]

Part 7. Independent and Transitional Living

377:10-7-41. Independent living programs [AMENDED]

SUBMITTED TO THE GOVERNOR:

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February 4, 2008

[OAR Docket #08-207; filed 2-4-08]

**TITLE 377. OFFICE OF JUVENILE AFFAIRS
CHAPTER 25. JUVENILE SERVICES UNIT**

[OAR Docket #08-208]

RULEMAKING ACTION:

Submission for gubernatorial and legislative review

RULES:

Subchapter 11. Case Records and Reports

377:25-11-1. Case Records [AMENDED]

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Submissions for Review

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**TITLE 377. OFFICE OF JUVENILE AFFAIRS
CHAPTER 35. INSTITUTIONAL SERVICES**

[OAR Docket #08-209]

RULEMAKING ACTION:

Submission for gubernatorial and legislative review

RULES:

- Subchapter 7. Medical and Health Care
- 377:35-7-2. Surgery [AMENDED]
- 377:35-7-4. Sanctions/discipline [AMENDED]
- 377:35-7-5. ~~Refusal of non necessary medical care~~
Juveniles refusal of Medical Services [AMENDED]
- 377:35-7-6. Response to refusal of necessary medical services [REVOKED]
- 377:35-7-8. Medical isolation [AMENDED]
- 377:35-7-10. Second medical opinions [REVOKED]

SUBMITTED TO THE GOVERNOR:

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February 4, 2008

[OAR Docket #08-209; filed 2-4-08]

**TITLE 465. OKLAHOMA MOTOR VEHICLE
COMMISSION
CHAPTER 20. TEMPORARY LICENSE
PLATES**

[OAR Docket #08-210]

RULEMAKING ACTION:

Submission for gubernatorial and legislative review

RULES:

- Subchapter 1. General Provisions [NEW]
- 465:20-1-1. [NEW]
- Subchapter 3. Design and Placement [NEW]
- 465:20-3-1. [NEW]
- 465:20-3-2. [NEW]
- 465:20-3-3. [NEW]

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[OAR Docket #08-210; filed 2-6-08]

**TITLE 485. OKLAHOMA BOARD OF
NURSING
CHAPTER 1. ADMINISTRATION**

[OAR Docket #08-202]

RULEMAKING ACTION:

Submission for gubernatorial and legislative review

RULES:

485:1-1-1. [AMENDED]

SUBMITTED TO GOVERNOR:

February 1, 2008

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[OAR Docket #08-202; filed 2-1-08]

**TITLE 485. OKLAHOMA BOARD OF
NURSING
CHAPTER 10. LICENSURE OF PRACTICAL
AND REGISTERED NURSES**

[OAR Docket #08-201]

RULEMAKING ACTION:

Submission for gubernatorial and legislative review

RULES:

Subchapter 16. Requirements for Prescriptive Authority for
Advanced Practice Nurses

485:10-16-5. [AMENDED]

SUBMITTED TO GOVERNOR:

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SUBMITTED TO HOUSE:

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February 1, 2008

[OAR Docket #08-201; filed 2-1-08]

**TITLE 485. OKLAHOMA BOARD OF
NURSING
CHAPTER 10. LICENSURE OF PRACTICAL
AND REGISTERED NURSES**

[OAR Docket #08-203]

RULEMAKING ACTION:

Submission for gubernatorial and legislative review

RULES:

Subchapter 1. General Provisions
485:10-1-3. [AMENDED]

SUBMITTED TO GOVERNOR:

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[OAR Docket #08-203; filed 2-1-08]

**TITLE 485. OKLAHOMA BOARD OF NURSING
CHAPTER 10. LICENSURE OF PRACTICAL AND REGISTERED NURSES**

[OAR Docket #08-204]

RULEMAKING ACTION:

Submission for gubernatorial and legislative review

RULES:

Subchapter 3. Regulations for Approved Nursing Education Programs

485:10-3-2. [AMENDED]

485:10-3-5. [AMENDED]

485:10-3-6. [AMENDED]

Subchapter 5. Minimum Standards for Approved Nursing Education Programs

485:10-5-3.2. [AMENDED]

Subchapter 7. Requirements for Registration and Licensure as a Registered Nurse

485:10-7-1. [AMENDED]

485:10-7-2. [AMENDED]

485:10-7-3. [AMENDED]

485:10-7-4. [AMENDED]

485:10-7-5. [AMENDED]

485:10-7-6. [AMENDED]

Subchapter 9. Requirements for Registration and Licensure as a Licensed Practical Nurse

485:10-9-1. [AMENDED]

485:10-9-2. [AMENDED]

485:10-9-3. [AMENDED]

485:10-9-4. [AMENDED]

485:10-9-5. [AMENDED]

485:10-9-6. [AMENDED]

Subchapter 10. Advanced Unlicensed Assistive Personnel

485:10-10-7. [AMENDED]

485:10-10-8. [AMENDED]

485:10-10-8.1. [AMENDED]

485:10-10-10. [AMENDED]

Subchapter 15. Requirements for Practice as an Advanced Practice Nurse

485:10-15-4. [AMENDED]

485:10-15-4.1. [AMENDED]

485:10-15-5. [AMENDED]

485:10-15-6. [AMENDED]

485:10-15-7. [AMENDED]

485:10-15-8. [AMENDED]

485:10-15-9. [AMENDED]

Subchapter 16. Requirements for Prescriptive Authority for Advanced Practice Nurses

485:10-16-1. [AMENDED]

485:10-16-3. [AMENDED]

485:10-16-4. [AMENDED]

485:10-16-6. [AMENDED]

485:10-16-7. [AMENDED]

Subchapter 18. Prescriptive Authority for C.R.N.A.

485:10-18-2. [AMENDED]

485:10-18-3. [AMENDED]

485:10-18-4. [AMENDED]

SUBMITTED TO GOVERNOR:

February 1, 2008

SUBMITTED TO HOUSE:

February 1, 2008

SUBMITTED TO SENATE:

February 1, 2008

[OAR Docket #08-204; filed 2-1-08]

**TITLE 600. REAL ESTATE APPRAISER BOARD
CHAPTER 10. LICENSURE AND CERTIFICATION REQUIREMENTS**

[OAR Docket #08-212]

RULEMAKING ACTION:

Submission for gubernatorial and legislative review

RULES:

600:10-1-8. Course approval requirements [AMENDED]

600:10-1-12. Inactive status - annual fee payment [AMENDED]

600:10-1-14. Reinstatement of license or certification [AMENDED]

SUBMITTED TO GOVERNOR:

February 7, 2008

SUBMITTED TO HOUSE:

February 7, 2008

SUBMITTED TO SENATE:

February 7, 2008

[OAR Docket #08-212; filed 2-7-08]

Submissions for Review

**TITLE 600. REAL ESTATE APPRAISER
BOARD
CHAPTER 15. DISCIPLINARY
PROCEDURES**

[OAR Docket #08-213]

RULEMAKING ACTION:

Submission for gubernatorial and legislative review

RULES:

600:15-1-2. Definitions [AMENDED]

600:15-1-4. Grievance procedure [AMENDED]

600:15-1-12. Failure to appear [AMENDED]

600:15-1-19. Record of hearing [AMENDED]

SUBMITTED TO GOVERNOR:

February 7, 2008

SUBMITTED TO HOUSE:

February 7, 2008

SUBMITTED TO SENATE:

February 7, 2008

[OAR Docket #08-213; filed 2-7-08]

Gubernatorial Approvals

Upon notification of approval by the Governor of an agency's proposed PERMANENT rulemaking action, the agency must submit a notice of such gubernatorial approval for publication in the *Register*.
For additional information on gubernatorial approvals, see 75 O.S., Section 303.2.

TITLE 35. OKLAHOMA DEPARTMENT OF AGRICULTURE, FOOD, AND FORESTRY CHAPTER 15. ANIMAL INDUSTRY

[OAR Docket #08-187]

RULEMAKING ACTION:

Gubernatorial approval of permanent rules

RULES:

Subchapter 16. Contagious Equine Metritis

35:15-16-1 [AMENDED]

Subchapter 36. Scrapie

35:15-36-1 [AMENDED]

35:15-36-2 [AMENDED]

GUBERNATORIAL APPROVAL:

January 15, 2008

[OAR Docket #08-187; filed 1-28-08]

TITLE 35. OKLAHOMA DEPARTMENT OF AGRICULTURE, FOOD, AND FORESTRY CHAPTER 30. ~~PLANT~~ INDUSTRY CONSUMER PROTECTION

[OAR Docket #08-188]

RULEMAKING ACTION:

Gubernatorial approval of permanent rules

RULES:

Subchapter 17. Combined Pesticide

Part 6. Pesticidal Product Producing Establishments

35:30-17-13 [AMENDED]

Part 21. Standards for disposal of pesticide and pesticide containers

35:30-17-89.1 [AMENDED]

GUBERNATORIAL APPROVAL:

January 15, 2008

[OAR Docket #08-188; filed 1-28-08]

TITLE 35. OKLAHOMA DEPARTMENT OF AGRICULTURE, FOOD, AND FORESTRY CHAPTER 44. AGRICULTURE POLLUTANT DISCHARGE ELIMINATION SYSTEM

[OAR Docket #08-189]

RULEMAKING ACTION:

Gubernatorial approval of permanent rules

RULES:

Subchapter 3. Concentrated Animal Feeding Operations

35:44-3-3 [AMENDED]

GUBERNATORIAL APPROVAL:

January 15, 2008

[OAR Docket #08-189; filed 1-28-08]

TITLE 429. OKLAHOMA LOTTERY COMMISSION CHAPTER 10. RETAILER PROVISIONS

[OAR Docket #08-205]

RULEMAKING ACTION:

Gubernatorial approval of permanent rules

RULES:

429:10-1-3 [AMENDED]

429:10-1-5 [AMENDED]

GUBERNATORIAL APPROVAL:

January 28, 2008

[OAR Docket #08-205; filed 2-1-08]

Emergency Adoptions

An agency may adopt new rules, or amendments to or revocations of existing rules, on an emergency basis if the agency determines that "an imminent peril exists to the preservation of the public health, safety, or welfare, or that a compelling public interest requires an emergency rule[s] [A]n agency may promulgate, at any time, any such [emergency] rule[s], provided the Governor first approves such rule[s]" [75 O.S., Section 253(A)].

An emergency action is effective immediately upon approval by the Governor or on a later date specified by the agency in the preamble of the emergency rule document. An emergency rule expires on July 15 after the next regular legislative session following promulgation, or on an earlier date specified by the agency, if not already superseded by a permanent rule or terminated through legislative action as described in 75 O.S., Section 253(H)(2).

Emergency rules are not published in the *Oklahoma Administrative Code*; however, a source note entry, which references the *Register* publication of the emergency action, is added to the *Code* upon promulgation of a superseding permanent rule or expiration/termination of the emergency action.

For additional information on the emergency rulemaking process, see 75 O.S., Section 253.

TITLE 35. OKLAHOMA DEPARTMENT OF AGRICULTURE, FOOD, AND FORESTRY CHAPTER 30. ~~PLANT INDUSTRY~~ CONSUMER PROTECTION

[OAR Docket #08-182]

RULEMAKING ACTION:

EMERGENCY adoption

RULES:

Subchapter 17. Combined Pesticide
Part 9. Minimum Standards for Contracts and Keeping of Records
35:30-17-21 [AMENDED]

AUTHORITY:

State Board of Agriculture and the Oklahoma Agricultural Code; 2 O.S. 2001 §§ 2-4(2) and (29), 3-81 et seq.; Article 6, Section 31, Constitution of the State of Oklahoma

DATES:

Adoption:

December 18, 2007

Approved by Governor:

January 15, 2008

Effective:

Immediately upon Governor's approval

Expiration:

Effective through July 14, 2008 unless superseded by another rule or disapproved by the Legislature

SUPERSEDED EMERGENCY ACTIONS:

N/A

INCORPORATIONS BY REFERENCE:

N/A

FINDING OF EMERGENCY:

The proposed rule will reconcile the language in 35:30-17-21 that was approved in 2007 as two different rules utilizing the same rule number. Currently, the text of the two rules conflicts and is listed twice in the Oklahoma Administrative Code. In addition, the Department determined that the 2007 text revisions from one rule are no longer necessary, therefore this reconciliation is intended to replace both versions of the rule. A compelling public interest exists which requires the reconciliation of these rules.

ANALYSIS:

The rule contains language related to recordkeeping for pesticide applicators and restricted use pesticide sales. This reconciliation effectively replaces any language requiring records to be kept by non-restricted use pesticide dealers.

CONTACT PERSON:

Teena G. Gunter, (405) 522-4576, teena.gunter@oda.state.ok.us

PURSUANT TO THE ACTIONS DESCRIBED HEREIN, THE FOLLOWING EMERGENCY RULES ARE CONSIDERED PROMULGATED AND EFFECTIVE UPON APPROVAL BY THE GOVERNOR AS SET FORTH IN 75 O.S., SECTION 253(D):

SUBCHAPTER 17. COMBINED PESTICIDE

PART 9. MINIMUM STANDARDS FOR CONTRACTS AND KEEPING OF RECORDS

35:30-17-21. Records required for pesticide applications and restricted use pesticide sales

(a) Commercial and non-commercial applicators shall keep an accurate record pertaining to pesticide activities, which, at a minimum show:

- (1) Start and stop time of application.
- (2) Total amount of pesticide used.
- (3) Name and address of the commercial or non-commercial company.
- (4) Name and address of person for whom applied.
- (5) Legal description of the land where applied. The legal description may be a street address ~~when~~ if properly marked, but shall not be a Post Office Box address.
- (6) Date of application.
- (7) Application rate.
- (8) Dilution rate for mixing.
- (9) Total quantity tank mix used.
- (10) Complete trade name of pesticide product used.
- (11) EPA registration number of pesticide product used.
- (12) Target pest for the application.
- (13) Site where the pesticide was applied.
- (14) Restricted Entry Interval as stated on the product label.
- (15) A copy of the pesticide product label or labeling that is attached to the container or included in the shipping case.
- (16) Copies of any contracts issued.
- (17) Copies of any wood infestation reports issued.
- (18) Other information as required by the Board.

(b) Restricted use pesticide dealers shall keep an accurate record of restricted use pesticide sales, which, at a minimum show:

- (1) Complete brand name of the pesticide.
- (2) EPA registration number of the pesticide.
- (3) Date the pesticide was sold.
- (4) Total amount of restricted use pesticide sold.
- (5) Name of the person to whom sold.

Emergency Adoptions

- (6) Name and license or certification number of the certified or private applicator.
- (7) Other information as required by the Board.
- (c) Failure to allow inspection of these records by the Board, to provide copies to the Board when requested in person, or to provide a summary of these records within seven (7) working days when requested by mail or in person shall be a violation of this section.
- (d) The principle place of business where records are maintained shall be easily accessible to authorized agents of the Board during reasonable business hours. An applicator's principle place of business shall not be located in a closed gated community or at a residence unless the applicator submits a plan of access to the principle place of business and that plan is approved by the Board.

[OAR Docket #08-182; filed 1-28-08]

TITLE 317. OKLAHOMA HEALTH CARE AUTHORITY CHAPTER 30. MEDICAL PROVIDERS-FEE FOR SERVICE

[OAR Docket #08-221]

RULEMAKING ACTION:

EMERGENCY adoption

RULES:

Subchapter 5. Individual Providers and Specialties

Part 1. Physicians

317:30-5-2. [AMENDED]

Part 3. Hospitals

317:30-5-44. [AMENDED]

(Reference APA WF # 07-65)

AUTHORITY:

The Oklahoma Health Care Authority Board; The Oklahoma Health Care Authority Act, Section 5003 through 5016 of Title 63 of Oklahoma Statutes; 42 CFR 431.625

DATES:

Adoption:

November 8, 2007

Approved by Governor:

December 18, 2007

Effective:

Immediately upon Governor's approval or January 1, 2008, whichever is later

Expiration:

Effective through July 14, 2008, unless superseded by another rule or disapproved by the Legislature.

SUPERSEDED EMERGENCY ACTIONS:

Superseded rules:

Subchapter 5. Individual Providers and Specialties

Part 1. Physicians

317:30-5-2. [AMENDED]

Gubernatorial approval:

August 16, 2007

Register publication:

25 Ok Reg 114

Docket number:

07-1411

(Reference APA WF # 07-02)

INCORPORATIONS BY REFERENCE:

N/A

FINDING OF EMERGENCY:

The Agency finds that a compelling public interest exists which necessitates promulgation of emergency rules and requests emergency

approval of rule revisions to eliminate the requirement that an Explanation of Medicare Benefits (EOMB) be attached to a cross-over claim before it can be processed. The current OHCA process is a manual process and administratively burdensome. Eliminating this requirement will enable OHCA to process claims via the internet and expedite the processing of these claims.

ANALYSIS:

Rules are being revised to eliminate the requirement that an Explanation of Medicare Benefits (EOMB) be attached to a cross-over claim before it can be processed. Cross-over claims are claims filed with Medicare Part B that in most cases, automatically cross over to OHCA. However, if it does not, a claim for coinsurance and deductible must be filed with OHCA within 90 days of the date of the Medicare payment or within one year of the date of service in order to be considered timely filed. Current policy requires that the EOMB must be attached to the claim to be considered for payment. This process is administratively burdensome and adversely impacts the providers. The proposed rule revisions would eliminate the requirement that an EOMB be attached to the claim thus facilitating acceptance of cross-over claims via the internet. Other revisions are incorporated in incorporate revisions previously approved by the Governor in APA WF 07-02. These revisions allowed providers to use any form that is federally approved for sterilization consent.

CONTACT PERSON:

Joanne Terlizzi at (405)522-7272

PURSUANT TO THE ACTIONS DESCRIBED HEREIN, THE FOLLOWING EMERGENCY RULES ARE CONSIDERED PROMULGATED UPON APPROVAL BY THE GOVERNOR AS SET FORTH IN 75 O.S., SECTION 253(D), AND EFFECTIVE UPON APPROVAL BY GOVERNOR OR JANUARY 1, 2008, WHICHEVER IS LATER:

SUBCHAPTER 5. INDIVIDUAL PROVIDERS AND SPECIALTIES

PART 1. PHYSICIANS

317:30-5-2. General coverage by category

(a) **Adults.** Payment for adults is made to physicians for medical and surgical services within the scope of the Oklahoma Health Care Authority's (OHCA's) medical programs, provided the services are reasonable and necessary for the diagnosis and treatment of illness or injury, or to improve the functioning of a malformed body member. Coverage of certain services must be based on a determination made by the OHCA's medical consultant in individual circumstances.

(1) Coverage includes the following medically necessary services:

(A) Inpatient hospital visits for all SoonerCare covered stays. All inpatient services are subject to post-payment review by the OHCA, or its designated agent.

(B) Inpatient psychotherapy by a physician.

(C) Inpatient psychological testing by a physician.

(D) One inpatient visit per day, per physician.

(E) Certain surgical procedures performed in a Medicare certified free-standing ambulatory surgical center or a Medicare certified hospital that offers outpatient surgical services. Refer to the List of Covered Surgical Procedures.

- (F) Therapeutic radiology or chemotherapy on an outpatient basis without limitation to the number of treatments per month for members with proven malignancies or opportunistic infections.
- (G) Direct physician services on an outpatient basis. A maximum of four visits are allowed per month per member in office or home regardless of the number of physicians providing treatment. Additional visits per month are allowed for those services related to emergency medical conditions and for services in connection with Family Planning.
- (H) Direct physician services in a nursing facility for those members residing in a long-term care facility. A maximum of two nursing facility visits per month are allowed. To receive payment for a second nursing facility visit in a month denied by Medicare for a Medicare/SoonerCare patient, attach the EOMB from Medicare showing denial and mark "carrier denied coverage".
- (I) Diagnostic x-ray and laboratory services.
- (J) Mammography screening and additional follow-up mammograms.
- (K) Obstetrical care.
- (L) Pacemakers and prostheses inserted during the course of a surgical procedure.
- (M) Prior authorized examinations for the purpose of determining medical eligibility for programs under the jurisdiction of the Authority. A copy of the authorization, OKDHS form ABCDM-16, Authorization for Examination and Billing, must accompany the claim.
- (N) If a physician renders direct care to a member on the same day as a dialysis treatment, payment is allowed for a separately identifiable service unrelated to the dialysis.
- (O) Family planning includes sterilization procedures for legally competent members 21 years of age and over who voluntarily request such a procedure and, executes the federally mandated consent form (~~ADM-71~~) with his/her physician. A copy of the consent form must be attached to the claim form. Separate payment is allowed for I.U.D. insertion during an office visit. Certain family planning products may be obtained through the Vendor Drug Program. Reversal of sterilization procedures for the purposes of conception is not allowed. Reversal of sterilization procedures are allowed when medically indicated and substantiating documentation is attached to the claim.
- (P) Genetic counseling (requires special medical review prior to approval).
- (Q) Weekly blood counts for members receiving the drug Clozaril.
- (R) Complete blood count (CBC) and platelet count prior to receiving chemotherapeutic agents, radiation therapy or medication such as DPA-D-Penicillamine on a regular basis for treatment other than for malignancy.
- (S) Payment for ultrasounds for pregnant women as specified in OAC 317:30-5-22.
- (T) Payment to the attending physician in a teaching medical facility for compensable services when the physician signs as claimant and renders personal and identifiable services to the member in conformity with federal regulations.
- (U) Payment to clinical fellow or chief resident in an outpatient academic setting when the following conditions are met:
- (i) Recognition as clinical faculty with participation in such activities as faculty call, faculty meetings, and having hospital privileges;
 - (ii) Board certification or completion of an accredited residency program in the fellowship specialty area;
 - (iii) Hold unrestricted license to practice medicine in Oklahoma;
 - (iv) If Clinical Fellow, practicing during second or subsequent year of fellowship;
 - (v) Seeing members without supervision;
 - (vi) Services provided not for primary purpose of medical education for the clinical fellow or chief resident;
 - (vii) Submit billing in own name with appropriate Oklahoma SoonerCare provider number.
 - (viii) Additionally if a clinical fellow practicing during the first year of fellowship, the clinical fellow must be practicing within their area of primary training. The services must be performed within the context of their primary specialty and only to the extent as allowed by their accrediting body.
- (V) Payment to the attending physician for the services of a currently Oklahoma licensed physician in training when the following conditions are met.
- (i) Attending physician performs chart review and sign off on the billed encounter;
 - (ii) Attending physician present in the clinic/or hospital setting and available for consultation;
 - (iii) Documentation of written policy and applicable training of physicians in the training program regarding when to seek the consultation of the attending physician.
- (W) Payment to the attending physician for the outpatient services of an unlicensed physician in a training program when the following conditions are met:
- (i) The member must be at least minimally examined by the attending physician or a licensed physician under the supervision of the attending physician;
 - (ii) The contact must be documented in the medical record.
- (X) Payment to a physician for supervision of CRNA services unless the CRNA bills directly.
- (Y) One pap smear per year for women of child bearing age. Two follow-up pap smears are covered when medically indicated.

Emergency Adoptions

(Z) Medically necessary solid organ and bone marrow/stem cell transplantation services for children and adult are covered services based upon the conditions listed in (I)-(iv) of this subparagraph:

(i) Transplant procedures, except kidney and cornea, must be prior authorized to be compensable.

(ii) To be prior authorized all procedures are reviewed based on appropriate medical criteria.

(iii) To be compensable under the SoonerCare program, all organ transplants must be performed at a facility which meets the requirements contained in Section 1138 of the Social Security Act.

(iv) Procedures considered experimental or investigational are not covered.

(AA) Donor search and procurement services are covered for transplants consistent with the methods used by the Medicare program for organ acquisition costs.

(i) Donor expenses incurred for complications are covered only if they are directly and immediately attributable to the donation procedure.

(ii) Donor expenses that occur after the 90 day global reimbursement period must be submitted to the OHCA for review.

(BB) Total parenteral nutritional therapy (TPN) for identified diagnoses and when prior authorized.

(CC) Ventilator equipment.

(DD) Home dialysis equipment and supplies.

(EE) Ambulatory services for treatment of members with tuberculosis (TB). This includes, but is not limited to, physician visits, outpatient hospital services, rural health clinic visits and prescriptions. Drugs prescribed for the treatment of TB not listed in OAC 317:30-3-46 require prior authorization by the College of Pharmacy Help Desk using form "Petition for TB Related Therapy". Ambulatory services to members infected with TB are not limited to the scope of the SoonerCare program, but require prior authorization when the scope is exceeded.

(FF) Smoking and Tobacco Use Cessation Counseling for treatment of individuals using tobacco.

(i) Smoking and Tobacco Use Cessation Counseling consists of the 5As:

(I) Asking the member to describe their smoking use;

(II) Advising the member to quit;

(III) Assessing the willingness of the member to quit;

(IV) Assisting the member with referrals and plans to quit; and

(V) Arranging for follow-up.

(ii) Up to eight sessions are covered per year per individual.

(iii) Smoking and Tobacco Use Cessation Counseling is a covered service when performed by physicians, physician assistants, nurse practitioners, nurse midwives, dentists, and Oklahoma

State Health Department and FQHC nursing staff. It is reimbursed in addition to any other appropriate global payments for obstetrical care, PCP capitation payments, evaluation and management codes, or other appropriate services rendered. It must be a significant, separately identifiable service, unique from any other service provided on the same day.

(iv) Chart documentation must include a separate note and signature along with the member specific information addressed in the five steps and the time spent by the practitioner performing the counseling. Anything under three minutes is considered part of a routine visit.

(GG) Immunizations as specified by the Advisory Committee on Immunization Practices (ACIP) guidelines.

(2) General coverage exclusions include the following:

(A) Inpatient diagnostic studies that could be performed on an outpatient basis.

(B) Services or any expense incurred for cosmetic surgery.

(C) Services of two physicians for the same type of service to the same member at the same time, except when warranted by the necessity of supplemental skills. When supplemental skills are warranted, the initial consultation is reported utilizing the appropriate CPT code for inpatient consultations. Follow-up consultations include monitoring progress, recommending management modifications or advising on a new plan of care in response to changes in the member's status. If the consultant physician initiates treatment at the initial consultation and participates thereafter in the member's care, the procedure codes for subsequent hospital care must be used.

(D) Refractions and visual aids.

(E) A separate payment for pre-operative care, if provided on the day before or the day of surgery, or for typical post-operative follow-up care.

(F) Payment to the same physician for both an outpatient visit and admission to hospital on the same date.

(G) Sterilization of members who are under 21 years of age, mentally incompetent, or institutionalized or reversal of sterilization procedures for the purposes of conception.

(H) Non-therapeutic hysterectomy.

(I) Medical services considered to be experimental or investigational.

(J) Payment for more than four outpatient visits per month (home or office) per member except those visits in connection with family planning, or related to emergency medical conditions.

(K) Payment for more than two nursing facility visits per month.

(L) More than one inpatient visit per day per physician.

(M) Physician supervision of hemodialysis or peritoneal dialysis.

(N) Physician services which are administrative in nature and not a direct service to the member including such items as quality assurance, utilization review, treatment staffing, tumor board, dictation, and similar functions.

(O) Charges for completion of insurance forms, abstracts, narrative reports or telephone calls.

(P) Payment for the services of physicians' assistants, social workers, licensed family counselors, registered nurses or other ancillary staff, except as specifically set out in OHCA rules.

(Q) Induced abortions, except when certified in writing by a physician that the abortion was necessary due to a physical disorder, injury, or illness related to a life-endangering physical condition caused by or arising from the pregnancy itself, that would place the woman in danger of death unless an abortion is performed, or when the pregnancy is the result of an act of rape or incest. (Refer to OAC 317:30-5-6 or 317:30-5-50.)

(R) Night calls or unusual hours.

(S) Speech and Hearing services.

(T) Mileage.

(U) A routine hospital visit on the date of discharge unless the member expired.

(V) Direct payment to perfusionist as this is considered part of the hospital reimbursement.

(W) Inpatient chemical dependency treatment.

(X) Fertility treatment.

(Y) Payment for removal of benign skin lesions unless medically necessary.

(b) **Children.** Payment is made to physicians for medical and surgical services for members under the age of 21 within the scope of the Authority's medical programs, provided the services are medically necessary for the diagnosis and treatment of illness or injury, or to improve the functioning of a malformed body member. Medical and surgical services for children are comparable to those listed for adults. In addition to those services listed for adults, the following services are covered for children.

(1) **Pre-authorization of inpatient psychiatric services.** All inpatient psychiatric services for members under 21 years of age must be prior authorized by an agency designated by the Oklahoma Health Care Authority. All psychiatric services are prior authorized for an approved length of stay. Non-authorized inpatient psychiatric services are not be SoonerCare compensable.

(A) Effective October 1, 1993, all residential and acute psychiatric services are authorized based on the medical necessity criteria as described in OAC 317:30-5-95.25, 317:30-5-95.27 and 317:30-5-95.29.

(B) Out of state placements will not be authorized unless it is determined that the needed medical services are more readily available in another state or it is a general practice for members in a particular border locality to use resources in another state. If a medical emergency occurs while a member is out of the State, treatment for medical services is covered as

if provided within the State. A prime consideration for placements will be proximity to the family or guardian in order to involve the family or guardian in discharge and reintegration planning.

(2) **General acute care inpatient service limitations.** All general acute care inpatient hospital services for members under the age of 21 are not limited. All inpatient care must be medically necessary.

(3) **Procedures for requesting extensions for inpatient services.** The physician and/or facility must provide necessary justification to enable OHCA, or its designated agent, to make a determination of medical necessity and appropriateness of treatment options. Extension requests for psychiatric admissions must be submitted to the OHCA or its designated agent. Extension requests must contain the appropriate documentation validating the need for continued treatment in accordance with the medical necessity criteria described in OAC 317:30-5-95.26, 317:30-5-95.28 and 317:30-5-95.30. Requests must be made prior to the expiration of the approved inpatient stay. All decisions of OHCA or its designated agent are final.

(4) **Utilization control requirements for psychiatric beds.** Utilization control requirements for inpatient psychiatric services for members under 21 years of age apply to all hospitals and residential psychiatric treatment facilities.

(5) **Early and periodic screening diagnosis and treatment program.** Payment is made to eligible providers for Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) of members under age 21. These services include medical, dental, vision, hearing and other necessary health care. Refer to OAC 317:30-3-65.2 through 317:30-3-65.11 for specific guidelines.

(6) **Child abuse/neglect findings.** Instances of child abuse and/or neglect discovered through screenings and regular exams are to be reported in accordance with State Law. Title 21, Oklahoma Statutes, Section 846, as amended, states in part: *Every physician or surgeon, including doctors of medicine and dentistry, licensed osteopathic physicians, residents, and interns, examining, attending, or treating a child under the age of eighteen (18) years and every registered nurse examining, attending or treating such a child in the absence of a physician or surgeon, and every other person having reason to believe that a child under the age of eighteen (18) years has had physical injury or injuries inflicted upon him or her by other than accidental means where the injury appears to have been caused as a result of physical abuse or neglect, shall report the matter promptly to the county office of the Department of Human Services in the county wherein the suspected injury occurred. Providing it shall be a misdemeanor for any person to knowingly and willfully fail to promptly report an incident as provided above. Persons reporting such incidents of abuse and/or neglect in accordance with the law are exempt from prosecution in civil or criminal suits that might be brought as a result of the report.*

Emergency Adoptions

(7) **General exclusions.** The following are excluded from coverage for members under the age of 21:

- (A) Inpatient diagnostic studies that could be performed on an outpatient basis.
- (B) Services or any expense incurred for cosmetic surgery unless the physician certifies the procedure emotionally necessary.
- (C) Services of two physicians for the same type of service to the same member at the same time, except when warranted by the necessity of supplemental skills. When supplemental skills are warranted, the initial consultation is reported utilizing the appropriate CPT code for inpatient consultations. Follow-up consultations include monitoring progress, recommending management modifications or advising on a new plan of care in response to changes in the member's status. If the consultant physician initiates treatment at the initial consultation and participates thereafter in the member's care, the codes for subsequent hospital care must be used.
- (D) A separate payment for pre-operative care, if provided on the day before or the day of surgery, or for typical post-operative follow-up care.
- (E) Payment to the same physician for both an outpatient visit and admission to hospital on the same date.
- (F) Sterilization of persons who are under 21 years of age.
- (G) Non-therapeutic hysterectomy.
- (H) Medical Services considered to be experimental or investigational.
- (I) More than one inpatient visit per day per physician.
- (J) Induced abortions, except when certified in writing by a physician that the abortion was necessary due to a physical disorder, injury or illness, including a life-endangering physical condition caused by or arising from the pregnancy itself, that would place the woman in danger of death unless an abortion is performed, or that the pregnancy is the result of an act of rape or incest. (Refer to OAC 317:30-5-6 or 317:30-5-50.)
- (K) Physician supervision of hemodialysis or peritoneal dialysis.
- (L) Physician services which are administrative in nature and not a direct service to the member including such items as quality assurance, utilization review, treatment staffing, tumor board, dictation, and similar functions.
- (M) Payment for the services of physicians' assistants except as specifically set out in OHCA rules.
- (N) Direct payment to perfusionist as this is considered part of the hospital reimbursement.
- (O) Charges for completion of insurance forms, abstracts, narrative reports or telephone calls.
- (P) Night calls or unusual hours.
- (Q) Mileage.

(R) A routine hospital visit on date of discharge unless the member expired.

(S) Tympanometry.

(c) **Individuals eligible for Part B of Medicare.** Payment is made utilizing the OHCA allowable for comparable services. ~~For in-state physicians, claims~~ Claims filed with Medicare Part B should automatically cross over to OHCA. The explanation of Medicare Benefits (EOMB) reflects a message that the claim was referred to SoonerCare. If such a message is not present, a claim for coinsurance and deductible must be filed with the OHCA within 90 days of the date of Medicare payment or within one year of the date of service in order to be considered timely filed. ~~The Medicare EOMB must be attached to the claim. If payment was denied by Medicare Part B and the service is a SoonerCare covered service, mark the claim "denied by Medicare".~~

(1) ~~Out of state claims will not~~ In certain circumstances, some Claims ~~claims that did do~~ not automatically "cross over". Providers must file a claim for coinsurance and/or deductible to SoonerCare within 90 days of the Medicare payment or within one year from the date of service. ~~The Medicare EOMB must be attached to the claim.~~

(2) ~~Claims filed under SoonerCare must be filed within one year from the date of service. For dually eligible members, to be eligible for payment of coinsurance and/or deductible under SoonerCare, a claim must be filed with Medicare within one year from the date of service. If payment was denied by Medicare Part B and the service is a SoonerCare covered service, mark the claim "denied by Medicare" and attach the Medicare EOMB showing the reason for the denial.~~

PART 3. HOSPITALS

317:30-5-44. Medicare eligible individuals

Payment is made to hospitals for services to Medicare eligible individuals as set forth in this section.

(1) **Individuals eligible for part A and part B.**

(A) ~~Payment is made utilizing the Medicaid allowable for comparable Part B services. Claims filed with Medicare automatically cross over to OHCA. The explanation of Medicare Benefits (EOMB) reflects a message that the claim was referred to SoonerCare. If such a message is not present, a claim for coinsurance and deductible must be filed with the OHCA within 90 days of the date of Medicare payment or within one year of the date of service in order to be considered timely filed.~~

(B) ~~Payment is made for the coinsurance and/or deductible for Part A services for categorically needy individuals. If payment is denied by Medicare and the service is a SoonerCare covered service, mark the claim "denied by Medicare" and attach the Medicare EOMB showing the reason for denial.~~

(3) In certain circumstances, some claims do not automatically "cross over". Providers must file a claim for

coinsurance and/or deductible to SoonerCare within 90 days of the Medicare payment or within one year from the date of service.

(4) For individuals who have exhausted Medicare Part A benefits, claims must be accompanied by a statement from the Medicare Part A intermediary showing the date benefits were exhausted.

~~(2) Individuals who are not eligible for part A services.~~

~~(A) The Part B services are to be filed with Medicare. Any monies received from Medicare and any coinsurance and/or deductible monies received from OHCA must be shown as a third party resource on the appropriate claim form for inpatient per diem. The inpatient per diem should be filed with the fiscal agent along with a copy of the Medicare Payment Report.~~

~~(B) For individuals who have exhausted Medicare Part A benefits, claims must be accompanied by a statement from the Medicare Part A intermediary showing the date benefits were exhausted.~~

[OAR Docket #08-221; filed 2-8-08]

**TITLE 317. OKLAHOMA HEALTH CARE
AUTHORITY
CHAPTER 30. MEDICAL PROVIDERS-FEE
FOR SERVICE**

[OAR Docket #08-219]

RULEMAKING ACTION:
EMERGENCY adoption

RULES:

- Subchapter 5. Individual Providers and Specialties
- Part 1. Physicians
- 317:30-5-10. [AMENDED]
- Part 45. Optometrists
- 317:30-5-431. through 317:30-5-432. [AMENDED]
- 317:30-5-432.1. [NEW]
- Part 47. Optical Companies
- 317:30-5-451. [AMENDED]
- 317:30-5-452. [REVOKED]
- (Reference APA WF # 07-26)

AUTHORITY:

The Oklahoma Health Care Authority Board; The Oklahoma Health Care Authority Act, Section 5003 through 5016 of Title 63 of Oklahoma Statutes; 42 CFR 440.230(d)

DATES:

Adoption:

December 13, 2007

Approved by Governor:

January 18, 2008

Effective:

February 1, 2008, or immediately upon Governor's approval, whichever is later.

Expiration:

Effective through July 14, 2008, unless superseded by another rule or disapproved by the Legislature.

SUPERSEDED EMERGENCY ACTIONS:

Superseded rules:

- Subchapter 5. Individual Providers and Specialties
- Part 1. Physicians
- 317:30-5-10. [AMENDED]
- Part 45. Optometrists

317:30-5-431. [AMENDED]

Gubernatorial approval:

April 2, 2007

Register publication:

24 Ok Reg 2824

Docket number:

07-1325

(Reference APA WF # 07-08)

INCORPORATIONS BY REFERENCE:

N/A

FINDING OF EMERGENCY:

The Agency finds that a compelling public interest exists which necessitates promulgation of emergency rules and requests emergency approval of rule revisions to limit payment for lenses and frames to one pair of glasses per 12 month period and to allow physicians to separate the refractive service from the medical evaluation when billing ophthalmology services. Current OHCA policy does not address repairs or frequency of replacement for glasses. Rule revisions would save the agency the cost of supplying member(s) with multiple pairs of eyeglasses when not medically necessary as well as promote efficient use of state and federal dollars. In addition, proposed rule revisions would allow physicians performing ophthalmology services to bill based on current CPT guidelines and update policy to be consistent with Medicare and other third party payors. Current rules are inconsistent with CPT guidelines which have separated the refraction from the medical exam. Rule revisions are needed to clarify and update rules to comply with current coding guidelines.

ANALYSIS:

Agency rules are revised to limit payment for lenses and frames to one pair of glasses per 12 month period and to allow physicians to separate the refractive service from the medical evaluation when billing ophthalmology services. There is no provision in the SoonerCare program for the coverage of glasses for adults; however, for children, payment is made for lenses and frames required to correct visual defects or to protect children with monocular vision. Current policy does not address repairs or frequency of replacement. Based upon several recent audits, some providers have been dispensing multiple sets of glasses at each exam. Rule revisions would save the agency the cost of supplying member(s) with multiple pairs of eyeglasses when not medically necessary as well as encourage providers to repair frames rather than dispensing both new frames and lenses when only frames are broken. Proposed rule revisions would also allow physicians performing ophthalmology services to bill based on current CPT guidelines and update policy to be consistent with Medicare and other third party payors. Current OHCA policy requires providers to bill routine checkups and eye examinations for the purpose of prescribing, fitting, or changing eyeglasses and eye refractions using the CPT code for the Intermediate exam. This is inconsistent with current coding guidelines which have separated the refraction from the medical exam. Rule revisions are needed to clarify and update rules to comply with current CPT guidelines. Other revisions are incorporated due to superseding emergency rules previously approved by the Governor in APA WF # 07-08. These revisions were revised to clarify terminology for cataract surgery by using nationally recognized terminology.

CONTACT PERSON:

Joanne Terlizzi at (405)522-7272

**PURSUANT TO THE ACTIONS DESCRIBED HEREIN,
THE FOLLOWING EMERGENCY RULES ARE
CONSIDERED PROMULGATED UPON APPROVAL
BY THE GOVERNOR AS SET FORTH IN 75 O.S.,
SECTION 253(D), AND EFFECTIVE UPON APPROVAL
BY GOVERNOR OR FEBRUARY 1, 2008, WHICHEVER
IS LATER:**

**SUBCHAPTER 5. INDIVIDUAL PROVIDERS
AND SPECIALTIES**

PART 1. PHYSICIANS

Emergency Adoptions

317:30-5-10. Ophthalmology services

(a) Covered services for adults.

(1) Payment can be made for medical services that are reasonable and necessary for the diagnosis and treatment of illness or injury up to the patient's maximum number of allowed office visits per month.

(2) ~~Payment is made for treatment of eye disease not related to refractive errors. There is no provision for routine eye exams, examinations for the purpose of prescribing glasses or visual aids, treatment of refractive errors, determination of refractive state or treatment of refractive errors, or purchase of lenses, frames, eye examinations for the purpose of prescribing glasses or for the purchase of or visual aids. Payment is made for treatment of medical or surgical conditions which affect the eyes. Providers must notify members in writing of services not covered by SoonerCare prior to providing those services. Determination of refractive state or other non-covered service may be billed to the patient if properly notified.~~

(3) ~~In cataract participatory surgery, a separate payment can be made to the optometrist for postoperative care. Payment to the ophthalmologist will be 80 percent of the surgical allowable. Payment to the optometrist for postoperative care will be made at 20% of the surgical allowable. The global surgery fee allowance includes preoperative evaluation and management services rendered the day before or the day of surgery, the surgical procedure, and routine postoperative period. Postoperative care Co-management for cataract surgery should be is filed using appropriate CPT codes, modifiers and guidelines. The optometrist's name must be present on the claim in the referring physician's block. If an optometrist has agreed to provide postoperative care, the optometrist's information must be in the referring provider's section of the claim.~~

(b) Covered services for children.

(1) Payment can be made for medical services that are reasonable and necessary for the diagnosis and treatment of illness, injury, amblyopia, and significant refractive errors or strabismus. Eye examinations are covered when medically necessary. Determination of the refractive state is covered when medically necessary.

(2) ~~Within the scope of the Early and Periodic Screening, Diagnosis and Treatment Program (EPSDT), payment will be made for periodic visual screenings as set forth in the periodicity schedule adopted by the Oklahoma Health Care Authority (OHCA) in accordance with the American Academy of Pediatrics. Payment will be made for lenses and frames required to correct visual defects or to protect children with monocular vision. In addition to periodic visual screenings, payment will be made for interperiodic visual screenings when medically necessary.~~

(2) Payment is made for certain corrective lenses and optical supplies when medically necessary. Refer to OAC 317:30-5-432.1. for specific guidelines.

(c) Individuals eligible for Part B of Medicare. Payment is made utilizing the Medicaid allowable for comparable services.

(d) Procedure codes.

(1) ~~Routine checkups and eye examinations for the purpose of prescribing, fitting or changing eyeglasses and eye refractions are billed using the General Ophthalmological Services CPT codes for the Intermediate exam. CPT manual guidelines are the basis for this policy and coverage of services is dependent on the purpose of the examination rather than on the ultimate diagnosis. A routine examination is still routine even if a pathologic condition is identified. The appropriate procedure codes used for billing eye care services are found in the Current Procedural Terminology (CPT) and HCPCS Coding Manuals.~~

(2) ~~Evaluation and Management codes should be used when the primary purpose of the examination is examination and treatment of a medical or surgical condition.~~

(3) ~~Frames are billed using the appropriate HCPC code. Payment includes the dispensing fee.~~

(4) ~~Visual Vision screening, is a component of the EPSDT exam all eye exams performed by ophthalmologists or optometrists of an asymptomatic child, is included in a routine exam and is not billed separately. Use the appropriate visual acuity screening test CPT code (see CPT section A Other Services and Procedures) when billing visual screening separately from a routine eye exam.~~

(d) ~~Payment. The Medicaid payment for frames and/or lenses represents payment in full. No difference can be collected from the patient or family.~~

(e) ~~Non-covered items. Non covered items, for example, progressive lenses, aspheric lenses, tints, coatings and photochromic lenses are non compensable and may be billed to the patient.~~

(f) ~~Prior authorization. Contact lenses for aphakia and keratoconus are a covered benefit. Other contact lenses require prior authorization and medical necessity. The appropriate HCPC code should be used. Bifocal lenses for the treatment of accommodative esotropia are a covered benefit. Other multifocal lenses for children require prior authorization and medical necessity. Polycarbonate lenses are covered for children when medically necessary.~~

PART 45. OPTOMETRISTS

317:30-5-431. Coverage by category

Payment is made to optometrists as set forth in this Section.

(1) **Adults.** Payment can be made for medical services that are reasonable and necessary for the diagnosis and treatment of illness or injury up to the patient's maximum number of allowed office visits per month.

(A) ~~Payment is made for treatment of eye disease not related to refractive errors. There is no provision for routine eye exams, examinations for the purpose of prescribing glasses or visual aids, determination of refractive state, treatment of refractive errors, or purchase of lenses, frames, eye examinations for the purpose of prescribing glasses or for the purchase of visual aids. Payment is made for treatment of~~

medical or surgical conditions which affect the eyes. Providers must notify members in writing of services not covered by SoonerCare prior to providing those services. Determination of refractive state or other non-covered services may be billed to the patient if properly notified.

(B) In cataract participatory surgery, separate payment can be made to the optometrist for postoperative care. Payment for postoperative care will be made at 20% of the surgical allowable. The global surgery fee allowance includes preoperative evaluation and management services rendered the day before or the day of surgery, the surgical procedure, and routine postoperative period. Postoperative care Co-management for cataract surgery should be is filed using appropriate CPT codes, modifiers and guidelines. The surgeon's name must be present on the claim in the referring physician's block or payment will be denied. If an optometrist has agreed to provide postoperative care, the surgeon's information must be in the referring provider's section of the claim.

(C) Payment for laser surgery to optometrist is limited to those optometrists certified by the Board of Optometry as eligible to perform laser surgery.

(2) **Children.** Eye examinations are covered when medically necessary. Determination of the refractive state is covered when medically necessary.

(A) Payment can be made for medical services that are reasonable and necessary for the diagnosis and treatment of illness, injury, amblyopia and significant refractive errors or strabismus.

(B) Within the scope of the Early and Periodic Screening, Diagnosis and Treatment Program (EPSDT), payment will be made for periodic visual screenings as set forth in the periodicity schedule found at OAC 317:30-3-65.7. Payment will be made for lenses and frames required to correct visual defects or to protect children with monocular vision. In addition to periodic visual screenings, payment will be made for interperiodic visual screenings medically necessary.

(3) **Individuals eligible for Part B of Medicare.** Payment is made utilizing the Medicaid allowable for comparable services.

317:30-5-432. Procedure Codes

(a) Routine checkups and eye examinations for the purpose of prescribing, fitting or changing eyeglasses and eye refractions are billed using the General Ophthalmological Services CPT codes for the Intermediate exam. CPT manual guidelines are the basis for this policy and coverage of services is dependent on the purpose of the examination rather than on the ultimate diagnosis. A routine examination is still routine even if a pathologic condition is identified. The appropriate procedure codes used for billing eye care services are found in the Current Procedural Terminology (CPT) and HCPCS Coding Manuals.

(b) Evaluation and Management codes should be used when the primary purpose of the examination is examination and treatment of a medical or surgery condition.

(c) Payment for frames includes the dispensing fee.

(d) Visual Vision screening, is a component of the EPSDT exam all eye exams performed by ophthalmologists or optometrists of an asymptomatic child, is included in a routine exam and is not billed separately. Use the appropriate visual acuity screening test CPT code when billing visual screening separately from a routine eye exam.

(e) Medicaid payment for frames and/or lenses represents payment in full. No difference can be collected from the patient or family.

(f) Non covered items, for example, progressive lenses, aspheric lenses, tints, coatings and photochromic lenses are non-compensable and may be billed to the patient.

(g) Contact lenses for aphakia and keratoconus are a covered benefit. Other contact lenses require prior authorization and medical necessity. Bifocal lenses for the treatment of accommodative esotropia are a covered benefit. Other multifocal lenses for children require prior authorization and medical necessity. Polycarbonate lenses are covered for children when medically necessary.

317:30-5-432.1. Corrective lenses and optical supplies

(a) Payment will be made for children for lenses, frames, low vision aids and certain tints when medically necessary including to protect children with monocular vision. Coverage includes one set of lenses and frames per year.

(b) Corrective lenses must be based on medical need. Medical need includes a change in prescription or replacement due to normal lens wear.

(c) SoonerCare provides frames when medically necessary. Frames are expected to last at least one year and must be reusable. If a lens prescription changes, the same frame must be used if possible. Payment for frames includes the dispensing fee.

(d) SoonerCare reimbursement for frames or lenses represents payment in full. No difference can be collected from the patient, family or guardians.

(e) Replacement of or additional lenses and frames are allowed when medically necessary. Prior authorization is not required; however, the provider must document in the patient record the reason for the replacement or additional eyeglasses. The OHCA or its designated agent will conduct ongoing monitoring of replacement frequencies to ensure guidelines are followed. Payment adjustments will be made on claims not meeting these requirements.

(f) Bifocal lenses for the treatment of accommodative esotropia are a covered benefit. Progressive lenses, trifocals, photochromic lenses and tints for children require prior authorization and medical necessity. Polycarbonate lenses are covered for children when medically necessary.

(g) Progressive lenses, aspheric lenses, tints, coatings and photochromic lenses for adults are not compensable and may be billed to the patient.

(h) Replacement of lenses and frames due to abuse and neglect by the member is not covered.

Emergency Adoptions

(i) Bandage contact lenses are a covered benefit for adults and children. Contact lenses for medically necessary treatment of conditions such as aphakia, keratoconus, following keratoplasty, aniseikonia/anisometropia or albinism are a covered benefit for adults and children. Other contact lenses for children require prior authorization and medical necessity.

PART 47. OPTICAL COMPANIES

317:30-5-451. Coverage by category

Payment is made to optical suppliers as set forth in this Section.

- (1) **Adults.** There is no provision for the coverage of glasses for adults, or for the purchase of visual aids.
- (2) **Children.** ~~Payment will be is made for medically necessary lenses and frames required to correct visual defects or to protect children with monocular vision. Refer to OAC 317:30-5-432.1. for specific guidelines.~~
- (3) **Individuals eligible for Part B of Medicare.** Payment is made utilizing the Medicaid allowable for comparable services.

317:30-5-452. Procedure codes [REVOKED]

- (a) ~~**Claims.** Payment for frames includes the dispensing fee.~~
- (b) ~~**Payment.** Medicaid payment for frames and/or lenses represents payment in full. No difference can be collected from the patient or family.~~
- (c) ~~**Non-covered items.** Non covered items, for example, progressive lenses, aspheric lenses, tints, coatings and photochromic lenses are non-compensable and may be billed to the patient.~~
- (d) ~~**Prior authorization.** Contact lenses for aphakia and keratoconus are a covered benefit. Other contact lenses require prior authorization and medical necessity. Bifocal lenses for the treatment of accommodative esotropia are a covered benefit. Other multifocal lenses for children require prior authorization and medical necessity. Polycarbonate lenses are covered for children when medically necessary.~~

[OAR Docket #08-219; filed 2-8-08]

TITLE 317. OKLAHOMA HEALTH CARE AUTHORITY CHAPTER 30. MEDICAL PROVIDERS-FEE FOR SERVICE

[OAR Docket #08-215]

RULEMAKING ACTION:

EMERGENCY adoption

RULES:

Subchapter 5. Individual Providers and Specialties
Part 1. Physicians
317:30-5-14. through 317:30-5-15. [AMENDED]
(Reference APA WF # 07-62)

AUTHORITY:

The Oklahoma Health Care Authority Board; The Oklahoma Health Care Authority Act, Section 5003 through 5016 of Title 63 of Oklahoma Statutes; Public Law 109-171, the Deficit Reduction Act of 2005.

DATES:

Adoption:

December 13, 2007

Approved by Governor:

January 18, 2008

Effective:

Immediately upon Governor's approval

Expiration:

Effective through July 14, 2008, unless superseded by another rule or disapproved by the Legislature.

SUPERSEDED EMERGENCY ACTIONS:

N/A

INCORPORATIONS BY REFERENCE:

N/A

FINDING OF EMERGENCY:

The Agency finds that a compelling public interest exists which necessitates promulgation of emergency rules and requests emergency approval of rule revisions to comply with Section 6002 of Public Law 109-171, the Deficit Reduction Act of 2005. Beginning January 1, 2008, the National Drug Code (NDC) is required to be collected on multiple source, physician administered drugs in order to secure drug rebates. Without these revisions, federal financial participation will not be available for physician administered drugs when the NDC is not collected.

ANALYSIS:

Agency rules are revised to comply with Section 6002 of Public Law 109-171, known as the Deficit Reduction Act of 2005 (DRA), regarding multiple source, physician administered drugs. The DRA requires the National Drug Code (NDC) to be collected on multiple source, physician administered drugs in order to secure drug rebates. Currently, these drugs are billed using only the Healthcare Common Procedure Coding System (HCPCS) code. Unlike the NDC, HCPCS codes do not specify which drug products are being dispensed and therefore drug rebates cannot be collected on these drugs. Revisions are needed to require providers to bill the appropriate NDC for physician administered drugs in addition to the Healthcare Common Procedure Coding System (HCPCS) code.

CONTACT PERSON:

Joanne Terlizzi at (405)522-7272

PURSUANT TO THE ACTIONS DESCRIBED HEREIN, THE FOLLOWING EMERGENCY RULES ARE CONSIDERED PROMULGATED UPON APPROVAL BY THE GOVERNOR AS SET FORTH IN 75 O.S., SECTION 253(D), AND EFFECTIVE UPON APPROVAL BY GOVERNOR:

SUBCHAPTER 5. INDIVIDUAL PROVIDERS AND SPECIALTIES

PART 1. PHYSICIANS

317:30-5-14. Injections

(a) Coverage for injections is limited to those categories of drugs included in the vendor drug program for SoonerCare. SoonerCare payment is not available for injectable drugs whose manufacturers have not entered into a drug rebate agreement with the Centers for Medicare and Medicaid Services (CMS). OHCA administers and maintains an open formulary subject to the provisions of Title 42, United States Code (U.S.C.), Section 1396r-8. The Authority OHCA covers ~~any a drug for its approved purpose~~ that has been approved

by the Food and Drug Administration (FDA) subject to the exclusions and limitations provided in OAC 317:30-5-72.1. ~~Administration of injections is paid in addition to the medication.~~

(1) **Immunizations for children.** An administration fee will be paid for vaccines administered by providers participating in the Vaccines for Children Program. When the vaccine is not included in the program, the administration fee is included in the vaccine payment. Payment will not be made for vaccines covered by the Vaccines for Children Program.

(2) **Immunizations for adults.** Coverage for adults is provided as per the Advisory Committee on Immunization Practices (ACIP) guidelines. A separate payment will not be made for the administration of a vaccine. The administration fee is included in the vaccine payment.

~~(b) The following drugs, classes of drugs or their medical uses are excluded from coverage:~~

- ~~(1) Agents used for the treatment of anorexia, weight gain, or obesity;~~
- ~~(2) Agents used to promote fertility;~~
- ~~(3) Agents used to promote hair growth;~~
- ~~(4) Agents used for cosmetic purposes;~~
- ~~(5) Agents used for the symptomatic relief of coughs and colds. Cough and cold drugs are not covered;~~
- ~~(6) Agents that are experimental or whose side effects make usage controversial; and~~
- ~~(7) Vitamins and Minerals with the following exception:~~

~~(A) Vitamin B 12 is covered only when there is a documented occurrence of malabsorption disease;~~

~~(B) Vitamin K injections are compensable; and~~

~~(C) Iron injections when medically necessary and documented by objective evidence of failure to respond to oral iron.~~

~~(e b) Use the appropriate HCPC code when available HCPCS code and National Drug Code (NDC). When drugs are billed under miscellaneous codes, a paper claim must be filed. The In addition to the NDC and HCPCS code, claims must contain the drug name, strength, and dosage amount, and National Drug Code (NDC).~~

~~(d c) Payment is made for allergy injections for adults and children. When the contracted provider actually administers or supervises the administration of the injection, the administration fee is compensable. No payment is made for administration when the allergy antigen is self-administered by the member. When the allergy antigen is purchased by the physician, payment is made by invoice attached to the claim.~~

~~(e d) Rabies vaccine, Imovax, Human Diploid and Hyperab, Rabies Immune Globulin are covered under the vendor drug program and may be covered as one of the covered prescriptions per month. Payment can be made separately to the physician for administration. If the vaccine is purchased by the physician, payment is made by invoice attached to the claim.~~

~~(f e) Trigger point injections (TPI's) are covered using appropriate CPT codes. Modifiers are not allowed for this code. Payment is made for up to three injections (3 units) per day at the full allowable. Payment is limited to 12 units per month.~~

The medical records must clearly state the reasons why any TPI services were medically necessary. All trigger point records must contain proper documents and be available for review. Any services beyond 12 units per month or 36 units per 12 months will require mandatory review for medical necessity. Medical records must be automatically submitted with any claims for services beyond 36 units.

~~(g f) If a physician bills separately for surgical injections and identifies the drugs used in a joint injection, payment will be made for the cost of the drug in addition to the surgical injection. The same guidelines apply to aspirations.~~

~~(h g) When IV administration in a Nursing Facility is filed by a physician, payment may be made for medication. Administration should be done by nursing home personnel.~~

~~(i h) Intravenous fluids used in the administration of IV drugs are covered. Payment for the set is included in the office visit reimbursement.~~

317:30-5-15. Chemotherapy injections

(a) **Outpatient.**

(1) Outpatient chemotherapy is compensable only when a malignancy is indicated or for the diagnosis of Acquired Immune Deficiency Syndrome (AIDS). Outpatient chemotherapy treatments are unlimited. Outpatient visits in connection with chemotherapy are limited to four per month.

(2) Payment for administration of chemotherapy medication is made under the appropriate HCPC Supplemental J-Code National Drug Code (NDC) and HCPCS code as stated in OAC 317:30-5-14(b). Payment is made separately for office visit and administration under the appropriate CPT code.

(3) When injections exceed listed amount of medication, show units times appropriate quantity, i.e., injection code for 100 mgm but administering 300, used 100 mgm times 3 units.

(4) Glucose - fed through IV in connection with chemotherapy administered in the office ~~would be is~~ covered under the appropriate NDC and HCPCS code.

(b) **Inpatient.**

(1) Inpatient hospital supervision of chemotherapy administration is non-compensable. The hospital visit in connection with chemotherapy could be allowed within our guidelines if otherwise compensable, but must be identified by description.

(2) Hypothermia - Local hypothermia is compensable when used in connection with radiation therapy for the treatment of primary or metastatic cutaneous or subcutaneous superficial malignancies. It is not compensable when used alone or in connection with chemotherapy.

(3) The following are not compensable:

- (A) Chemotherapy for Multiple Sclerosis;
- (B) Efadex;
- (C) Oral Chemotherapy;
- (D) Photochemotherapy;
- (E) Scalp Hypothermia during Chemotherapy; and

Emergency Adoptions

(F) Strep Staph Chemotherapy.

[OAR Docket #08-215; filed 2-8-08]

TITLE 317. OKLAHOMA HEALTH CARE AUTHORITY CHAPTER 30. MEDICAL PROVIDERS-FEE FOR SERVICE

[OAR Docket #08-222]

RULEMAKING ACTION:

EMERGENCY adoption

RULES:

Subchapter 5. Individual Providers and Specialties
Part 1. Physicians
317:30-5-22. [AMENDED]
(Reference APA WF # 07-51)

AUTHORITY:

The Oklahoma Health Care Authority Board; The Oklahoma Health Care Authority Act, Section 5003 through 5016 of Title 63 of Oklahoma Statutes; 42 CFR 440.210(a)(2); 42 CFR 450.250(p)

DATES:

Adoption:

November 8, 2007

Approved by Governor:

December 18, 2007

Effective:

Immediately upon Governor's approval or January 1, 2008, whichever is later

Expiration:

Effective through July 14, 2008, unless superseded by another rule or disapproved by the Legislature.

SUPERSEDED EMERGENCY ACTIONS:

Superseded rules:

Subchapter 5. Individual Providers and Specialties
Part 1. Physicians
317:30-5-22. [AMENDED]

Gubernatorial approval:

October 2, 2007

Register publication:

25 Ok Reg 426

Docket number:

07-1623

(Reference APA WF # 07-38)

INCORPORATIONS BY REFERENCE:

N/A

FINDING OF EMERGENCY:

The Agency finds that a compelling public interest exists which necessitates promulgation of emergency rules and requests emergency approval of rule revisions which will allow SoonerCare providers to bill and receive payment for an evaluation and management (E&M) service and an amniocentesis on the same date of service. Amniocentesis is a medical procedure used in prenatal diagnosis of genetic risk factors. By allowing both services on the same day, pregnant SoonerCare members, whose fetus may be at risk for genetic defects, are more likely to use this diagnostic tool than if they must return on another day for this procedure. Rule revisions will allow the early detection of possible risks and allow SoonerCare members to pursue potential interventions that may exist.

ANALYSIS:

Agency rules are revised to allow SoonerCare providers to bill and receive payment for an evaluation and management (E&M) service and an amniocentesis on the same date of service. Amniocentesis is a diagnostic test that detects chromosome abnormalities, neural tube defects and genetic disorders with high levels of accuracy (98-99%). Down syndrome or Trisomy 21 is the most common chromosome abnormality. Genetic disorders include disorders like cystic fibrosis. The most common neural tube defect is spina bifida. Current rules do not allow a SoonerCare provider to provide an E&M service and an amniocentesis on the same day. By allowing both services on the same day, pregnant SoonerCare members, whose fetus may be at risk for

genetic defects, are more likely to use this diagnostic tool than if they must return on another day for this procedure. Performing the tests and confirming the diagnosis provides members with certain opportunities. Members may pursue potential interventions (i.e. fetal surgery for spina bifida), planning for a child with special needs and/or identifying support groups and resources. Rule revisions are needed to allow early detection and improve member access to this essential service. Other revisions are incorporated due to superseding emergency rules previously approved by the Governor in APA WF # 07-38. These revisions added enhanced services for medically high risk pregnancies and allowed additional reimbursement to obstetrical care providers treating members confirmed to be medically/obstetrically "high risk".

CONTACT PERSON:

Joanne Terlizzi at (405)522-7272

PURSUANT TO THE ACTIONS DESCRIBED HEREIN, THE FOLLOWING EMERGENCY RULES ARE CONSIDERED PROMULGATED UPON APPROVAL BY THE GOVERNOR AS SET FORTH IN 75 O.S., SECTION 253(D), AND EFFECTIVE UPON APPROVAL BY GOVERNOR OR JANUARY 1, 2008, WHICHEVER IS LATER:

SUBCHAPTER 5. INDIVIDUAL PROVIDERS AND SPECIALTIES

PART 1. PHYSICIANS

317:30-5-22. Obstetrical care

(a) Obstetrical (OB) care is billed using the appropriate CPT codes for Maternity Care and Delivery. The date of delivery is used as the date of service for charges for total obstetrical care. Inclusive dates of care should be indicated on the claim form as part of the description. Payment for total obstetrical care includes all routine care, and any ultrasounds performed by the attending physician provided during the maternity cycle unless otherwise specified in this Section. For payment of total OB care, a physician must have provided care for more than one trimester. To bill for prenatal care only, the claim is filed after the member leaves the provider's care. Payment for routine or minor medical problems will not be made separately to the OB physician outside of the ante partum visits. The ante partum care during the prenatal care period includes all care by the OB attending physician except major illness distinctly unrelated to the pregnancy.

(b) Procedures paid separately from total obstetrical care are listed in (1) - (6) of this subsection.

(1) The completion of an American College of Obstetricians and Gynecologist (ACOG) assessment form and the most recent version of the Oklahoma Health Care Authority—(OHCA), Authority's Prenatal Psychosocial Assessment are reimbursable when both documents are included in the prenatal record. SoonerCare allows one assessment per provider and no more than two per pregnancy.

(2) Medically necessary real time ante partum diagnostic ultrasounds will be paid for in addition to ante partum care, delivery and post partum obstetrical care under defined circumstances. To be eligible for payment,

ultrasound reports must meet the guideline standards published by the American Institute of Ultrasound Medicine (AIUM).

(A) One abdominal or vaginal ultrasound will be covered in the first trimester of pregnancy. The ultrasound must be performed by a board certified Obstetrician-Gynecologist (OB-GYN), Radiologist, or a Maternal-Fetal Medicine specialist. In addition, this ultrasound may be performed by a Nurse Midwife, Family Practice Physician or Advance Practice Nurse Practitioner in Obstetrics with a certification in Obstetrical ultrasonography.

(B) One ultrasound after the first trimester will be covered. This ultrasound must be performed by a board certified Obstetrician-Gynecologist (OB-GYN), Radiologist, or a Maternal-Fetal Medicine specialist. In addition, this ultrasound may be performed by a Nurse Midwife, Family Practice Physician or Advance Practice Nurse Practitioner in Obstetrics with certification in Obstetrical ultrasonography.

(C) Additional ultrasounds, including detailed ultrasounds and re-evaluations of previously identified or suspected fetal or maternal anomalies, must be performed by an active candidate or Board Certified diplomate in Maternal-Fetal Medicine.

(3) Standby attendance at Cesarean Section (C-Section), for the purpose of attending the baby, is compensable when billed by a physician not participating in the delivery.

(4) Spinal anesthesia administered by the attending physician is a compensable service and is billed separately from the delivery.

(5) Amniocentesis is not included in routine obstetrical care and is billed separately. Payment may be made for an evaluation and management service and amniocentesis on the same date of service. This is an exception to general information regarding surgery found at OAC 317:30-5-8.

(6) Additional payment is not made for the delivery of twins. If one twin is delivered vaginally and one is delivered by C-section, by the same physician, the higher level procedure is paid. If one twin is delivered vaginally and one twin is delivered by C-Section, by different physicians, each ~~should bill one bills~~ the appropriate procedure codes without a modifier. Payment is not made to the same physician for both standby and assistant at C-Section.

(c) Assistant surgeons are paid for C-Sections which include only in-hospital post-operative care. Family practitioners who provide prenatal care and assist at C-Section should bill separately for the prenatal and the six weeks postpartum office visit.

(d) Procedures listed in (1) - (5) of this subsection are not paid or not covered separately from total obstetrical care.

(1) ~~An additional allowance is not be made for induction of labor, double set up examinations, fetal stress and non stress tests, or pudendal anesthetic. Do not bill separately for these procedures. Non-stress tests except as described in OAC 317:30-5-22.1.~~

(2) Standby at C-Section is not compensable when billed by a physician participating in delivery.

(3) Payment is not made for assistant surgery for obstetrical procedures which include prenatal or post partum care.

(4) ~~Pitocin induction of labor is considered part of the delivery and separate payment is not made. An additional allowance is not made for induction of labor, double set-up examinations, fetal stress tests, or pudendal anesthetic. Providers must not bill separately for these procedures.~~

(e) Obstetrical coverage for children is the same as for adults with additional procedures being covered due to EPSDT provisions if determined to be medically necessary.

(1) Services, deemed medically necessary and allowable under federal Medicaid regulations, are covered by the EPSDT/OHCA Child Health program even though those services may not be part of the Oklahoma Health Care Authority SoonerCare program. Such services must be prior authorized.

(2) Federal Medicaid regulations also require the State to make the determination as to whether the service is medically necessary and do not require the provision of any items or services that the State determines are not safe and effective or which are considered experimental.

[OAR Docket #08-222; filed 2-8-08]

**TITLE 317. OKLAHOMA HEALTH CARE AUTHORITY
CHAPTER 30. MEDICAL PROVIDERS-FEE FOR SERVICE**

[OAR Docket #08-214]

RULEMAKING ACTION:

EMERGENCY adoption

RULES:

Subchapter 5. Individual Providers and Specialties
Part 32. SoonerRide Non-Emergency Transportation
317:30-5-327.5. [AMENDED]
(Reference APA WF # 07-63)

AUTHORITY:

The Oklahoma Health Care Authority Board; The Oklahoma Health Care Authority Act, Section 5003 through 5016 of Title 63 of Oklahoma Statutes; 42 CFR 440.60

DATES:

Adoption:

December 13, 2007

Approved by Governor:

January 18, 2008

Effective:

Immediately upon Governor's approval

Expiration:

Effective through July 14, 2008, unless superseded by another rule or disapproved by the Legislature.

SUPERSEDED EMERGENCY ACTIONS:

N/A

INCORPORATIONS BY REFERENCE:

N/A

FINDING OF EMERGENCY:

The Agency finds that a compelling public interest exists which necessitates promulgation of emergency rules to add stretcher services as a covered benefit to the SoonerRide program. Existing rules exclude stretcher services under the current program. However, the agency has recently awarded

Emergency Adoptions

a new contract which includes the broker to provide stretcher services to SoonerCare members. The rule change is needed to reflect the added benefit of stretcher services to the SoonerRide program. Without this change, current rules will not be consistent with current responsibilities of the SoonerRide broker.

ANALYSIS:

The purpose of this rule change is to allow stretcher services to be included as a covered benefit under the SoonerRide Program. Currently, stretcher services are excluded from the Program and provided to members through contracted ambulance providers. Generally, members are only permitted to use ambulance services in emergency situations. However, the agency has had to utilize this method because access to providers for stretcher service has been limited due to state regulations for stretcher transport. Recently, the agency issued and awarded a new Request for Proposal (RFP) for non-emergency transportation. Included in the broker responsibilities under the new RFP, the broker must now provide stretcher services based upon existing State regulations. Currently, the service is reimbursed to the ambulance provider based on an established rate per occurrence. The SoonerRide program is reimbursed based on a capitated rate for all services under the program. The added stretcher service is calculated into the base capitated rate. The added benefit will enable those members whose condition requires stretcher care to schedule and receive their non-emergency stretcher transportation through the SoonerRide program instead of through an ambulance company which generally transports in emergency situations.

CONTACT PERSON:

Joanne Terlizzi at (405)522-7272

PURSUANT TO THE ACTIONS DESCRIBED HEREIN, THE FOLLOWING EMERGENCY RULES ARE CONSIDERED PROMULGATED UPON APPROVAL BY THE GOVERNOR AS SET FORTH IN 75 O.S., SECTION 253(D), AND EFFECTIVE UPON APPROVAL BY GOVERNOR:

SUBCHAPTER 5. INDIVIDUAL PROVIDERS AND SPECIALTIES

PART 32. SOONERRIDE NON-EMERGENCY TRANSPORTATION

317:30-5-327.5. Exclusions from SoonerRide NET

SoonerRide NET excludes:

- (1) transportation of members to access emergency services;
- (2) transportation of members by ambulance for any reason;
- ~~(3) transportation of members whose medical condition requires transport by stretcher;~~
- (4) transportation of members to services that are not covered by SoonerCare; and
- ~~(5) transportation of members to services that are not medically necessary.~~

[OAR Docket #08-214; filed 2-8-08]

TITLE 317. OKLAHOMA HEALTH CARE AUTHORITY CHAPTER 30. MEDICAL PROVIDERS-FEE FOR SERVICE

[OAR Docket #08-218]

RULEMAKING ACTION:

EMERGENCY adoption

RULES:

Subchapter 5. Individual Providers and Specialties
Part 85. ADvantage Program Waiver Services
317:30-5-760. through 30-5-764.[AMENDED]
(Reference APA WF # 07-49)

AUTHORITY:

The Oklahoma Health Care Authority Board; The Oklahoma Health Care Authority Act, Section 5003 through 5016 of Title 63 of Oklahoma Statutes; 42 CFR 440.180

DATES:

Adoption:

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Approved by Governor:

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Effective:

Immediately upon Governor's approval or February 1, 2008, whichever is later

Expiration:

Effective through July 14, 2008, unless superseded by another rule or disapproved by the Legislature.

SUPERSEDED EMERGENCY ACTIONS:

N/A

INCORPORATIONS BY REFERENCE:

N/A

FINDING OF EMERGENCY:

The Agency finds that a compelling public interest exists which necessitates promulgation of emergency rules and requests emergency approval of rule revisions to facilitate consistency with the ADvantage Home and Community-Based Services Waiver which was approved by the Centers for Medicare and Medicaid effective July 1, 2007. The United States Supreme Court's decision in *Olmstead vs. L. C.* requires that Oklahoma provide service options to enable individuals with disabilities to live in the community rather than receiving services in an institution. These revisions will allow more individuals the opportunity and means to make that transition.

ANALYSIS:

Rules are revised to concur with recent changes to the ADvantage Home and Community Based Services Waiver document as approved by the Centers for Medicare and Medicaid Services. Agency rules are amended to: (1) update the methodology for approval of a spouse or legal guardian to provide personal care services; (2) update the covered localities for the Consumer-Directed Personal Assistance Services and Supports (CD-PASS) program to allow for state wide expansion; (3) remove the requirement that the member receive State Plan or ADvantage personal care for one year before being considered for the CD-PASS program; (4) expand on the requirement for Specialized Medical Equipment and supplies to require that providers of reoccurring services which are mailed verify that the member is still eligible and needs the supply; (5) eliminate Comprehensive Home Care (CHC) and CHC Personal Care; (6) update the nutritional requirement for Home Delivered Meals and add the requirement that the provider obtain a signature from the member or member's representative; (7) update the requirement and definitions for Financial Management Services for the CD-PASS program; (8) revise the service definition, scope and requirements for Institutional Transitions Services for the CD-PASS program; (9) revise the reimbursement methodology requirements for Advanced Supportive/Restorative Assistance to reflect current practices; and (10) revise the CD-PASS budget allocation requirement process.

CONTACT PERSON:

Joanne Terlizzi at (405)522-7272

PURSUANT TO THE ACTIONS DESCRIBED HEREIN, THE FOLLOWING EMERGENCY RULES ARE CONSIDERED PROMULGATED UPON APPROVAL BY THE GOVERNOR AS SET FORTH IN 75 O.S.,

SECTION 253(D), AND EFFECTIVE UPON APPROVAL BY GOVERNOR OR FEBRUARY 1, 2008, WHICHEVER IS LATER:

SUBCHAPTER 5. INDIVIDUAL PROVIDERS AND SPECIALTIES

PART 85. ADVANTAGE PROGRAM WAIVER SERVICES

317:30-5-760. ADvantage program

The ADvantage Program is a Medicaid Home and Community Based Services (HCBS) Waiver used to finance noninstitutional long-term care services through Oklahoma's Medicaid program for elderly and disabled individuals. To receive ADvantage Program services, individuals must meet the nursing facility (NF) level of care (LOC) criteria, be age 65 years or older, or age 21 or older if physically disabled and not developmentally disabled, or if developmentally disabled and between the ages of 21 and 65, not have mental retardation or a cognitive impairment related to the developmental disability. ADvantage Program recipients must be Medicaid eligible. The number of recipients of ADvantage services is limited.

317:30-5-761. Eligible providers

ADvantage Program service providers, except pharmacy providers, ~~shall~~ must be certified by the ADvantage Program Administrative Agent (AA) and all providers must have a current signed Medicaid SoonerCare contract on file with the Medicaid Agency (Oklahoma Health Care Authority).

- (1) The provider programmatic certification process shall verify that the provider meets licensure, certification and training standards as specified in the waiver document and agrees to ADvantage Program Conditions of Participation. Providers must obtain programmatic certification to be ADvantage Program certified.
- (2) The provider financial certification process shall verify that the provider uses sound business management practices and has a financially stable business. All providers, except for NF Respite, Medical Equipment and Supplies, and Environmental Modification providers, must obtain financial certification to be ADvantage Program certified.
- (3) Providers may fail to gain or may lose ADvantage Program certification due to failure to meet either programmatic or financial standards.
- (4) At a minimum, the AA reevaluates provider financial certification annually.
- (5) The AA relies upon the Oklahoma Department of Human Services DHS/Aging (OKDHS)/Aging Services Division (ASD) for ongoing programmatic evaluation of Adult Day Care and Home Delivered Meal providers for continued programmatic certification. Providers of Medical Equipment and Supplies, Environmental Modifications, Personal Emergency Response Systems,

Hospice, CD-PASS, and NF Respite services do not have a programmatic evaluation after the initial certification.

(6) ~~For OKDHS/ASD may authorize~~ a legally responsible spouse or legal guardian of an adult client member to be Medicaid reimbursed under the 1915(c) ADvantage Program as a service provider, ~~if the provider must meet~~ meets all of the following authorization criteria and monitoring provisions:

(A) Authorization for a spouse or legal guardian to be the care provider for a client member may occur ~~only under the following conditions:~~

- (i) ~~The client if the member~~ is offered a choice of providers and documentation demonstrates that:
 - (I) either no other provider is available; or
 - (II) available providers are unable to provide necessary care to the client member; or
 - (III) the needs of the client member are so extensive that the spouse or legal guardian who provides the care is prohibited from working outside the home due to the client's member's need for care.
- (ii) ~~The Director of OKDHS approves a request for spouse or legal guardian to be the provider under one of the aforementioned documented circumstances.~~

(B) The service must:

- (i) meet the definition of a service/support as outlined in the federally approved waiver document;
- (ii) be necessary to avoid institutionalization;
- (iii) be a service/support that is specified in the individual service plan;
- (iv) be provided by a person who meets the provider qualifications and training standards specified in the waiver for that service;
- (v) be paid at a rate that does not exceed that which would otherwise be paid to a provider of a similar service and does not exceed what is allowed by the State Medicaid Agency for the payment of personal care or personal assistance services;
- (vi) not be an activity that the spouse or legal guardian would ordinarily perform or is responsible to perform. If any of the following criteria are met, assistance or care provided by the spouse or guardian will be determined to exceed the extent and/or nature of the assistance they would be expected to ordinarily provide in their role as spouse or guardian:
 - (I) spouse or guardian has resigned from full-time/part-time employment to provide care for the client member; or
 - (II) spouse or guardian has reduced employment from full-time to part-time to provide care for the client member; or
 - (III) spouse or guardian has taken a leave of absence without pay to provide care for the client member; or

Emergency Adoptions

(IV) spouse or guardian provides assistance/care for the ~~client member~~ thirty-five 35 or more hours per week without pay and the ~~client member~~ has remaining unmet needs because no other provider is available due to the nature of the assistance/care, special language or communication, or intermittent hours of care requirements of the ~~client member~~.

(C) The spouse or legal guardian who is a service provider will comply with the following:

- (i) not provide more than 40 hours of services in a seven day period;
- (ii) planned work schedules must be available ~~two weeks~~ in advance to the member's Case Manager, and variations to the schedule must be noted and supplied ~~to the fiscal agent when billing two weeks in advance to the Case Manager unless change is due to an emergency;~~
- (iii) maintain and submit time sheets and other required documentation for hours paid; and
- (iv) be documented in the service plan as the ~~client's member's~~ care provider.

(D) In addition to case management, monitoring, and reporting activities required for all waiver services, the state is obligated to ~~the following~~ additional monitoring requirements when clients members elect to use a spouse or legal guardian as a paid service provider. The AA will monitor through documentation submitted by the Case Manager the following:

- (i) at least quarterly reviews by the ~~AA Case Manager~~ of expenditures and the health, safety, and welfare status of the individual recipient; and
- (ii) face-to-face visits with the recipient by ~~AA representative the Case Manager~~ on at least a semi annual basis; and
- (iii) ~~monthly reviews by the AA of hours billed for spouse or legal guardian providing care.~~

(7) The AA or OKDHS Aging Service Division (OKDHS/ASD) periodically performs a programmatic audit of Case Management, Home Care (providers of Skilled Nursing, State Plan Personal Care, In-Home Respite, Advanced Supportive/Restorative Assistance and Therapy Services), Comprehensive Home Care, and CD-PASS providers. If due to a programmatic audit, a provider Plan of Correction is required, the AA stops new case referrals to the provider until the Plan of Correction has been approved and implemented. Depending on the nature and severity of problems discovered during a programmatic audit, at the discretion of the AA and OKDHS/ASD, ~~clients members~~ determined to be at risk for health or safety may be transferred from a provider requiring a Plan of Correction to another provider.

317:30-5-762. Coverage

Individuals receiving ADvantage Program services must have been determined to be eligible for the program and must have an approved plan of care. Any ADvantage Program service provided must be listed on the approved plan of care

and must be necessary to prevent institutionalization of the ~~recipient member~~. Waiver services which are expansions of Oklahoma Medicaid State Plan services may only be provided after the ~~recipient member~~ has exhausted these services available under the State Plan.

(1) To allow for development of administrative structures and provider capacity to adequately deliver Consumer-Directed Personal Assistance Services and Supports (CD-PASS), availability of CD-PASS is limited to ADvantage Program ~~clients members~~ that reside in the following counties and zip codes: that have sufficient provider capacity to offer the CD-PASS service option as determined by OKDHS/ASD.

- (A) ~~Tulsa;~~
- (B) ~~Creek;~~
- (C) ~~Rogers;~~
- (D) ~~Wagoner; and~~
- (E) ~~Osage County zip codes of 74126, 74127, 74106, and 74063.~~

(2) ADvantage Case Managers within the CD-PASS ~~geographic target~~ approved area will provide information and materials that explain the CD-PASS service option to their ~~clients members~~. The AA provides information and material on CD-PASS to Case Managers for distribution to ~~clients members~~.

(3) The ~~client member~~ may request CD-PASS services from their Case Manager or call an AA maintained toll-free number to request CD-PASS services.

(4) The AA uses the following criteria to determine an ADvantage ~~client's member's~~ service eligibility to participate in CD-PASS:

- (A) residence in the CD-PASS ~~geographic target~~ approved area;
- (B) ~~client's receipt of State Plan or ADvantage Personal Care services for 12 months or more;~~
- (C) ~~client's member's~~ health and safety with CD-PASS services can reasonable—reasonably be assured based on a review of service history records and a review of ~~client member~~ capacity and readiness to assume Employer responsibilities under CD-PASS with any one of the following findings as basis to deny a request for CD-PASS due to inability to assure client member health and safety;

(i) the ~~client member~~ does not have the ability to make decisions about his/her care of service planning and the ~~client's member's~~ "authorized representative" is not willing to assume CD-PASS responsibilities, or

(ii) the ~~client member~~ is not willing to assume responsibility, or to enlist ~~and an~~ an "authorized representative" to assume responsibility, in one or more areas of CD-PASS such as in service planning, or in assuming the role of employer of the PSA or APSA provider, or in monitoring and managing health or in preparation for emergency backup, or

(iii) the ~~client member~~ has a recent history of self-neglect or self-abuse as evidenced by Adult Protective Services intervention within the past 12

months and does not have an "authorized representative" with capacity to assist with CD-PASS responsibilities;

~~(D C)~~ client member voluntarily makes an informed choice to receive CD-PASS services. As part of the informed choice decision-making process for CD-PASS, the AA staff or the Case Manager provides consultation and assistance as the client member completes a self-assessment of preparedness to assume the role of Employer of their Personal Services Assistant. The orientation and enrollment process will provide the client member with a basic understanding of what will be expected of them under CD-PASS, the supports available to assist them to successfully perform Employer responsibilities and an overview of the potential risks involved.

(5) The AA uses the following criteria to determine that based upon documentation, a person is no longer allowed to participate in CD-PASS:

(A) the client member does not have the ability to make decisions about his/her care or service planning and the client's member's "authorized representative" is not willing to assume CD-PASS responsibilities; or

(B) the client member is not willing to assume responsibility, or to enlist an "authorized representative" to assume responsibility, in one or more areas of CD-PASS such as in service planning, or in assuming the role of employer of the PSA or APSA provider, or in monitoring and managing health or in preparation for emergency backup; or

(C) the client member has a recent history of self-neglect or self-abuse as evidenced by Adult Protective Services intervention and does not have an "authorized representative" with capacity to assist with CD-PASS responsibilities; or

(D) ~~participant~~ the member abuses or exploits their employee; or

(E) ~~participant~~ the member falsifies time-sheets or other work records; or

~~(F) based on documented experience of being abusive and/or uncooperative, no Employer Support Services Provider will agree to assist the person, or~~

~~(G F)~~ participant the member, even with Employer Support Services Provider-CM/CDA and Financial Management Services assistance, is unable to operate within their Individual Budget Allocation; or

~~(H G)~~ inferior quality of services provided by participant's member/employer's employee, or the inability of the member/employer's employee to provide the number of service units the member requires, jeopardizes the participant's member's health and/or safety.

(A) Case Management services are services that assist a member in gaining access to medical, social educational or other services, regardless of payment source of services, that may benefit the member in maintaining health and safety. Case managers initiate and oversee necessary assessments and reassessments to establish or reestablish waiver program eligibility. Case managers develop the member's comprehensive plan of care, listing only services which are necessary to prevent institutionalization of the member, as determined through assessments. Case managers initiate the addition of necessary services or deletion of unnecessary services, as dictated by the member's condition and available support. Case managers monitor the member's condition to ensure delivery and appropriateness of services and initiate plan of care reviews. If a member requires hospital or nursing facility services, the case manager assists the member in accessing institutional care and, as appropriate, periodically monitors the member's progress during the institutional stay and helps the member transition from institution to home by updating the service plan and preparing services to start on the date the member is discharged from the institution. Case Managers must meet ADvantage Program minimum requirements for qualification and training prior to providing services to ADvantage members. Prior to providing services to members receiving Consumer-Directed Personal Assistance Services and Supports (CD-PASS), Case Managers are required to receive training and demonstrate knowledge regarding CD-PASS service delivery model, "Independent Living Philosophy" and demonstrate competency in Person-centered planning.

(B) Providers may only claim time for billable Case Management activities described as follows:

(i) A billable case management activity is any task or function defined under OAC 317:30-5-763(1)(A) that only an ADvantage case manager because of skill, training or authority, can perform on behalf of a member;

(ii) Ancillary activities such as clerical tasks like mailing, copying, filing, faxing, drive time or supervisory/administrative activities are not billable case management activities, although the administrative cost of these activities and other normal and customary business overhead costs have been included in the reimbursement rate for billable activities.

(C) Case Management services are prior authorized and billed per 15-minute unit of service using the rate associated with the location of residence of the member served.

(i) Standard Rate: Case Management services are billed using a Standard rate for reimbursement for billable service activities provided to a member who resides in a county with population density greater than 25 persons per square mile.

317:30-5-763. Description of services

Services included in the ADvantage Program are as follows:

- (1) **Case Management.**

Emergency Adoptions

(ii) Very Rural/Difficult Service Area Rate: Case Management services are billed using a Very Rural/Difficult Service Area rate for billable service activities provided to a member who resides in a county with population density equal to or less than 25 persons per square mile. An exception would be services to members that reside in AA identified zip codes in Osage County adjacent to metropolitan areas of Tulsa and Washington Counties. Services to these members are prior authorized and billed using the Standard rate.

(iii) The United States 2000 Census, Oklahoma Counties population data is the source for determination of whether a member resides in a county with a population density equal to or less than 25 persons per square mile, or resides in a county with a population density greater than 25 persons per square mile.

(2) **Respite.**

(A) Respite services are provided to members who are unable to care for themselves. They are provided on a short-term basis because of the absence or need for relief of the primary caregiver. Payment for respite care does not include room and board costs unless more than seven hours are provided in a nursing facility. Respite care will only be utilized when other sources of care and support have been exhausted. Respite care will only be listed on the plan of care when it is necessary to prevent institutionalization of the member. Units of services are limited to the number of units approved on the plan of care.

(B) In-Home Respite services are billed per 15-minute unit service. Within any one-day period, a minimum of eight units must be provided with a maximum of 28 units provided. The service is provided in the member's home.

(C) Facility-Based Extended Respite is filed for a per diem rate, if provided in Nursing Facility. Extended Respite must be at least eight hours in duration.

(D) In-Home Extended Respite is filed for a per diem rate. A minimum of eight hours must be provided in the member's home.

(3) **Adult Day Health Care.**

(A) Adult Day Health Care is furnished on a regularly scheduled basis for one or more days per week; ~~at least four hours per day~~ in an outpatient setting. It provides both health and social services which are necessary to ensure the optimal functioning of the member. Physical, occupational, respiratory and/or speech therapies may only be provided as an enhancement to the basic Adult Day Health Care service when authorized by the plan of care and billed as a separate procedure. Meals provided as part of this service shall not constitute a full nutritional regimen. Transportation between the member's residence and the service setting is provided as a part of Adult Day Health Care. Personal Care service enhancement in Adult Day Health Care is assistance in bathing

and/or hair washing authorized by the plan of care and billed as a separate procedure. Most assistance with activities of daily living, such as eating, mobility, toileting and nail care, are services that are integral to the Adult Day Health Care service and are covered by the Adult Day Health Care basic reimbursement rate. Assistance with bathing and/or hair care is not a usual and customary adult day health care service. Enhanced personal care in adult day health care for assistance with bathing and/or hair washing will be authorized when an ADvantage waiver member who uses adult day health care requires assistance with bathing and/or hair washing to maintain health and safety.

(B) Adult Day Health Care is a 15 minute unit. No more than 6 hours are authorized per day. The number of units of service a member may receive is limited to the number of units approved on the member's approved plan of care.

(C) Adult Day Health Care Therapy Enhancement is a maximum one session per day unit of service.

(D) Adult Day Health Personal Care Enhancement is a maximum one per day unit of bathing and/or hair washing service.

(4) **Environmental Modifications.**

(A) Environmental Modifications are physical adaptations to the home, required by the member's plan of care, which are necessary to ensure the health, welfare and safety of the individual, or which enable the individual to function with greater independence in the home and without which, the member would require institutionalization. Adaptations or improvements to the home which are not of direct medical or remedial benefit to the waiver member are excluded.

(B) All services require prior authorization.

(5) **Specialized Medical Equipment and Supplies.**

(A) Specialized Medical Equipment and Supplies are devices, controls, or appliances specified in the plan of care, which enable members to increase their abilities to perform activities of daily living, or to perceive, control, or communicate with the environment in which they live. Also included are items necessary for life support, ancillary supplies and equipment necessary to the proper functioning of such items, and durable and non-durable medical equipment not available under the Medicaid state plan. This service shall exclude any equipment and/or supply items which are not of direct medical or remedial benefit to the waiver member. This service is necessary to prevent institutionalization.

(B) Specialized Medical Equipment and Supplies are billed using the appropriate HCPC procedure code. Reoccurring services which are shipped to the member are compensable only when the member remains eligible for waiver services, continues to reside in the home and is not institutionalized in a hospital, skilled nursing facility or nursing home. It

is the provider's responsibility to check on the member's status prior to shipping these items. Payment for medical supplies is limited to the Medicare rate, or the Medicaid rate, or actual acquisition cost plus 30 percent. All services must be prior authorized.

~~(6) **Comprehensive Home Care.** Comprehensive Home Care is an integrated service delivery package which includes case management, personal care, skilled nursing, in home respite and advanced supportive/restorative assistance.~~

~~(A) Comprehensive Home Care is provided by an agency which has been trained and certified by the Long Term Care Authority to provide an integrated service delivery system. Comprehensive Home Care is case management in combination with one or more of the following services:~~

- ~~(i) personal care,~~
- ~~(ii) in home respite,~~
- ~~(iii) skilled nursing, and/or~~
- ~~(iv) advanced supportive/restorative services.~~

~~(B) All services must be provided in the home and must be sufficient to achieve, maintain or improve the member's ability to carry out daily living activities. However, with OKDHS area nurse approval, or for ADvantage waiver members, with service plan authorization and ADvantage Program Manager approval, Personal Care services may be provided in an educational or employment setting to assist the member in achieving vocational goals identified on the service plan. The sub component services of Comprehensive Home Care are the same as described in (A) of this paragraph (see subparagraph (1)(A) of this section for Case Management services, OAC 317:35-15-2 for Personal Care service, subparagraph (8)(A) of this section for Skilled Nursing, subparagraph (2)(A) of this section for In Home Respite, and subparagraph (7)(A) of this section for Advanced Supportive/Restorative Assistance).~~

~~(C) CHC services are billed using the appropriate HCPC procedure code along with the CHC provider location code on the claim.~~

(7) Advanced Supportive/Restorative Assistance.

(A) Advanced Supportive/Restorative Assistance services are maintenance services to assist a member who has a chronic, yet stable, condition. The service assists with activities of daily living which require devices and procedures related to altered body functions. This service is for maintenance only and is not utilized as a treatment service.

(B) Advanced Supportive/Restorative Assistance service is billed per 15-minute unit of service. The number of units of this service a member may receive is limited to the number of units approved on the plan of care.

(8) Skilled Nursing.

(A) Skilled Nursing services are services of a maintenance or preventive nature provided to members with stable, chronic conditions. These services

are not intended to be treatment for an acute health condition and may not include services which would be reimbursable under either Medicaid or Medicare's Home Health Program. This service primarily provides nurse supervision to the Personal Care Assistant or to the Advanced Supportive/Restorative Assistance Aide, assessment of the member's health and assessment of services to meet the member's needs as specified in the plan of care. A skilled nursing assessment/evaluation on-site visit is made to each member for whom Advanced Supportive/Restorative Assistance services are authorized to evaluate the condition of the member. An assessment/evaluation visit report will be made to the ADvantage Program case manager in accordance with review schedule determined in consultation between the Case Manager and the Skilled Nurse, to report the member's condition or other significant information concerning each advanced supportive/restorative care member.

(i) The ADvantage Program case manager may recommend authorization of Skilled Nursing services for participation in interdisciplinary team planning of service plan and/or assessment/evaluation of:

- (I) the member's general health, functional ability and needs and/or
- (II) the adequacy of personal care and/or advanced supportive/restorative assistance services to meet the member's needs including providing on-the-job training and competency testing for personal care or advanced supportive/restorative care aides in accordance with rules and regulations for delegation of nursing tasks as established by the Oklahoma Board of Nursing.

(ii) In addition to assessment/evaluation, the ADvantage Program case manager may recommend authorization of Skilled Nursing services for the following:

- (I) filling a one-week supply of insulin syringes for a blind diabetic who can self-inject the medication but cannot fill his/her own syringe. This service would include monitoring the member's continued ability to self-administer the insulin;
- (II) setting up oral medications in divided daily compartments for a member who self-administers prescribed medications but needs assistance and monitoring due to a minimal level or disorientation or confusion;
- (III) monitoring a member's skin condition when a member is at risk of skin breakdown due to immobility or incontinence, or the member has a chronic stage II decubitus requiring maintenance care and monitoring;
- (IV) providing nail care for the diabetic member or member with circulatory or neurological deficiency;

Emergency Adoptions

(V) providing consultation and education to the member, member's family and/or other informal caregivers identified in the service plan, regarding the nature of the chronic condition. Provide skills training (including return skills demonstration to establish competency) for preventive and rehabilitative care procedures to the member, family and/or other informal caregivers as specified in the service plan.

(B) Skilled Nursing service is billed for service plan development and/or assessment/evaluation services or, for non-assessment services. Skilled Nursing services are billed per 15-minute unit of service. A specific procedure code is used to bill for assessment/evaluation/service plan development skilled nursing services and other procedure code is used to bill for all other authorized skilled nursing services. A ~~minimum of three and a maximum of seven~~ eight units per day of skilled nursing for assessment/evaluation and/or service plan development are allowed. An agreement by a provider to produce a nurse evaluation is an agreement, as well, to provide the nurse assessment identified Medicaid in-home care services for which the provider is certified and contracted. Reimbursement for a nurse evaluation shall be denied if the provider that produced the nurse evaluation fails to provide the nurse assessment identified Medicaid in-home care services for which the provider is certified and contracted.

~~(9)~~ **Home Delivered Meals.**

(A) Home Delivered Meals provide one meal per day. A home delivered meal is a meal prepared in advance and brought to the member's home. Each meal has ~~must~~ have a nutritional content equal to at least one third of the Recommended Daily Allowance as established by the Food and Nutrition Board of the National Academy of Sciences. Meals are only provided to members who are unable to prepare meals and lack an informal provider to do meal preparation.

(B) Home Delivered Meals are billed per ~~meal/unit~~ meal, with one meal equaling one unit of service. The limit of the number of units a member is allowed to receive is limited on the member's plan of care. The provider must obtain a signature from the member or the member's representative at the time the meals are delivered. In the event that the member is temporarily unavailable (i.e., doctor's appointment, etc.) and the meal is left, the provider must document the reason a signature is not obtained. The signature logs must be available for review.

~~(10)~~ **Occupational Therapy services.**

(A) Occupational Therapy services are those services that increase functional independence by enhancing the development of adaptive skills and performance capacities of members with physical disabilities and related psychological and cognitive

impairments. Services are provided in the member's home and are intended to help the member achieve greater independence to reside and participate in the community. Treatment involves the therapeutic use of self-care, work and play activities and may include modification of the tasks or environment to enable the member to achieve maximum independence, prevent further disability, and maintain health. Under a physician's order, a licensed occupational therapist evaluates the member's rehabilitation potential and develops an appropriate written therapeutic regimen. The regimen utilizes paraprofessional occupational therapy assistant services, within the limits of their practice, working under the supervision of the licensed occupational therapist. The regimen includes education and training for informal caregivers to assist with and/or maintain services, where appropriate. The therapist will ensure monitoring and documentation of the member's rehabilitative progress and will report to the member's case manager and physician to coordinate necessary addition and/or deletion of services, based on the member's condition and ongoing rehabilitation potential.

(B) Occupational Therapy services are billed per 15-minute unit of service. Payment is not allowed solely for written reports or record documentation.

~~(11)~~ **Physical Therapy services.**

(A) Physical Therapy services are those services that prevent physical disability through the evaluation and rehabilitation of members disabled by pain, disease or injury. Services are provided in the member's home and are intended to help the member achieve greater independence to reside and participate in the community. Treatment involves use of physical therapeutic means such as massage, manipulation, therapeutic exercise, cold or heat therapy, hydrotherapy, electrical stimulation and light therapy. Under a physician's order, a licensed physical therapist evaluates the member's rehabilitation potential and develops an appropriate, written therapeutic regimen. The regimen utilizes paraprofessional physical therapy assistant services, within the limits of their practice, working under the supervision of the licensed physical therapist. The regimen includes education and training for informal caregivers to assist with and/or maintain services, where appropriate. The therapist will ensure monitoring and documentation of the member's rehabilitative progress and will report to the member's case manager and physician to coordinate necessary addition and/or deletion of services, based on the member's condition and ongoing rehabilitation potential.

(B) Physical Therapy services are billed per 15-minute units of service. Payment is not allowed solely for written reports or record documentation.

~~(12)~~ **~~Comprehensive Home Care (CHC) Personal Care.~~**

~~(A) Comprehensive Home Care (CHC) Personal Care is assistance to a member in carrying out activities of daily living such as bathing, grooming and toileting, or in carrying out instrumental activities of daily living, such as preparing meals and doing laundry, to assure personal health and safety of the member or to prevent or minimize physical health regression or deterioration. Personal Care services do not include service provision of a technical nature, i.e. tracheal suctioning, bladder catheterization, colostomy irrigation, and operation/maintenance of equipment of a technical nature.~~

~~(B) CHC Case Manager and Skilled Nursing staff are responsible for development and monitoring of the member's CHC Personal Care plan.~~

~~(C) Comprehensive Home Care (CHC) Personal Care services are prior authorized and billed per 15 minute unit of service with units of service limited to the number of units on the ADvantage approved plan of care.~~

~~(13)~~ **11) Speech and Language Therapy Services.**

(A) Speech/Language Therapy services are those that prevent speech and language communication disability through the evaluation and rehabilitation of members disabled by pain, disease or injury. Services are provided in the member's home and are intended to help the member achieve greater independence to reside and participate in the community. Services involve use of therapeutic means such as evaluation, specialized treatment, and/or development and oversight of a therapeutic maintenance program. Under a physician's order, a licensed Speech/Language ~~therapist~~ Pathologist evaluates the member's rehabilitation potential and develops an appropriate, written therapeutic regimen. The regimen utilizes paraprofessional therapy assistant services within the limits of their practice, working under the supervision of the licensed speech/language ~~therapist~~ Pathologist. The regimen includes education and training for informal caregivers to assist with and/or maintain services, where appropriate. The ~~therapist~~ Pathologist will ensure monitoring and documentation of the member's rehabilitative progress and will report to the member's case manager and physician to coordinate necessary addition and/or deletion of services, based on the member's condition and ongoing rehabilitation potential.

(B) Speech/Language Therapy services are billed per 15-minute unit of service. Payment is not allowed solely for written reports or record documentation.

~~(14)~~ **12) Respiratory Therapy Services.**

(A) Respiratory therapy services are provided for a member who, but for the availability of in-home respiratory services, would require respiratory care as an inpatient in a hospital or nursing facility. Services are provided in the member's home under the care of a physician who is familiar with the technical and medical components of home ventilator

support and the physician must determine medically that in-home respiratory care is safe and feasible for the member. Treatment involved use of therapeutic means such as: evaluation, respiratory treatments, chest physiotherapy, and/or development and oversight of a therapeutic maintenance program. Under a physician's order, a registered respiratory therapist evaluates the member and develops an appropriate, written therapeutic regimen. The regimen includes education and training for informal caregivers to assist with and/or maintain services, where appropriate. The therapist will ensure monitoring and documentation of the member's progress and will report to the member's case manager and physician to coordinate necessary addition and/or deletion of services, based on the member's condition and ongoing rehabilitation potential.

(B) Respiratory Therapy services are billed per 15-minute unit of service. Payment is not allowed solely for written reports or record documentation.

~~(15)~~ **13) Hospice Services.**

(A) Hospice is palliative and/or comfort care provided to the member and his/her family when a physician certifies that the member has a terminal illness and has six months or less to live and orders Hospice Care. A hospice program offers palliative and supportive care to meet the special needs arising out of the physical, emotional and spiritual stresses which are experienced during the final stages of illness and during dying and bereavement. The member signs a statement choosing hospice care instead of routine medical care that has the objective to treat and cure the member's illness. Once the member has elected hospice care, the hospice medical team assumes responsibility for the member's medical care for the terminal illness in the home environment. Hospice care services include nursing care, physician services, medical equipment and supplies, drugs for symptom control and pain relief, home health aide and personal care services, physical, occupational and/or speech therapy, medical social services, dietary counseling and grief and bereavement counseling to the member and/or family. A Hospice plan of care must be developed by the hospice team in conjunction with the member's ADvantage case manager before hospice services are provided. The hospice services must be related to the palliation or management of the member's terminal illness, symptom control, or to enable the individual to maintain activities of daily living and basic functional skills. ADvantage Hospice may be provided to the member in a Nursing Facility (NF) only when the member is placed in the NF for ADvantage Facility Based Extended Respite. Hospice provided as part of Facility Based Extended Respite may not be reimbursed for more than five days during any 30 day period. A member that is eligible for Medicare Hospice provided as a Medicare Part A

Emergency Adoptions

benefit, is not eligible to receive ADvantage Hospice services.

(B) Hospice services are billed per diem of service for days covered by a Hospice plan of care and during which the Hospice provider is responsible for providing Hospice services as needed by the member or member's family.

(14) **ADvantage Personal Care.**

(A) ADvantage Personal Care is assistance to a member in carrying out activities of daily living such as bathing, grooming and toileting, or in carrying out instrumental activities of daily living, such as preparing meals and doing laundry, to assure personal health and safety of the individual or to prevent or minimize physical health regression or deterioration. Personal Care services do not include service provision of a technical nature, i.e. tracheal suctioning, bladder catheterization, colostomy irrigation, and operation/maintenance of equipment of a technical nature.

(B) ADvantage Home Care Agency Skilled Nursing staff working in coordination with an ADvantage Case Manager are responsible for development and monitoring of the member's Personal Care plan.

(C) ADvantage Personal Care services are prior authorized and billed per 15-minute unit of service with units of service limited to the number of units on the ADvantage approved plan of care.

(15) **Personal Emergency Response System.**

(A) Personal Emergency Response System (PERS) is an electronic device which enables certain individuals at high risk of institutionalization to secure help in an emergency. The individual may also wear a portable "help" button to allow for mobility. The system is connected to the person's phone and programmed to signal, in accordance with member preference, a friend, a relative or a response center once a "help" button is activated. The response center is staffed by trained professionals. For an ADvantage Program member to be eligible to receive PERS service, the member must meet all of the following service criteria:

- (i) a recent history of falls as a result of an existing medical condition that prevents the individual from getting up from a fall unassisted;
 - (ii) lives alone and has no regular caregiver, paid or unpaid, and therefore is left alone for long periods of time;
 - (iii) demonstrates capability to comprehend the purpose of and activate the PERS;
 - (iv) has a health and safety plan detailing the interventions beyond the PERS to assure the member's health and safety in his/her home;
 - (v) has a disease management plan to implement medical and health interventions that reduce the possibility of falls by managing the member's underlying medical condition causing the falls;
- and,

(vi) the service avoids premature or unnecessary institutionalization of the member.

(B) PERS services are billed using the appropriate HCPC procedure code for installation, monthly service or purchase of PERS. All services are prior authorized in accordance with the ADvantage approved plan of care.

(16) **Consumer-Directed Personal Assistance Services and Support (CD-PASS).**

(A) Consumer-Directed Personal Assistance Services and Supports are Personal Services Assistance, ~~and~~ Advanced Personal Services Assistance ~~and Employer Support Services~~ that enable an individual in need of assistance to reside in their home and in the community of their choosing rather than in an institution and to carry out functions of daily living, self care, and mobility. CD-PASS services are delivered as authorized on the service plan. The member employs the Personal Services Assistant (PSA) and/or the Advanced Personal Services Assistant (APSA) and is responsible, with assistance from ~~the Employer Support~~ ADvantage Program Administrative Financial Management Services (FMS) provider, for ensuring that the employment complies with State and Federal Labor Law requirements. The member may designate an adult family member or friend, an individual who is not a PSA or APSA to the member, as an "authorized representative" to assist in executing these employer functions. The member:

- (i) recruits, hires and, as necessary, discharges the PSA or APSA;
- (ii) provides instruction and training to the PSA or APSA on tasks to be done and works with the Consumer Directed Agent/Case Manager to obtain ADvantage skilled nursing services assistance with training when necessary. Prior to performing an Advanced Personal Services Assistance task for the first time, the ~~SPSA~~ APSA must demonstrate competency in the tasks in an on-the-job training session conducted by the member and the member must document the attendant's competency in performing each task in the ASPA's personnel file;
- (iii) determines where and how the PSA or APSA works, hours of work, what is to be accomplished and, within Individual Budget Allocation limits, wages to be paid for the work;
- (iv) supervises and documents employee work time; and,
- (v) provides tools and materials for work to be accomplished.

(B) The service Personal Services Assistance may include:

- (i) assistance with mobility and with transfer in and out of bed, wheelchair or motor vehicle, or both;
- (ii) assistance with routine bodily functions that may include:

- (I) bathing and personal hygiene;
- (II) dressing and grooming;
- (III) eating including meal preparation and cleanup;
- (iii) assistance with homemaker type services that may include shopping, laundry, cleaning and seasonal chores;
- (iv) companion type assistance that may include letter writing, reading mail and providing escort or transportation to participate in approved activities or events. "Approved activities or events" means community civic participation guaranteed to all citizens including but not limited to, exercise of religion, voting or participation in daily life activities in which exercise of choice and decision making is important to the member that may include shopping for food, clothing or other necessities, or for participation in other activities or events that are specifically approved on the service plan.
- (C) Advanced Personal Services Assistance are maintenance services provided to assist a member with a stable, chronic condition with activities of daily living when such assistance requires devices and procedures related to altered body function if such activities, in the opinion of the attending physician or licensed nurse, may be performed if the individual were physically capable, and the procedure may be safely performed in the home. Advanced Personal Services Assistance is a maintenance service and should never be used as a therapeutic treatment. Members who develop medical complications requiring skilled nursing services while receiving Advanced Personal Services Assistance should be referred to their attending physician who may, if appropriate, order home health services. The service of Advanced Personal Services Assistance includes assistance with health maintenance activities that may include:
 - (i) routine personal care for persons with ostomies (including tracheotomies, gastrostomies and colostomies with well-healed stoma) and external, in dwelling, and suprapubic catheters which includes changing bags and soap and water hygiene around ostomy or catheter site;
 - (ii) remove external catheters, inspect skin and reapplication of same;
 - (iii) administer prescribed bowel program including use of suppositories and sphincter stimulation, and enemas (Pre-packaged only) with members without contraindicating rectal or intestinal conditions;
 - (iv) apply medicated (prescription) lotions or ointments, and dry, non-sterile dressings to unbroken skin;
 - (v) use lift for transfers;
 - (vi) manually assist with oral medications;
 - (vii) provide passive range of motion (non-resistive flexion of joint) delivered in accordance

- with the plan of care, unless contraindicated by underlying joint pathology;
- (viii) apply non-sterile dressings to superficial skin breaks or abrasions; and
- (ix) use Universal precautions as defined by the Center for Disease Control.

~~(D) The service Employer Support Services is assistance with employer related cognitive tasks, decision making and specialized skills that may include:~~

- ~~(i) assistance with Individual Budget Allocation planning and support for making decisions, including training, reference material and consultation, regarding employee management tasks such as recruiting, hiring, training and supervising the Personal Service Assistant or Advanced Personal Service Assistant;~~
- ~~(ii) responsibility for obtaining criminal and abuse registry background checks, on behalf of the member, on prospective hires for PSAs or APSAs;~~
- ~~(iii) for making available Hepatitis B vaccine and vaccination series to PSA and APSA employees in compliance with OSHA standards;~~
- ~~(iv) for performing Internal Revenue Service (IRS) fiscal reporting agent and other financial management tasks and functions including, but not limited to:~~

- ~~(I) employer payroll, at a minimum of semi-monthly, and associated mandatory withholding for taxes, Unemployment Insurance and Workers' Compensation Insurance performed on behalf of the member as employer of the PSA or APSA; and~~
- ~~(II) other employer related payment disbursements as agreed to with the member and in accordance with the member's Individual Budget Allocation.~~

(D) The service Financial Management Services are program administrative services provided to participating CD-PASS employer/members by the ADvantage Program Administrative Agent. Financial Management Services are employer related assistance that provides Internal Revenue Service (IRS) fiscal reporting agent and other financial management tasks and functions including, but not limited to:

- (i) employer payroll, at a minimum of semi monthly, and associated withholding for taxes, or for other payroll withholdings performed on behalf of the member as employer of the PSA or APSA;
- (ii) other employer related payment disbursements as agreed to with the member and in accordance with the member's Individual Budget Allocation;
- (iii) responsibility for obtaining criminal and abuse registry background checks, on behalf of the member, on prospective hires for PSAs or APSAs;

Emergency Adoptions

- (iv) providing to the member, as needed, assistance with employer related cognitive tasks, decision-making and specialized skills that may include assistance with Individual Budget Allocation planning and support for making decisions including training and providing reference material and consultation regarding employee management tasks such as recruiting, hiring, training and supervising the member's Personal Services Assistant or Advanced Personal Services Assistant; and
- (v) for making available Hepatitis B vaccine and vaccination series to PSA and APSA employees in compliance with OSHA standards.

(E) The service of Personal Services Assistance is billed per 15-minute unit of service. The number of units of PSA a member may receive is limited to the number of units approved on the Service Plan.

(F) The service of Advanced Personal Services Assistance is billed per 15-minute unit of service. The number of units of APSA a member may receive is limited to the number of units approved on the Service Plan.

~~(G) The service of Employer Support Services is billed per month unit of service. The Level of service and number of units of Employer Support Services a member may receive is limited to the Level and number of units approved on the Service Plan.~~

~~(19) 17) Institution Transition Services.~~

~~(A) Institution Transition Services are those services that are necessary to enable an individual to leave the institution and receive necessary support through ADvantage waiver services in their home and/or in the community.—Institution Transition Services may include, as necessary, any one or a combination of the following:~~

- ~~(i) Case Management;~~
- ~~(ii) Nursing Assessment and Evaluation for in home service planning;~~
- ~~(iii) Environmental Modifications including Assessment for Transition Environmental Modification Services; and/or,~~
- ~~(iv) Medical Equipment and Supplies.~~

(B) Institution Transition Case Management Services are services as described in OAC 317:30-5-763(1) required by the individual's plan of care, which are necessary to ensure the health, welfare and safety of the individual, or to enable the individual to function with greater independence in the home, and without which, the individual would continue to require institutionalization. ADvantage Transition Case Management Services assist institutionalized individuals that are eligible to receive ADvantage services in gaining access to needed waiver and other State plan services, as well as needed medical, social, educational and other services to assist in the transition, regardless of the funding source for the services to which access is gained. Transition Case Management Services may be authorized for periodic

monitoring of an ADvantage member's progress during an institutional stay, and for assisting the member transition from institution to home by updating the service plan, including necessary Institution Transition Services to prepare services and supports to be in place or to start on the date the member is discharged from the institution. Transition Case Management Services may be authorized to assist individuals that have not previously received Advantage services but have been referred by the AA or OKDHS to the Case Management Provider for assistance in transitioning from the institution to the community with Advantage services support.

(i) Institution Transition Case Management services are prior authorized and billed per 15 minute unit of service using the appropriate HCPC and modifier associated with the location of residence of the member served as described in OAC 317:30-5-763(1)(C).

(ii) A unique modifier code is used to distinguish Institution Transition Case Management services from regular Case Management services.

~~(C) Institution Transition Skilled Nursing Services are nursing services, required by the individual's plan of care, which are necessary to ensure the health, welfare and safety of the individual, or to enable the individual to function with greater independence in the home, and without which, the individual would continue to require institutionalization. Institutional Transition Skilled Nursing services are solely for assessment/evaluation and service planning for in home assistance services.~~

~~(i) Institution Transition Skilled Nursing services are prior authorized and billed per assessment/evaluation visit using the appropriate HCPC.~~

~~(ii) A unique modifier code is used to distinguish Institution Transition Skilled Nursing Services from regular Skilled Nursing Services.~~

~~(D) Institution Transition Environmental Modifications are those physical adaptations to the home, required by the individual's plan of care, which are necessary to ensure the health, welfare and safety of the individual, or which enable the individual to function with greater independence in the home, and without which, the individual would continue to require institutionalization. Such adaptations are the same as described under OAC 317:30-5-763(4)(A) and may include the installation of ramps and grab bars, widening of doorways, modification of bathroom facilities, or installation of specialized electric and plumbing systems which are necessary to accommodate the medical equipment and supplies which are necessary for the welfare of the individual. Excluded are those adaptations or improvements to the home which are of general utility, and are not of direct medical or remedial benefit to the individual, such as carpeting, roof repair central air conditioning, etc. Adaptations which add to the total square~~

footage of the home are excluded from this benefit. All services shall be provided in accordance with applicable state or local building codes. Services may include accessibility evaluation of the member's home and follow up evaluation of the adequacy of installed environmental modifications to meet the member's accessibility and environmental adaptive needs. Accessibility evaluation services must be performed by an Accessibility Specialist who is trained and certified through a Federal or State agency approved program for Americans with Disabilities Act (ADA) Accessibility Guidelines—Title III (Public Accommodations) or by a physical or occupational therapist. Accessibility evaluation services do not include evaluations of the need for modifications or equipment that serve a therapeutic or rehabilitative function for which a therapist evaluation is necessary.

(i) Institution Transition Environmental Modification services are prior authorized and billed using the appropriate HCPC.

(ii) A unique modifier code is used to distinguish Institution Transition Environmental Modification Services and Assessments from regular Environmental Modification Services and Assessments.

(E) Institution Transition Specialized medical equipment and supplies are those devices, controls, or appliances, specified in the plan of care, which enable individuals to increase their abilities to perform activities of daily living, or to perceive, control, or communicate with the environment in which they live, which are necessary to ensure the health, welfare and safety of the individual, or which enable the individual to function with greater independence in the home, and without which, the individual would continue to require institutionalization. This service also includes items necessary for life support, ancillary supplies and equipment necessary to the proper functioning of such items, and durable and non-durable medical equipment not available under the Medicaid State plan. Item reimbursed with waiver funds shall be in addition to any medical equipment and supplies furnished under the State plan and shall exclude those items which are not of direct medical or remedial benefit to the individual. All items shall meet applicable standards of manufacture, design and installation.

(i) Institution Transition Medical Equipment and Supply services are prior authorized and billed using the appropriate HCPC.

(ii) A unique modifier code is used to distinguish Institution Transition Medical Equipment and Supply Services from regular Medical Equipment and Supply services.

(F) Institutional Transition Services may be authorized and reimbursed under the following conditions:

- (i) The service is necessary to enable the individual to move from the institution to their home;
- (ii) The individual is eligible to receive ADvantage services outside the institutional setting;
- (iii) Institutional Transition Services are provided to the individual within ~~420~~ 180 days of discharge from the institution;
- (iv) Transition Services provided while the individual is in the institution are to be claimed as delivered on the day of discharge from the institution.

(G) If the member has received Institution Transition Services but fails to enter the waiver, any Institution Transition Services authorized and provided are reimbursed as "Medicaid administrative" costs and providers follow special procedures specified by the AA to bill for services provided.

317:30-5-763.1. Medicaid agency monitoring of the ADvantage program

The Medicaid Agency will monitor the eligibility process and the ADvantage plan of care approval process by reviewing annually a minimum of three (3) percent of ADvantage ~~client~~ member service plans and associated ~~client~~ member eligibility documents for ~~clients~~ members selected at random from the total number of ~~clients~~ members having new, reassessed or closed plans during the most recent ~~twelve (12)~~ 12 month audit period.

(1) The Medicaid Agency monitoring of the ADvantage Program is a quality assurance activity. The monitoring evaluates whether program medical and financial eligibility determinations and plans of care authorizations have been done in accordance with Medicaid Agency policy and requirements specified in the approved waiver document. The areas evaluated include:

- (A) ~~Client~~ Member eligibility determination;
- (B) ~~Client~~ Member "freedom of choice";
- (C) ADvantage certified and Medicaid contracted providers on the plan;
- (D) ~~Client~~ Member acceptance of the plan;
- (E) Qualified case managers;
- (F) Plan services are goal-oriented services; and,
- (G) Plan of care costs are within cost cap guidelines.

(2) At the discretion of the Medicaid Agency, the random selection of ~~clients~~ members for audit shall be done by the MMIS or the AA Waiver Management Information System using an algorithm approved by the Medicaid Agency.

(3) At the discretion of the Medicaid Agency, the Medicaid Agency auditor may review records at the AA place of business or have the AA mail or transport copied file documents to the Medicaid Agency place of business.

(4) Missing documents and/or deficiencies found by the Medicaid Agency are reported to the AA for correction and/or explanation. Periodic reports of deficiencies are provided to the ~~DHS/ASD~~ OKDHS/ASD and the AA.

Emergency Adoptions

317:30-5-764. Reimbursement

(a) Rates for waiver services are set in accordance with the rate setting process by the Committee for Rates and Standards and approved by the Oklahoma Health Care Authority Board.

(1) The rate for NF Respite is set equivalent to the rate for ~~enhanced routine level of care nursing facility services~~ that require providers having equivalent qualifications;

(2) The rate for daily units for Adult Day Health Care are set equivalent to the rate established by the Oklahoma Department of Human Services for the equivalent services provided for the OKDHS Adult Day Service Program that require providers having equivalent qualifications;

(3) The rate for units of Home-Delivered Meals are set equivalent to the rate established by the Oklahoma Department of Human Services for the equivalent services provided for the OKDHS Home-Delivered Meals Program that require providers having equivalent qualifications;

(4) The rates for units of ADvantage Personal Care and In-Home Respite, CHC Personal Care, and CHC In-Home Respite are set equivalent to State Plan Agency Personal Care unit rate which require providers having equivalent qualifications;

(5) The rates for a unit of Skilled Nursing and CHC Skilled Nursing are set equivalent to the ADvantage Case Management Standard rate. Advanced Supportive/Restorative Assistance is set equivalent to 1.077 of the State Plan Agency Personal Care unit rate;

(6) CD-PASS rates are determined using the Individual Budget Allocation (IBA) Expenditure Accounts Determination process for each member. The IBA Expenditure Accounts Determination process includes consideration and decisions about the following:

(A) Authorized PSA and APSA units (determined from CDA/CM and member planning); The individual Budget Allocation (IBA) expenditure Accounts Determination constrains total Medicaid reimbursement for CD-PASS services to be less than expenditures for equivalent services using agency providers.

(B) Total CD-PASS IBA (annualized authorized units X the rate for comparable agency personal assistance services). The Total CD-PASS IBA (TIBA) is the annualized budget amount calculated to cover reimbursement for all CD-PASS services—Personal Services Assistance (PSA), Advanced Personal Services Assistance (APSA) and Employer Support Services (ESS). The TIBA is equal to that portion of the annualized cost for Personal Care services and Advanced Supportive/Restorative assistance under the member's existing service plan that CD-PASS services replace; The PSA and APSA service unit rates are calculated by the AA during the CD-PASS service eligibility determination process. The AA sets the PSA and APSA unit rates at a level that is not less than 80 percent and not more than 95 percent of the comparable Agency Personal Care (for PSA) or Advanced Supportive/Restorative (for APSA) service rate. The allocation of portions of the PSA and/or APSA rate to cover salary, mandatory

taxes, and optional benefits (including Worker's Compensation insurance, if available) is determined individually for each member using the CD-PASS Individualized Budget Allocation Expenditure Accounts Determination Process.

~~(C) Authorized Employer Support Service level (based on AA assessment of member's level of need for Employer Supportive Services from review of Consumer Readiness assessment for those new to CD-PASS or performance if existing CD-PASS participant);~~

~~(D) Total Annual ESS budget allocation (annualized ESS authorized units X the ESS level rate) and~~

~~(E) Client IBA (CIBA) which is equal to the Total CD-PASS IBA minus Total ESS allocation (E=B-D).~~

~~(F) The Individual Budget Allocation (IBA) Expenditure Accounts Determination constrains total Medicaid reimbursement for CD-PASS to be equal to or less than expenditures for equivalent services using agency providers. The TIBA and service unit rates are calculated by the AA during the CD-PASS service eligibility determination process. Based upon the member record review, member "Self assessment of Readiness" to assume employer role and responsibilities and other available information, the AA authorizes a level of support to cover Employer Support Service needs. This process establishes the monthly rate for Employer Support Services. Thereafter, as part of the service planning authorization process at a minimum of annually, the AA, in consultation with the member reviews and updates the authorized level of Employer Support Services.~~

~~(G) The PSA rate is determined as follows. The monthly ESS rate amount is subtracted from an amount equivalent to the total monthly unit authorization reimbursement for agency Personal Care (PC) services under the member's existing service plan and the result is divided by the total number of PC units authorized per month.~~

~~(i) The allocation of portions of PSA rate to cover salary, mandatory taxes, Worker's Compensation insurance and optional benefits is determined individually for each member using the CD-PASS Individualized Budget Allocation Expenditure Accounts Determination Process;~~

~~(ii) If both APSA and PSA units are being authorized the ESS monthly rate amount employed in the PSA rate determination is in proportion to the units of PSA to combined PSA plus APSA units;~~

~~(H) The APSA rate is determined as follows. The monthly ESS rate amount is subtracted from an amount equivalent to the total monthly unit authorization reimbursement for agency Advanced Supportive/Restorative (ASR) assistance services under the member's existing service plan and the result divided by the total number of ASR units authorized per month.~~

- ~~(i) The allocation of portions of APSA rate to cover salary, mandatory taxes, Worker's Compensation insurance and optional benefits is determined individually for each member using the CD-PASS Individualized Budget Allocation Expenditure Accounts Determination Process;~~
- ~~(ii) If both APSA and PSA units are being authorized, the ESS monthly rate amount employed in the APSA rate determination is in proportion to the units of APSA to combined PSA plus APSA units.~~

(~~C~~) The IBA Expenditure Accounts Determination process defines the level of program financial resources required to meet the member's need for CD-PASS services. If the member's need for services changes due to a change in health/disability status and/or a change in the level of support available from other sources to meet needs, the Case Manager, based upon an updated assessment, amends the service plan to increase CD-PASS service units appropriate to meet additional member need. The AA, upon favorable review, authorizes the amended plan and updates the member's IBA. Service amendments based on changes in member need for services do not change an existing PSA or APSA rate. The member, with assistance from the ~~ESSP~~ FMS, reviews and revises the IBA Expenditure Accounts calculation annually or more often to the extent appropriate and necessary.

- (b) The AA approved ADvantage service plan is the basis for the MMIS service prior authorization, specifying:
 - (1) service;
 - (2) service provider;
 - (3) units authorized; and
 - (4) begin and end dates of service authorization.

(c) As part of ADvantage quality assurance, provider audits evaluate whether paid claims are consistent with service plan authorizations and documentation of service provision. Evidence of paid claims that are not supported by service plan authorization and/or documentation of service provision will be turned over to SURS for follow-up investigation.

[OAR Docket #08-218; filed 2-8-08]

**TITLE 317. OKLAHOMA HEALTH CARE
AUTHORITY
CHAPTER 30. MEDICAL PROVIDERS-FEE
FOR SERVICE**

[OAR Docket #08-217]

RULEMAKING ACTION:
EMERGENCY adoption

RULES:

Subchapter 5. Individual Providers and Specialties
Part 6. Inpatient Psychiatric Hospitals
317:30-5-96.8. [NEW]

(Reference APA WF # 07-59)

AUTHORITY:

The Oklahoma Health Care Authority Board; The Oklahoma Health Care Authority Act, Section 5003 through 5016 of Title 63 of Oklahoma Statutes; 42 CFR 447.15

DATES:

Adoption:
December 13, 2007

Approved by Governor:

January 18, 2008

Effective:

February 1, 2008, or immediately upon Governor's approval, whichever is later.

Expiration:

Effective through July 14, 2008, unless superseded by another rule or disapproved by the Legislature.

SUPERSEDED EMERGENCY ACTIONS:

N/A

INCORPORATIONS BY REFERENCE:

N/A

FINDING OF EMERGENCY:

The Agency finds that a compelling public interest exists which necessitates promulgation of emergency rules and requests emergency approval of new rules which add language to policy that protects Psychiatric Residential Treatment Facilities (PRTFs) from having to pay billed charges when they must use other providers. PRTFs are paid a bundled per diem that includes physician, pharmacy and hospital services. The rate was established on the premise that these additional services, provided by a subcontractor, would be reimbursed according to the Medicaid fee schedule, not the billed amount which is often times much higher. If new rules are not issued, these facilities may be liable for charges for which they have not been adequately compensated. Revisions are needed to limit subcontractor allowable charges for SoonerCare members in PRTF facilities to the Medicaid fee schedule.

ANALYSIS:

Agency rules are issued to add language to policy that protects Psychiatric Residential Treatment Facilities (PRTFs) from having to pay billed charges when they must use other providers. As of October 2005, PRTFs are paid a bundled per diem that includes, but is not limited to physician services, pharmacy and hospital services. If a child requires one of these services while living and receiving care at the facility, the PRTF is responsible for the payment of these additional services. The payment methodology on which the per diem is based was established on the premise that these additional services would be paid at the Medicaid allowable. These other providers or "subcontractors" may currently charge the PRTF their billed rate rather than the Medicaid allowable which is often times much higher. New rules are needed to keep the PRTFs from being charged more for services they must provide than what they are being compensated for by the SoonerCare program for SoonerCare members. Rules are revised to limit subcontractor allowable charges for SoonerCare members in PRTF facilities to the Medicaid fee schedule.

CONTACT PERSON:

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**PURSUANT TO THE ACTIONS DESCRIBED HEREIN,
THE FOLLOWING EMERGENCY RULES ARE
CONSIDERED PROMULGATED UPON APPROVAL
BY THE GOVERNOR AS SET FORTH IN 75 O.S.,
SECTION 253(D), AND EFFECTIVE UPON APPROVAL
BY GOVERNOR OR FEBRUARY 1, 2008, WHICHEVER
IS LATER:**

**SUBCHAPTER 5. INDIVIDUAL PROVIDERS
AND SPECIALTIES**

PART 6. INPATIENT PSYCHIATRIC HOSPITALS

Emergency Adoptions

317:30-5-96.8. Psychiatric Residential Treatment

Facility payments to subcontractors

(a) Psychiatric Residential Treatment Facilities (PRTFs) that receive a pre-determined all-inclusive per diem payment must provide routine, ancillary and professional services. In the event the member receives an ancillary service, the PRTF is responsible for making timely payment to the subcontractor or other provider.

(b) For purposes of subsection (a) of this Section, timely payment or adjudication means payment or denial of a clean claim within 45 days of presentation to the PRTF.

(c) No subcontractor of the PRTF may charge more than the OHCA fee schedule for SoonerCare compensable services.

(d) The subcontractor may not bill the SoonerCare member until the PRTF has refused payment and the subcontractor/medical provider has appealed under OAC 317:2-1-2.1 and the OHCA permits the subcontractor to bill the member.

[OAR Docket #08-217; filed 2-8-08]

TITLE 317. OKLAHOMA HEALTH CARE AUTHORITY CHAPTER 35. MEDICAL ASSISTANCE FOR ADULTS AND CHILDREN-ELIGIBILITY

[OAR Docket #08-220]

RULEMAKING ACTION:

EMERGENCY adoption

RULES:

Subchapter 5. Eligibility and Countable Income
Part 5. Countable Income and Resources
317:35-5-41.9. [AMENDED]
317:35-5-42. [AMENDED]
Subchapter 9. ICF/MR, HCBW/MR, and Individuals Age 65 or Older in Mental Health Hospitals
Part 2. Medicaid Recovery Program
317:35-9-15. [AMENDED]
Part 7. Determination of Financial Eligibility
317:35-9-67. [AMENDED]
Subchapter 17. ADvantage Waiver Services
317:35-17-10. [AMENDED]
Subchapter 19. Nursing Facility Services
317:35-19-4. [AMENDED]
317:35-19-20. [AMENDED]
(Reference APA WF # 07-57)

AUTHORITY:

The Oklahoma Health Care Authority Board; The Oklahoma Health Care Authority Act, Section 5003 through 5016 of Title 63 of Oklahoma Statutes; Public Law 109-171 Deficit Reduction Act of 2005; Section 1955.1 through 1955.6 of Title 63 of Oklahoma Statutes; Public Law 104-204; Public Law 108-183; Public Law 106-419.

DATES:

Adoption:

November 8, 2007

Approved by Governor:

December 18, 2007

Effective:

Immediately upon Governor's approval.

Expiration:

Effective through July 14, 2008, unless superseded by another rule or disapproved by the Legislature.

SUPERSEDED EMERGENCY ACTIONS:

Superseded rules:

Subchapter 5. Eligibility and Countable Income

Part 5. Countable Income and Resources

317:35-5-41.9. [AMENDED]

Subchapter 9. ICF/MR, HCBW/MR, and Individuals Age 65 or Older in Mental Health Hospitals

Part 2. Medicaid Recovery Program

317:35-9-15. [AMENDED]

Subchapter 19. Nursing Facility Services

317:35-19-4. [AMENDED]

Gubernatorial approval:

July 27, 2007

Register publication:

25 Ok Reg 130

Docket number:

07-1413

(Reference APA WF # 07-24)

INCORPORATIONS BY REFERENCE:

N/A

FINDING OF EMERGENCY:

The Agency finds that a compelling public interest exists which necessitates promulgation of emergency rules and requests emergency approval of rules to comply with Public Laws 109-171, 104-204, 108-183, and 106-419. Section 1955.3 of Title 63 of Oklahoma Statutes requires the Oklahoma Health Care Authority (OHCA) to administer the Oklahoma Long-Term Care Partnership Program upon repeal of the restrictions to asset protection contained in the Omnibus Budget Reconciliation Act of 1993. Public Law 109-171, known as the Deficit Reduction Act of 2005, repealed the restrictions to asset protection and authorized states to implement long-term care partnership programs. Public Laws 104-204, 108-183, and 106-419 prohibit monthly allowances paid to children of Vietnam veterans and certain other veterans for any disability resulting from spina bifida or other certain birth defects from being considered as income or resources in determining eligibility for, or the amount of benefits under, any federally assisted program. Without these revisions, OHCA will not be in compliance with federal regulations. Individuals who would otherwise qualify for SoonerCare services might not qualify if policy is not in place to specifically address these allowable income disregards.

ANALYSIS:

Agency rules are revised to comply with Public Law 109-171, known as the Deficit Reduction Act of 2005 (DRA). Section 6021 of the DRA authorizes states to implement long-term care partnership program. Individuals who purchase a qualified long-term care partnership insurance policy are subject to special rules relating to eligibility for long-term care services provided by SoonerCare. These rules allow assets equal to the amount of benefits received from a qualified long-term care partnership insurance policy to be disregarded for the purposes of determining eligibility for long-term care services provided by SoonerCare. Individuals without a long-term care partnership insurance policy are required to spend-down their assets in order to qualify for long-term care services provided by SoonerCare. Agency rules are also revised to comply with Public Laws 104-204, 108-183, and 106-419. Public Law 104-204 requires payments made to certain Vietnam veterans' children with spina bifida to be disregarded for purposes of SoonerCare eligibility. Public Law 108-183 requires payments made to certain Korea service veterans' children with spina bifida to be disregarded for purposes of SoonerCare eligibility. Public Law 106-419 requires payments made to children of women Vietnam veterans who suffer from certain birth defects to be disregarded for purposes of SoonerCare eligibility. Proposed revisions are required to comply with state and federal regulations. Other revisions are incorporated due to superseding emergency rules previously approved by the Governor in APA WF 07-24. These revisions provided compliance with Sections of Public Law 109-171, known as the Deficit Reduction Act of 2005 (DRA), regarding SoonerCare eligibility for long-term care services.

CONTACT PERSON:

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PURSUANT TO THE ACTIONS DESCRIBED HEREIN, THE FOLLOWING EMERGENCY RULES ARE CONSIDERED PROMULGATED UPON APPROVAL BY THE GOVERNOR AS SET FORTH IN 75 O.S., SECTION 253(D), AND EFFECTIVE UPON APPROVAL BY GOVERNOR:

SUBCHAPTER 5. ELIGIBILITY AND COUNTABLE INCOME

PART 5. COUNTABLE INCOME AND RESOURCES

317:35-5-41.9. Resource disregards

In determining need, the following are not considered as resources:

- (1) The coupon allotment under the Food Stamp Act of 1977;
- (2) Any payment received under Title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970;
- (3) Education grants (excluding Work Study) scholarships, etc., that are contingent upon the student regularly attending school. The student's classification (graduate or undergraduate) is not a factor;
- (4) Loans (regardless of use) if a bona fide debt or obligation to pay can be established. Criteria to establish a loan as bona fide includes:
 - (A) An acknowledgment of obligation to repay or evidence that the loan was from an individual or financial institution in the loan business. If the loan agreement is not written, an OKDHS Loan Verification form, is completed by the borrower attesting that the loan is bona fide and signed by the lender verifying the date and amount of loan. When copies of written agreements or OKDHS Loan Verification form are not available, detailed case documentation must include information that the loan is bona fide and how the debt amount and date of receipt was verified;
 - (B) If the loan was from a person(s) not in the loan business, the borrower's acknowledgment of obligation to repay (with or without interest) and the lender's verification of the loan are required to indicate that the loan is bona fide;
 - (C) Proceeds of a loan secured by an exempt asset are not an asset;
- (5) Indian payments or items purchased from Indian payments (including judgement funds or funds held in trust) distributed per capita by the Secretary of the Interior (BIA) or distributed per capita by the tribe subject to approval by the Secretary of the Interior. Also, any interest or investment income accrued on such funds while held in trust or any purchases made with judgement funds, trust funds, interest or investment income accrued on such funds. Any income from mineral leases, from tribal business investments, etc., as long as the payments are paid per capita. For purposes of this Subchapter, per capita is defined as each tribal member receiving an equal amount. However, any interest or income derived from the principal or produced by purchases made with the funds after distribution is considered as any other income;
- (6) Special allowance for school expenses made available upon petitions (in writing) from funds held in trust for the student;

- (7) Benefits from State and Community Programs on Aging (Title III) are disregarded. Income from the Older American Community Service Employment Act (Title V), including AARP and Green Thumb organizations as well as employment positions allocated at the discretion of the Governor of Oklahoma, is counted as earned income. Both Title III and Title V are under the Older Americans Act of 1965 amended by PL 100-175 to become the Older Americans Act amendments of 1987;
- (8) Payments for supportive services or reimbursement of out-of-pocket expenses made to individual volunteers serving as foster grandparents, senior health aides, or senior companions, and to persons serving in the Services Corps of Retired Executives (SCORE) and Active Corps of Executives (ACE);
- (9) Payment to volunteers under the Domestic Volunteer Services Act of 1973 (VISTA), unless the gross amount of VISTA payments equals or exceeds the state or federal minimum wage, whichever is greater;
- (10) The value of supplemental food assistance received under the Child Nutrition Act or the special food services program for children under the National School Lunch Act;
- (11) Any portion of payments made under the Alaska Native Claims Settlement Act to an Alaska Native which are exempt from taxation under the Settlement Act;
- (12) Experimental Housing Allowance Program (EHAP) payments made under Annual Contributions Contracts entered into prior to January 1, 1975, under Section 23 of the U.S. Housing Act of 1937, as amended;
- (13) Payments made from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in the In Re Agent Orange product liability litigation, M.D.L. No. 381 (E.D.N.Y.);
- (14) Payments made from the Radiation Exposure Compensation Trust Fund as compensation for injuries or deaths resulting from the exposure to radiation from nuclear testing and uranium mining;
- (15) Federal major disaster and emergency assistance provided under the Disaster Relief Act of 1974, and comparable disaster assistance provided by States, local governments and disaster assistance organizations;
- (16) Interests of individual Indians in trust or restricted lands. However, any disbursements from the trust or the restricted lands are considered as income;
- (17) Resources set aside under an approved Plan for Achieving Self-Support for Blind or Disabled People (PASS). The Social Security Administration approves the plan, the amount of resources excluded and the period of time approved. A plan can be approved for an initial period of 18 months. The plan may be extended for an additional 18 months if needed, and an additional 12 months (total 48 months) when the objective involves a lengthy educational or training program;
- (18) Payments made to individuals because of their status as victims of Nazi persecution (PL 103-286);

Emergency Adoptions

(19) A migratory farm worker's out-of-state homestead is disregarded if the farm worker's intent is to return to the homestead after the temporary absence;

(20) Payments received under the Civil Liberties Act of 1988. These payments are to be made to individuals of Japanese ancestry who were detained in internment camps during World War II;

(21) Dedicated bank accounts established by representative payees to receive and maintain retroactive SSI benefits for disabled/blind children up to the legal age of 18. The dedicated bank account must be in a financial institution, the sole purpose of which is to receive and maintain SSI underpayments which are required or allowed to be deposited into such an account. The account must be set up and verification provided to SSA before the underpayment can be released;

(22) Payments received as a result of participation in a class action lawsuit entitled "Factor VIII or IX Concentrate Blood Products Litigation". These payments are made to hemophilia patients who are infected with HIV. Payments are not considered as income or resources. A penalty cannot be assessed against the individual if he/she disposes of part or all of the payment. The rules at OAC 317:35-5-41.6 regarding the availability of a trust do not apply if an individual establishes a trust using the settlement payment;

(23) Payments made to certain Vietnam veterans' children with spina bifida (PL 104-204);

(24) Payments made to certain Korea service veterans' children with spina bifida (PL 108-183);

(25) Payments made to the children of women Vietnam veterans who suffer from certain birth defects (PL 106-419); and

(26) For individuals with an Oklahoma Long-Term Care Partnership Program approved policy, resources equal to the amount of benefits paid on the insured's behalf by the long-term care insurer are disregarded at the time of application for long-term care services provided by SoonerCare. The Oklahoma Insurance Department approves policies as Long-term Care Partnership Program policies.

317:35-5-42. Determination of countable income for individuals categorically related to aged, blind and disabled

(a) **General.** The term income is defined as that gross gain or gross recurrent benefit which is derived from labor, business, property, retirement and other benefits, and many other forms which can be counted on as currently available for use on a regular basis. When an individual's income is reduced due to recoupment of an overpayment or garnishment, the gross amount before the recoupment or garnishment is counted as income.

(1) If it appears the applicant or recipient is eligible for any type of income (excluding SSI) or resources, he/she must be notified in writing by the Agency of his/her potential eligibility. The notice must contain the information

that failure to file for and take all appropriate steps to obtain such benefit within 30 days from the date of the notice will result in a determination of ineligibility.

(2) If a husband and wife are living in their own home, the couple's total income and/or resource is divided equally between the two cases. If they both enter a nursing facility, their income and resources are considered separately.

(3) If only one spouse in a couple is eligible and the couple ceases to live together, consider only the income and resources of the ineligible spouse that are actually contributed to the eligible spouse beginning with the month after the month which they ceased to live together.

(4) In calculating monthly income, cents are included in the computation until the monthly amount of each individual's source of income has been established. When the monthly amount of each income source has been established, cents are rounded to the nearest dollar (14 - 49¢ is rounded down, and 50¢ - 99¢ is rounded up). For example, an individual's weekly earnings of \$99.90 are multiplied by 4.3 and the cents rounded to the nearest dollar ($\$99.90 \times 4.3 = \429.57 rounds to \$430). See rounding procedures in OAC 340:65-3-4 when using BENDEX to verify OASDI benefits.

(b) **Income disregards.** In determining need, the following are not considered as income:

(1) The coupon allotment under the Food Stamp Act of 1977;

(2) Any payment received under Title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970;

(3) Educational grants (excluding work study), scholarships, etc., that are contingent upon the student regularly attending school. The student's classification (graduate or undergraduate) is not a factor;

(4) Loans (regardless of use) if a bona fide debt or obligation to pay can be established. Criteria to establish a loan as bona fide includes:

(A) ~~an~~ An acknowledgment of obligation to repay or evidence that the loan was from an individual or financial institution in the loan business. If the loan was from person(s) not in the loan business, the borrower's acknowledgment of obligation to repay (with or without interest) and the lender's verification of the loan are required to indicate that the loan is bona fide. If the loan agreement is not written, an OKDHS Form Adm-103, Loan Verification form, should be completed by the borrower attesting that the loan is bona fide and signed by the lender verifying the date and amount of loan. When copies of written agreements or OKDHS Loan Verification form Form Adm-103 are not available, detailed case documentation must include information that the loan is bona fide and how the debt amount and date of receipt was verified;

(B) If the loan was from a person(s) not in the loan business, the borrower's acknowledgment of obligation to repay (with or without interest) and the lender's

verification of the loan are required to indicate that the loan is bona fide.

(C) Proceeds of a loan secured by an exempt asset are not an asset;

- (5) One-third of child support payments received on behalf of the disabled minor child;
- (6) Indian payments (including judgement funds or funds held in trust) distributed per capita by the Secretary of the Interior (BIA) or distributed per capita by the tribe subject to approval by the Secretary of the Interior. Also, any interest or investment income accrued on such funds while held in trust or any purchases made with judgement funds, trust funds, interest or investment income accrued on such funds. Any income from mineral leases, from tribal business investments, etc., as long as the payments are made per capita. For purposes of this Subchapter, per capita is defined as each tribal member receiving an equal amount. However, any interest or income derived from the principal or produced by purchases made with funds after distribution is considered as any other income;
- (7) Special allowance for school expenses made available upon petition (in writing) for funds held in trust for the student;
- (8) Title III benefits from State and Community Programs on Aging;
- (9) Payment for supportive services or reimbursement of out-of-pocket expenses made to individual volunteers serving as foster grandparents, senior health aides, or senior companions, and to persons serving in the Service Corps of Retired Executives (SCORE) and Active Corps of Executives (ACE);
- (10) Payments to volunteers under the Domestic Volunteer Services Act of 1973 (VISTA), unless the gross amount of VISTA payments equals or exceeds the state or federal minimum wage, whichever is greater;
- (11) The value of supplemental food assistance received under the Child Nutrition Act or the special food service program for children under the national School Lunch Act;
- (12) Any portion of payments made under the Alaska Native Claims Settlement Act to an Alaska Native which are exempt from taxation under the Settlement Act;
- (13) Reimbursements from an employer for out-of-pocket expenditures and allowances for travel or training to the extent the funds are used for expenses directly related to such travel or training and uniform allowance if the uniform is uniquely identified with company names or logo;
- (14) Assistance or services from the Vocational Rehabilitation program such as transportation expenses to a rehabilitation center, extra clothing, lunches, grooming needed for a training program and any other such complementary payments;
- (15) Experimental Housing Allowance Program (EHAP) payments made under Annual Contributions Contracts entered into prior to January 1, 1975, under Section 23 of the U.S. Housing Act of 1937, as amended;

(16) Payments made by a public or private non-profit child care agency for a child placed in foster care or subsidized adoption;

(17) Governmental rental or housing subsidies by governmental agencies, e.g., HUD (received in-kind or in cash) for rent, mortgage payments or utilities;

(18) LIHEAP payments for energy assistance and payments for emergency situations under Emergency Assistance to Needy Families with Children;

(19) Payments made from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in the In Re Agent Orange product liability litigation, M.D.L. No. 381 (E.D.N.Y.);

(20) Payments made from the Radiation Exposure Compensation Trust Fund as compensation for injuries or deaths resulting from the exposure to radiation from nuclear testing and uranium mining;

(21) Federal major disaster and emergency assistance provided under the Disaster Relief Act of 1974, and comparable disaster assistance provided by States, local governments and disaster assistance organizations;

(22) Income of a sponsor to the sponsored eligible alien;

(23) The BIA frequently puts an individual's trust funds in an Individual Indian Money (IIM) account. To determine the availability of funds held in trust in an IIM account, the ~~social~~ worker must contact the BIA in writing and ascertain if the funds, in total or any portion, are available to the individual. If any portion of the funds is disbursed to the individual ~~client member~~, guardian or conservator, such funds are considered as available income. If the BIA determines the funds are not available, they are not considered in determining eligibility. Funds held in trust by the BIA and not disbursed are considered unavailable.

(A) In some instances, BIA may determine the account is unavailable; however, they release a certain amount of funds each month to the individual. In this instance the monthly disbursement is considered as unearned income.

(B) When the BIA has stated the account is unavailable and the account does not have a monthly disbursement plan, but a review reveals a recent history of disbursements to the individual ~~client member~~, guardian or conservator, these disbursements must be resolved with the BIA. These disbursements indicate all or a portion of the account may be available to the individual ~~client member~~, guardian or conservator. When the county office is unable to resolve the situation with the BIA, the county submits a referral to the appropriate section in OKDHS Family Support Services Division (FSSD). The referral must include specific details of the situation, including the county's efforts to resolve the situation with the BIA. If FSSD cannot make a determination, a legal decision regarding availability will be obtained by FSSD, and then forwarded to the county office by FSSD. When a referral is sent to FSSD, the funds are considered as

Emergency Adoptions

unavailable with a legal impediment until the county is notified otherwise.

(C) At each reapplication or redetermination, the ~~social~~ worker is to contact BIA to obtain information regarding any changes as to the availability of the funds and any information regarding modifications to the IIM account. Information regarding prior disbursements is also obtained at this time. All of this information is reviewed for the previous six or twelve-month period, or since the last contact if the contact was within the last certification or redetermination period.

(D) When disbursements have been made, the worker determines whether such disbursements were made to the client member or to a third party vendor in payment for goods or services. Payments made directly from the BIA to vendors are not considered as income to the client member. Workers should obtain documentation to verify services rendered and payment made by BIA.

(E) Amounts disbursed directly to the clients members are counted as non-recurring lump sum payments in the month received. Some trusts generate income on a regular basis and the income is sent to the beneficiary. In those instances, the income is treated as unearned income in the month received;

(24) Income up to \$2,000 per year received by individual Indians, which are derived from leases or other uses of individually-owned trust or restricted lands;

(25) Income that is set aside under an approved Plan for Achieving Self-Support for Blind or Disabled People (PASS). The Social Security Administration approves the plan, the amount of income excluded and the period of time approved. A plan can be approved for an initial period of 18 months. The plan may be extended for an additional 18 months if needed, and an additional 12 months (total 48 months) when the objective involves a lengthy educational or training program;

(26) Payments made to individuals because of their status as victims of Nazi persecution (PL 103-286);

(27) Payments received under the Civil Liberties Act of 1988. These payments are to be made to individuals of Japanese ancestry who were detained in ~~internment~~ internment camps during World War II; ~~and~~

(28) Payments received as a result of participation in a class action lawsuit entitled "Factor VIII or IX Concentrate Blood Products Litigation". These payments are made to hemophilia patients who are infected with HIV. However, if the payments are placed in an interest-bearing account, or some other investment medium that produces income, the income generated by the account may be countable as income to the individual;:

(29) Payments made to certain Vietnam veterans' children with spina bifida (PL 104-204);

(30) Payments made to certain Korea service veterans' children with spina bifida (PL 108-183); and

(31) Payments made to the children of women Vietnam veterans who suffer from certain birth defects (PL 106-419).

(c) **Determination of income.** The client member is responsible for reporting information regarding all sources of available income. This information is verified and used by the worker in determining eligibility.

(1) Gross income is listed for purposes of determining eligibility. It may be derived from many sources, and some items may be automatically disregarded by the computer when so provided by state or federal law.

(2) If a client member is determined to be categorically needy and is also an SSI recipient, any change in countable income, (see OAC 317:35-5-42(d)(3) to determine countable income) will not affect receipt of medical assistance and amount of State Supplemental Payment (SSP) as long as the amount does not cause SSI ineligibility. Income which will be considered by SSI in the retrospective cycle is documented in the case with computer update at the time that SSI makes the change (in order not to penalize the client member twice). If the SSI change is not timely, the worker updates the computer using the appropriate date as if it had been timely. If the receipt of the income causes SSI ineligibility, the income is considered immediately with proper action taken to reduce or close the medical assistance and SSP case. Any SSI overpayment caused by SSA not making timely changes will result in recovery by SSI in the future. When the worker becomes aware of income changes which will affect SSI eligibility or payment amount, the information is to be shared with the SSA office.

(3) Some of the more common income sources to be considered in determining eligibility are as follows:

(A) **Retirement and disability benefits.** These include but are not limited to OASDI, VA, Railroad Retirement, SSI, and unemployment benefits. Federal and State benefits are considered for the month they are intended when determining eligibility.

(i) Verifying and documenting the receipt of the benefit and the current benefit amount are achieved by:

(I) seeing the client's member's award letter or warrant;

(II) obtaining a signed statement from the individual who cashed the warrant; or

(III) by using BENDEX and SDX.

(ii) Determination of OASDI benefits to be considered (disregarding COLA's) for former State Supplemental recipients who are reapplying for medical benefits under the Pickle Amendment must be computed according to OKDHS Appendix C-2-A.

(iii) The Veterans Administration allows their recipients the opportunity to request a reimbursement for medical expenses not covered by ~~Medicaid~~ Medicaid-SoonerCare. If a recipient is eligible for the readjustment payment, it is paid in a lump sum for

the entire past year. This reimbursement is disregarded as income and a resource in the month it is received; however, any amount retained in the month following receipt is considered a resource.

(iv) Government financial assistance in the form of VA Aid and Attendance or Champus payments is considered as follows:

(I) **Nursing facility care.** VA Aid and Attendance or Champus payment whether paid directly to the ~~client~~ member or to the facility, are considered as third party resources and do not affect the income eligibility or the vendor payment of the ~~client~~ member.

(II) **Own home care.** The actual amount of VA Aid and Attendance payment paid for an attendant in the home is disregarded as income. In all instances, the amount of VA Aid and Attendance is shown on the computer form.

(v) Veterans or their surviving spouse who receive a VA pension may have their pension reduced to \$90 by the VA if the veteran does not have dependents, is ~~Medicaid~~ Medicaid SoonerCare eligible, and is residing in a nursing facility that is approved under ~~Medicaid~~ Medicaid SoonerCare. Section 8003 of Public Law 101-508 allows these veterans' pensions to be reduced to \$90 per month. None of the \$90 may be used in computing any vendor payment or spend-down. The \$90 payment becomes the monthly maintenance standard for the veteran. Any vendor payment or spenddown will be computed by using other income minus any applicable medical deduction(s). Veterans or their surviving spouse who meet these conditions will have their VA benefits reduced the month following the month of admission to a ~~Medicaid~~ Medicaid SoonerCare approved nursing facility.

(B) **SSI benefits.** SSI benefits may be continued up to three months for a recipient who enters a public medical or psychiatric institution, a ~~Medicaid~~ Medicaid SoonerCare approved hospital, extended care facility, intermediate care facility for the mentally retarded or nursing facility. To be eligible for the continuation of benefits, the SSI recipient must have a physician's certification that the institutionalization is not expected to exceed three months and there must be a need to maintain and provide expenses for the home. These continued payments are intended for the use of the recipient and do not affect the vendor payment.

(C) **Lump sum payments.**

(i) Any income received in a lump sum (with the exception of SSI lump sum) covering a period of more than one month, whether received on a recurring or nonrecurring basis, is considered as income in the month it is received. Any amount from any lump sum source, including SSI (with the exception of dedicated bank accounts for disabled/blind children under age 18), retained on the

first day of the next month is considered as a resource. Such lump sum payments may include, but are not limited to, accumulation of wages, retroactive OASDI, VA benefits, Workers' Compensation, bonus lease payments and annual rentals from land and/or minerals.

(ii) Lump sum payments used to establish dedicated bank accounts by representative payees in order to receive and maintain retroactive SSI benefits for disabled/blind children under age 18 are excluded as income. The interest income generated from dedicated bank accounts is also excluded. The dedicated bank account consisting of the retroactive SSI lump sum payment and accumulated interest is excluded as a resource in both the month received and any subsequent months.

(iii) A life insurance death benefit received by an individual while living is considered as income in the month received and as a resource in the following months to the extent it is available.

(iv) Changing a resource from one form to another, such as converting personal property to cash, is not considered a lump sum payment.

(D) **Income from capital resources and rental property.** Income from capital resources can be derived from rental of a house, rental from land (cash or crop rent), leasing of minerals, life estate, homestead rights or interest.

(i) If royalty income is received monthly but in irregular amounts, an average based on the previous six months' royalty income is computed and used to determine income eligibility. Exception: At any time that the county becomes aware of and can establish a trend showing a dramatic increase or decrease in royalty income, the previous two month's royalty income is averaged to compute countable monthly income.

(ii) Rental income may be treated as earned income when the individual participates in the management of a trade or business or invests his/her own labor in producing the income. The individual's federal income tax return will verify whether or not the income is from self-employment. Otherwise, income received from rent property is treated as unearned income.

(iii) When property rental is handled by a leasing agent who collects the rent and deducts a management fee, only the rent actually received by the ~~client~~ member is considered as income.

(E) **Earned income/self-employment.** The term "earned income" includes income in cash earned by an individual through the receipt of wages, salary, commission or profit from activities in which he/she is engaged as a self-employed individual or as an employee. See subparagraph (G) of this paragraph for earnings received in fluctuating amounts. "Earned Income" is also defined to include in-kind benefits received by an employee from an employer in lieu of

Emergency Adoptions

wages or in conjunction with wages. Such benefits received in-kind are considered as earned income only when the employee/employer relationship has been established. The cash value of the in-kind benefits must be verified by the employer. Income from self-employment also includes in-kind benefits for a work activity or service for which the self-employed person ordinarily receives payment in his/her business enterprise. An exchange of labor or services; e.g., barter, is considered as an in-kind benefit. Medical insurance secured through the employer, whether purchased or as a benefit, is not considered in-kind but is recorded on the case computer input document for coordination with Medicaid-SoonerCare benefits.

(i) Advance payments of EITC or refunds of EITC received as a result of filing a federal income tax return are considered as earned income in the month they are received.

(ii) Work study received by an individual who is attending school is considered as earned income with appropriate earned income disregards applied.

(iii) Money from the sale of whole blood or blood plasma is considered as self-employment income subject to necessary business expense and appropriate earned income disregards.

(iv) Self-employment income is determined as follows:

(I) Generally, the federal or state income tax form for the most recent year is used for calculating the self-employment income to project income on a monthly basis for the certification period. The gross income amount as well as the allowable deductions are the same as can be claimed under the Internal Revenue code for tax purposes.

(II) Self-employment income which represents a household's annual support is prorated over a 12-month period, even if the income is received in a short period of time. For example, self-employment income received by crop farmers is averaged over a 12-month period if the income represents the farmer's annual support.

(III) If the household's self-employment enterprise has been in existence for less than a year, the income from that self-employment enterprise is averaged over the period of time the business has been in operation to establish the monthly income amount.

(IV) If a tax return is not available because one has not been filed due to recent establishment of the self-employment enterprise, a profit and loss statement must be seen to establish the monthly income amount.

(V) The purchase price and/or payment(s) on the principal of loans for capital assets, equipment, machinery, and other durable goods

is not considered as a cost of producing self-employed income. Also not considered are net losses from previous periods, depreciation of capital assets, equipment, machinery, and other durable goods; and federal, state and local income taxes, FICA, money set aside for retirement purposes, and other work related personal expenses, such as meals and necessary transportation (these expenses are accounted for by the work related expense deduction given in OAC 340:10-3-33(1)).

(v) Countable self-employment income is determined by deducting allowable business expenses to determine the adjusted gross income. The earned income deductions are then applied to establish countable earned income.

(F) **Inconsequential or irregular income.** Inconsequential or irregular receipt of income in the amount of \$10 or less per month or \$30 or less per quarter is disregarded. The disregard is applied per individual for each type of inconsequential or irregular income. To determine whether the income is inconsequential or irregular, the gross amount of earned income and the gross minus business expense of self-employed income are considered.

(G) **Monthly income received in fluctuating amounts.** Income which is received monthly but in irregular amounts is averaged using two month's income, if possible, to determine income eligibility. Less than two month's income may be used when circumstances (e.g., new employment, unpaid sick leave, etc.) would indicate that previous income amounts would not be appropriate to use in determining future income amounts. Income received more often than monthly is converted to monthly amounts as follows:

(i) **Daily.** Income received on a daily basis is converted to a weekly amount then multiplied by 4.3.

(ii) **Weekly.** Income received weekly is multiplied by 4.3.

(iii) **Twice a month.** Income received twice a month is multiplied by 2.

(iv) **Biweekly.** Income received every two weeks is multiplied by 2.15.

(H) **Non-negotiable notes and mortgages.** Installment payments received on a note, mortgage, etc., are considered as monthly income.

(I) **Income from the Job Training and Partnership Act (JTPA).** Unearned income received by an adult, such as a needs based payment, cash assistance, compensation in lieu of wages, allowances, etc., from a program funded by JTPA is considered as any other unearned income. JTPA earned income received as wages is considered as any other earned income.

(J) **Other income.** Any other monies or payments which are available for current living expenses must be considered.

- (d) **Computation of income.**
- (1) **Earned income.** The general income exclusion of \$20 per month is allowed on the combined earned income of the eligible individual and eligible or ineligible spouse. See paragraph (6) of this subsection if there are ineligible minor children. After the \$20 exclusion, deduct \$65 and one-half of the remaining combined earned income.
 - (2) **Unearned income.** The total gross amount of unearned income of the eligible individual and eligible or ineligible spouse is considered. See paragraph (6) of this subsection if there are ineligible minor children.
 - (3) **Countable income.** The countable income is the sum of the earned income after exclusions and the total gross unearned income.
 - (4) **Deeming computation for disabled or blind minor child(ren).** An automated calculation is available for computing the income amount to be deemed from parent(s) and the spouse of the parent to eligible disabled or blind minor child(ren) by use of transaction CID. The ineligible minor child in the computation regarding allocation for ineligible child(ren) is defined as: a dependent child under age 18.
 - (A) A mentally retarded child living in the home who is ineligible for SSP due to the deeming process may be approved for Medical Assistance under the Home and Community Based Waiver (HCBW) Program as outlined in OAC 317:35-9-5.
 - (B) For TEFRA, the income of child's parent(s) is not deemed to him/her.
 - (5) **Premature infants.** Premature infants (i.e., 37 weeks or less) whose birth weight is less than 1200 grams (approximately 2 pounds 10 ounces) will be considered disabled by SSA even if no other medical impairment(s) exist. In this event, the parents income are not deemed to the child until the month following the month in which the child leaves the hospital and begins living with his/her parents.
 - (6) **Procedures for deducting ineligible minor child allocation.** When an eligible individual has an ineligible spouse and ineligible minor children (not receiving TANF), the computation is as follows:
 - (A) Each ineligible child's allocation (OKDHS Appendix C-1, Schedule VII. C.) minus each child's gross countable income is deducted from the ineligible spouse's income. Deeming of income is not done from child to parent.
 - (B) The deduction in subparagraph (A) of this paragraph is prior to deduction of the general income exclusion and work expense.
 - (C) After computations in subparagraphs (A) and (B) of this paragraph, the remaining amount is the ineligible spouse's countable income considered available to the eligible spouse.
 - (7) **Special exclusions for blind individuals.** Any blind individual who is employed may deduct the general income exclusion and the work exclusion from the gross amount of earned income. After the application of these exclusions, one-half of the remaining income is excluded.

The actual work expense is then deducted from the remaining half to arrive at the amount of countable income. If this blind individual has a spouse who is also eligible due to blindness and both are working, the amount of ordinary and necessary expenses attributable to the earning of income for each of the blind individuals may be deducted. Expenses are deductible as paid but may not exceed the amount of earned income. To be deductible, an expense need not relate directly to the blindness of the individual, it need only be an ordinary and necessary work expense of the blind individual. Such expenses fall into three broad categories:

- (A) transportation to and from work;
- (B) job performance; and
- (C) job improvement.

SUBCHAPTER 9. ICF/MR, HCBW/MR, AND INDIVIDUALS AGE 65 OR OLDER IN MENTAL HEALTH HOSPITALS

PART 2. MEDICAID RECOVERY PROGRAM

317:35-9-15. Medicaid recovery

(a) **General overview.** The Omnibus Budget Reconciliation Act of 1993 mandates the ~~state~~ State to seek recovery against the estate of certain Title XIX members who received medical care on or after July 1, 1994, and who were 55 years of age or older when the care was received. The payment of Title XIX by the Oklahoma Health Care Authority (OHCA) on behalf of a member who is an inpatient of a nursing facility, intermediate care facility for the mentally retarded or other medical institution creates a debt to the ~~Authority~~ OHCA subject to recovery by legal action either in the form of a lien filed against the real property of the member and/or a claim made against the estate of the member. Only Title XIX received on or after July 1, 1994, will be subject to provisions of this Part. Recovery for payments made under Title XIX for nursing care is limited by several factors, including the family composition at the time the lien is imposed and/or at the time of the member's death and by the creation of undue hardship at the time the lien is imposed or the claim is made against the estate. [See OAC ~~317:35-5-41(e)(6)(H)~~ 317:35-5-41.8(a)(3)(H) for consideration of home property as a countable resource.] State Supplemental Payments are not considered when determining the countable income. The types of medical care for which recovery can be sought include:

- (1) nursing facility services;
- (2) home and community based services;
- (3) related hospital services;
- (4) prescription drug services;
- (5) physician services; and
- (6) transportation services.

(b) **Recovery through lien.** The Oklahoma Health Care Authority (OHCA) may file and enforce a lien, after notice and opportunity for a hearing (OKDHS will conduct hearings), against the real property of a member who is an inpatient in a

Emergency Adoptions

nursing facility, ICF/MR or other medical institution in certain instances.

(1) **Exceptions to filing a lien.**

(A) A lien may not be filed on the home property if the member's family includes:

(A*i*) a surviving spouse residing in the home;²

(B*ii*) a child or children age 20 or less lawfully residing in the home;²

(C*iii*) a disabled child or children of any age lawfully residing in the home;² or

(D*iv*) a brother or sister of the member who has an equity interest in the home and has been residing in the home for at least one year immediately prior to the member's admission to the nursing facility and who has continued to live there on a continuous basis since that time.

(B) If an individual covered under an Oklahoma Long-term Care Partnership Program approved policy received benefits for which assets or resources were disregarded as provided for in OAC 317:35-5-41.9, the Oklahoma Health Care Authority will not seek recovery from the individual for the amount of assets or resources disregarded.

(2) **Reasonable expectation to return home.** A lien may be filed only after it has been determined, after notice and opportunity for a hearing, that the member cannot reasonably be expected to be discharged and return to the home. To return home means the member leaves the nursing facility and resides in the home on which the lien has been placed for a period of at least 90 days without being re-admitted as an inpatient to a facility providing nursing care. Hospitalizations of short duration that do not include convalescent care are not counted in the 90 day period. Upon certification for Title XIX for nursing care, OKDHS provides written notice to the member that a one-year period of inpatient care ~~shall constitute~~ constitutes a determination by the OKDHS that there is no reasonable expectation that the member will be discharged and return home for a period of at least 90 days. The member or the member's representative is asked to declare intent to return home by signing the OKDHS Form 08MA024E, Acknowledgment of Intent to Return Home/Medicaid Recovery Program form. Intent is defined here as a clear statement of plans in addition to other evidence and/or corroborative statements of others. Should the intent be to return home, the member must be informed that a one-year period of care at a nursing facility or facilities constitutes a determination that the member cannot reasonably be expected to be discharged and return home. When this determination has been made, the member receives a notice and opportunity for hearing. This notification occurs prior to filing of a lien. At the end of the 12-month period, a lien may be filed against the member's real property unless medical evidence is provided to support the feasibility of his/her returning to the home within a reasonable period of time (90 days). This 90-day period is allowed only if

sufficient medical evidence is presented with an actual date for the return to the home.

(3) **Undue hardship waiver.** When enforcing a lien or a recovery from an estate [see (c) of this Section] would create an undue hardship, a waiver may be granted. Undue hardship exists when enforcing the lien would deprive the individual of medical care such that the individual's health or life would be endangered. Undue hardship exists when application of the rule would deprive the individual or family members who are financially dependent on him/her for food, clothing, shelter, or other necessities of life. Undue hardship does not exist, however, when the individual or his/her family is merely inconvenienced or when their ~~life-style~~ lifestyle is restricted because of the lien or estate recovery being enforced. Decisions on undue hardship waivers are made at OKDHS State Office, Family Support Services Division, Health Related and Medical Services Section. Upon applying for an undue hardship waiver, an individual will receive written notice, in a timely process, whether an undue hardship waiver will be granted. If an undue hardship waiver is not granted, the individual will receive written notice of the process under which an adverse determination can be appealed. The OHCA Legal Division staff will receive notification on all undue hardship waiver decisions.

(4) **Filing the lien.** After it has been determined that the member cannot reasonably be expected to be discharged from the nursing facility and return home and the member has been given notice of an intent to file a lien against the real property and an opportunity for a hearing on the matter, a lien is filed by the Oklahoma Health Care Authority, Third Party Liability Unit, for record against the legal description of the real property in the office of the county clerk of the county in which the property is located. A copy of the lien is sent by OHCA to the member or his/her representative ~~by certified mail~~. The lien must contain the following information:

(A) the name and mailing address of the member, spouse, legal guardian, authorized representative, or individual acting on behalf of the member;²

(B) the amount of Title XIX paid at the time of the filing of the lien and a statement that the lien amount will continue to increase by any amounts paid thereafter for Title XIX on the member's behalf;²

(C) the date the member began receiving compensated inpatient care at a nursing facility or nursing facilities, intermediate care facility for the mentally retarded or other medical institution;²

(D) the legal description of the real property against which the lien will be recorded;² and

(E) the address of the Oklahoma Health Care Authority.

(5) **Enforcing the lien.** The lien filed by OHCA for Title XIX correctly received may be enforced before or after the death of the member. But it may be enforced only:

(A) after the death of the surviving spouse of the member or until such time as the surviving spouse abandons the homestead to reside elsewhere;

(B) when there is no child of the member, natural or adopted, who is 20 years of age or less residing in the home;

(C) when there is no adult child of the member, natural or adopted, who is blind or disabled, as defined in OAC 317:35-1-2, residing in the home;

(D) when no brother or sister of the member is lawfully residing in the home, who has resided there for at least one year immediately before the date of the member's admission to the nursing facility, and has resided there on a continuous basis since that time; and

(E) when no son or daughter of the member is lawfully residing in the home who has resided there for at least two years immediately before the date of the member's admission to the nursing facility, and establishes to the satisfaction of the ~~DHS~~ OKDHS that he or she provided care to the member which permitted the member to reside at home rather than in an institution and has resided there on continuous basis since that time.

(6) **Dissolving the lien.** The lien remains on the property even after transfer of title by conveyance, sale, succession, inheritance or will unless one of the following events occur:

(A) The lien is satisfied. The member or member's representative may discharge the lien at any time by paying the amount of lien to the OHCA. Should the payment of the debt secured by the lien be made to the county office, the payment is forwarded to OHCA/Third Party Liability, so that the lien can be released within 50 days. After that time, the member or the member's representative may request in writing that it be done. This request must describe the lien and the property with reasonable certainty. By statute, a fine may be levied against the lien holder if it is not released in a timely manner.

(B) The member leaves the nursing facility and resides in a property to which the lien is attached, for a period of more than 90 days without being re-admitted to a facility providing nursing care, even though there may have been no reasonable expectation that this would occur. If the member is re-admitted to a nursing facility during this period, and does return to his/her home after being released, another 90 days must be completed before the lien can be dissolved.

(7) **Capital resources.** Rules on the determination of capital resources for individuals related to the aged, blind, or disabled (See OAC 317:35-5-41 through 317:35-5-41.7) apply to the proceeds received for the property in excess of the amount of the lien after the lien is satisfied.

(c) **Recovery from estates.**

(1) If the member was age 55 or older when the nursing care was received, adjustment or recovery may be made only after the death of the individual's spouse, if any, and at a time when there are no surviving children age 20 or less and no surviving disabled children of any age living

in the home. Oklahoma Statutes contain stringent time frames concerning when and how claims against an estate in probate are filed and paid. Therefore, timely updating of computer input forms indicating the death of the member is crucial to insure the OHCA's ability to file timely against the estate.

(2) The estate consists of all real and personal property and other assets included in member's estate as defined by Title 58 of the Oklahoma Statutes. Although county staff ordinarily will not be responsible for inventorying or assessing the estate, assets and property that are not considered in determining eligibility should be documented in the case record.

(3) After updating of computer input form indicating member's death, a computer generated report is sent to OHCA/Third Party Liability (TPL). This report will serve as notification to OHCA/TPL to initiate estate recovery.

(4) Undue hardship waivers may be granted for estate recovery as provided in (b)(3) of the Section.

(5) If an individual covered under an Oklahoma Long-Term Care Partnership Program approved policy received benefits for which assets or resources were disregarded as provided for in OAC 317:35-5-41.9, the Oklahoma Health Care Authority will not seek recovery from the individual's estate for the amount of assets or resources disregarded.

PART 7. DETERMINATION OF FINANCIAL ELIGIBILITY

317:35-9-67. Determining financial eligibility of categorically needy individuals

Financial eligibility for ICF/MR, HCBW/MR, and individuals age 65 or older in mental health hospitals medical care for categorically needy individuals is determined as follows:

(1) **Financial eligibility/categorically related to AFDC.** In determining income for the individual related to AFDC, all family income is considered. The "family", for purposes of determining need, includes the following persons if living together (or if living apart but there has been no break in the family relationship):

(A) spouse; and

(B) parent(s) and minor children of their own. Individuals related to AFDC but not receiving a money payment are not entitled to one-half income disregard following the earned income deduction.

(i) For adults, to be categorically needy, the net income must be less than the categorically needy standard as shown on the OKDHS Appendix C-1, Schedule X.

(ii) For individuals under 19, to be categorically needy, the net income must be equal to or less than the categorically needy standard as shown on the OKDHS Appendix C-1, Schedule I. A.

(2) **Financial eligibility/categorically related to ABD.** In determining income and resources for the individual related to ABD, the "family" includes the individual

Emergency Adoptions

and spouse, if any. To be categorically needy, the individual's countable income must be less than the categorically needy standard as shown on the OKDHS Appendix C-1, Schedule VI. If an individual and spouse cease to live together for reasons other than institutionalization, income and resources are considered available to each other through the month in which they are separated. Mutual consideration ceases with the month after the month in which the separation occurs. Any amounts which are actually contributed to the spouse after the mutual consideration has ended are considered. If the individual and spouse cease to live together because of the individual entering an ICF/MR, see OAC 317:35-9-68 (a)(3) to determine financial eligibility.

(A) The categorically needy standard on OKDHS Appendix C-1, Schedule VI, is applicable for individuals related to ABD. If the individual is in an ICF/MR and has received services for 30 days or longer, the categorically needy standard in OKDHS Appendix C-1, Schedule VIII. B., is used. If the individual leaves the facility prior to the 30 days, or does not require services past the 30 days, the categorically needy standard on OKDHS Appendix C-1, Schedule VI, is used. The rules on determination of income and resources are applicable only when an individual has entered a an ICF/MR and is likely to remain under care for 30 consecutive days. The 30-day requirement is considered to have been met even if it is interrupted by a hospital stay or the individual is deceased before the 30-day period ends [Refer to OAC 317:35-9-68 (a)(3)(B)(x)]. An individual who is a patient in an extended care facility may have SSI continued for a three month period if he/she meets conditions described in Subchapter 5 of this Chapter. The continuation of the payments is intended for use of the member and does not affect the vendor payment. If the institutional stay exceeds the three month period, SSI will make the appropriate change.

(B) In determining eligibility for HCBW/MR services, refer to OAC 317:35-9-68(b).

(C) In determining eligibility for individuals age 65 or older in mental health hospitals, refer to OAC 317:35-9-68(c).

(3) **Transfer of capital resources on or before August 10, 1993.** Individuals who have transferred capital resources on or before August 10, 1993 and applying for or receiving NF, ICF/MR or receiving HCBW/MR services are subject to penalty if the individual, the individual's spouse, the guardian, or legal representative of the individual or individual's spouse, disposes of resources for less than fair market value during the 30 months immediately prior to eligibility for SoonerCare if the individual is eligible at institutionalization. If the individual is not eligible for SoonerCare at institutionalization, the individual is subject to penalty if a resource was transferred during the 30 months immediately prior to the date of application for SoonerCare. Any subsequent transfer is also subject to this rule. When there have been multiple transfers of

resources without commensurate return, all transferred resources are added together to determine the penalty period. The penalty consists of a period of ineligibility (whole number of months) determined by dividing the total uncompensated value of the resource by the average monthly cost (\$2,000) to a private patient in a nursing facility in Oklahoma. The penalty period begins with the month the resource or resources were first transferred and cannot exceed 30 months. Uncompensated value is defined as the difference between the equity value and the amount received for the resource.

(A) However, the penalty would not apply if:

(i) The transfer was prior to July 1, 1988.

(ii) The title to the individual's home was transferred to:

(I) the spouse;

(II) the individual's child under age 21 or who is blind or totally disabled;

(III) a sibling who has equity interest in the home and resided in the home for at least one year prior to the individual's admission to the nursing facility; or

(IV) the individual's son or daughter who resided in the home and provided care for at least two years prior to the individual's admission to the nursing facility.

(iii) The individual can show satisfactorily that the intent was to dispose of resources at fair market value or that the transfer was for a purpose other than eligibility.

(iv) The transfer was to the community spouse or to another person for the sole benefit of the community spouse in an amount equal to the community spouse's resource allowance.

(v) The resource was transferred to the individual's child who is under 21 or who is blind or totally disabled.

(vi) The resource was transferred to the spouse (either community or institutionalized) or to another person for the sole benefit of the spouse if the resources are not subsequently transferred to still another person for less than fair market value.

(vii) The denial would result in undue hardship. Such determination should be referred to OKDHS State Office, FSSD, Health Related and Medical Services, for a decision.

(B) The individual is advised by a written notice of a period of ineligibility due to transfer of assets. The notice explains the period of ineligibility for payment of NF services and the continuance of eligibility for other SoonerCare services.

(C) The penalty period can be ended by either the resource being restored or commensurate return being made to the individual. The cost of care during the penalty period cannot be used to shorten or end the penalty period.

(D) Once the restoration or commensurate return is made, eligibility is redetermined considering the

value of the restored resource or the amount of commensurate return.

(E) The restoration or commensurate return will not entitle the member to benefits for the period of time that the resource remained transferred. An applicant cannot be certified for NF, HCBW/MR, or ADvantage waiver services for a period of resource ineligibility.

(4) **Transfer of assets on or after August 11, 1993 but before February 8, 2006.** An institutionalized individual, an institutionalized individual's spouse, the guardian or legal representative of the individual or individual's spouse who disposes of assets on or after August 11, 1993 but before February 8, 2006 for less than fair market value on or after the look-back date specified in (A) of this paragraph subjects the individual to a penalty period for the disposal of such assets.

(A) For an institutionalized individual, the look-back date is 36 months before the first day the individual is both institutionalized and has applied for medical assistance. However, in the case of payments from a trust or portions of a trust that are treated as transfers of assets, the look-back date is 60 months.

(B) For purposes of this paragraph, an "institutionalized" individual is one who is residing in an ICF/MR or receiving HCBW/MR services.

(C) The penalty period begins the first day of the first month during which assets have been transferred and which does not occur in any other period of ineligibility due to an asset transfer. When there have been multiple transfers, all transferred assets are added together to determine the penalty.

(D) The penalty period consists of a period of ineligibility (whole number of months dropping any leftover portion) determined by dividing the total uncompensated value of the asset by the average monthly cost (\$2,000) to a private patient in a nursing facility in Oklahoma. There is no limit to the length of the penalty period for these transfers. Uncompensated value is defined as the difference between the fair market value at the time of transfer less encumbrances and the amount received for the resource.

(E) Assets are defined as all income and resources of the individual and the individual's spouse, including any income or resources which the individual or such individual's spouse is entitled to but does not receive because of action:

- (i) by the individual or such individual's spouse;
- (ii) by a person, including a court or administrative body, with legal authority to act in place of or on behalf of the individual or such individual's spouse; or
- (iii) by any person, including any court or administrative body acting at the direction or upon the request of the individual or such individual's spouse.

(F) A penalty would not apply if:

(i) the title to the individual's home was transferred to:

- (I) the spouse;
- (II) the individual's child under age 21 or who is blind or totally disabled as determined by Social Security;
- (III) a sibling who has equity interest in the home and resided in the home for at least one year prior to the institutionalization of the individual; or
- (IV) the individual's son or daughter who resided in the home and provided care for at least two years immediately prior to the individual's institutionalization;

(ii) the individual can show satisfactorily that the intent was to dispose of assets at fair market value or that the transfer was exclusively for a purpose other than eligibility. It is presumed that any transfer of assets made for less than fair market value was made in order to qualify the individual for SoonerCare. In order to rebut this presumption, the individual must present compelling evidence that a transfer was made for reasons other than to qualify for SoonerCare. It is not sufficient for an individual to claim that assets were transferred solely for the purposes of allowing another to have them with ostensibly no thought of SoonerCare if the individual qualifies for SoonerCare as a result of the transfer;

(iii) the transfer was to the community spouse or to another person for the sole benefit of the community spouse in an amount equal to the community spouse's asset allowance;

(iv) the asset was transferred to the individual's child who is blind or totally disabled as determined by Social Security. The transfer may be to a trust established for the benefit of the individual's child;

(v) the asset was transferred to or from the spouse (either community or institutionalized) or to another person for the sole benefit of the spouse if the assets are not subsequently transferred to still another person for less than fair market value;

(vi) the asset is transferred to a trust established solely for the benefit of a disabled individual under the age of 65; or

(vii) the denial would result in undue hardship. Such determination should be referred to OKDHS State Office for a decision.

(G) The individual is advised by a written notice of a period of ineligibility due to transfer of assets. The notice explains the period of ineligibility for payment of ICF/MR or HCBW/MR services and the continuance of eligibility for other SoonerCare services.

(H) The penalty period can be ended by either all assets being restored or commensurate return being made to the individual.

Emergency Adoptions

(I) Once the restoration or commensurate return is made, eligibility is redetermined considering the value of the restored asset or the amount of commensurate return.

(J) The restoration or commensurate return will not entitle the member to benefits for the period of time that the asset remained transferred. An applicant cannot be certified for NF, ICF/MR, HCBW/MR, or ADvantage waiver services for a period of asset ineligibility.

(K) Assets which are held by an individual with another person or persons, whether held in joint tenancy or tenancy in common or similar arrangement, and the individual's ownership or control of the asset is reduced or eliminated ~~shall be~~ is considered a transfer.

(L) When a transfer of assets by the spouse of an individual results in a period of ineligibility and the spouse who made such transfer subsequently becomes institutionalized, the period of ineligibility will be apportioned between the two institutionalized spouses.

(5) Transfer of assets on or after February 8, 2006.

An institutionalized individual, an institutionalized individual's spouse, the guardian or legal representative of the individual or individual's spouse who disposes of assets on or after February 8, 2006 for less than fair market value on or after the look-back date specified in (A) of this paragraph subjects the individual to a penalty period for the disposal of such assets.

(A) For an institutionalized individual, the look-back date is 60 months before the first day the individual is both institutionalized and has applied for medical assistance. However, individuals that have purchased an Oklahoma Long-Term Care Partnership Program approved policy may be completely or partially exempted from this Section depending on the monetary extent of the insurance benefits paid.

(B) For purposes of this paragraph, an "institutionalized" individual is one who is residing in an ICF/MR or receiving HCBW/MR services.

(C) The penalty period will begin with the later of:

(i) the first day of a month during which assets have been transferred for less than fair market value; or

(ii) the date on which the individual is:
(I) eligible for medical assistance; ~~or~~ and
(II) receiving institutional level of care services that, were it not for the imposition of the penalty period, would be covered by SoonerCare.

(D) The penalty period:

(i) cannot begin until the expiration of any existing period of ineligibility;

(ii) will not be interrupted or temporarily suspended once it is imposed;

(iii) when there have been multiple transfers, all transferred assets are added together to determine the penalty.

(E) The penalty period consists of a period of ineligibility determined by dividing the total uncompensated value of the asset by the average monthly cost to a private patient in a nursing facility in Oklahoma shown on OKDHS Appendix C-1. In this calculation, the penalty must include a partial month disqualification based upon the relationship between that fractional amount and the average monthly cost to a private patient in a nursing facility in Oklahoma. There is no limit to the length of the penalty period for these transfers. Uncompensated value is defined as the difference between the fair market value at the time of transfer less encumbrances and the amount received for the resource.

(F) Assets are defined as all income and resources of the individual and the individual's spouse, including any income or resources which the individual or such individual's spouse is entitled to but does not receive because of action:

(i) by the individual or such individual's spouse;

(ii) by a person, including a court or administrative body, with legal authority to act in place of or on behalf of the individual or such individual's spouse; or

(iii) by any person, including any court or administrative body acting at the direction or upon the request of the individual or such individual's spouse.

(G) Special Situations.

(i) Separate Maintenance or Divorce.

(I) There shall be presumed to be a transfer of assets if an applicant or member receives less than half of the couple's resources pursuant to a Decree of Separate Maintenance or a Decree of Divorce.

(II) There shall be presumed to be a transfer of assets if the income is reduced to an amount lower than the individual's own income plus half of the joint income. The transfer penalty shall be calculated monthly.

(III) Assets which were exempt lose the exempt character when not retained by the applicant or member in the divorce or separate maintenance. These assets, if received by the other spouse, are counted when determining the penalty.

(IV) The applicant or member may rebut the presumption of transfer by showing compelling evidence that the uneven division of income or resources was the result of factors unrelated to SoonerCare eligibility.

(ii) Inheritance from a spouse.

(I) Oklahoma law provides that a surviving spouse is entitled to a minimum portion of a deceased spouse's probate estate. The amount depends on several factors.

- (II) It is considered a transfer if the deceased spouse's will places all, or some, of the statutory share the applicant or member is entitled to receive in a trust which the applicant or member does not have unfettered access to or leaves less than the statutory amount to the applicant or member, who does not then elect to receive the statutory share in probate proceedings.
- (H) A penalty would not apply if:
 - (i) the title to the individual's home was transferred to:
 - (I) the spouse; or
 - (II) the individual's child under age 21 or who is blind or totally disabled as determined by Social Security; or
 - (III) a sibling who has equity interest in the home and resided in the home for at least one year immediately prior to the institutionalization of the individual; or
 - (IV) the individual's son or daughter who resided in the home and provided care for at least two years immediately prior to the individual's institutionalization.
 - (ii) the individual can show satisfactorily that the intent was to dispose of assets at fair market value or that the transfer was exclusively for a purpose other than eligibility. It is presumed that any transfer of assets made for less than fair market value was made in order to qualify the individual for SoonerCare. In order to rebut this presumption, the individual must present compelling evidence that a transfer was made for reasons other than to qualify for SoonerCare. It is not sufficient for an individual to claim that assets were transferred solely for the purpose of allowing another to have them with ostensibly no thought of SoonerCare if the individual qualifies for SoonerCare as a result of the transfer.
 - (iii) the transfer was to the community spouse or to another person for the sole benefit of the community spouse in an amount equal to the community spouse's asset allowance. "Sole benefit" means that the amount transferred will be used for the benefit of the community spouse during his or her expected life.
 - (iv) the asset was transferred to the individual's child who is blind or totally disabled as determined by Social Security. The transfer may be to a trust established for the benefit of the individual's child.
 - (v) the asset was transferred to or from the spouse (either community or institutionalized) or to another person for the sole benefit of the spouse if the assets are not subsequently transferred to still another person for less than fair market value. "Sole benefit" means that the amount transferred will be used for the benefit of the spouse (either

community or institutionalized) during his or her expected life.

(vi) the asset is transferred to a trust established solely for the benefit of a disabled individual under the age of 65.

(vii) the denial would result in undue hardship. Undue hardship exists when application of a transfer of assets penalty would deprive the individual of medical care such that the individual's health or life would be endangered; or of food, clothing, shelter, or other necessities of life.

(I) An undue hardship does not exist if the individual willingly transferred assets for the purpose of qualifying for SoonerCare services through the use of the undue hardship exemption.

(II) Such determination should be referred to OKDHS State Office for a decision.

(III) If the undue hardship exists because the applicant was exploited, legal action must be pursued to return the transferred assets to the applicant before a hardship waiver will be granted. Pursuing legal action means an APS referral has been made to the district attorney's office or a lawsuit has been filed and is being pursued against the perpetrator.

(I) The individual is advised by a written notice of a period of ineligibility due to transfer of assets, a timely process for determining whether an undue hardship waiver will be granted and a process for an adverse determination appeal. The notice explains the period of ineligibility for payment of ICF/MR or HCBW/MR services and the continuance of eligibility for other SoonerCare services.

(J) The penalty period can be ended by either all assets being restored or commensurate return being made to the individual.

(K) Once the restoration or commensurate return is made, eligibility is redetermined considering the value of the restored asset or the amount of commensurate return.

(L) The restoration or commensurate return will not entitle the member to benefits for the period of time that the asset remained transferred. An applicant cannot be certified for nursing care services or HCBW for a period of asset ineligibility.

(M) Assets which are held by an individual with another person or persons, whether held in joint tenancy or tenancy in common or similar arrangement, and the individual's ownership or control of the asset is reduced or eliminated ~~shall be~~ is considered a transfer. The exception to this rule is if ownership of a joint account is divided according to the amount contributed by each owner.

(i) Documentation must be provided to show each co-owner's contribution;

Emergency Adoptions

(ii) The funds contributed by the applicant or SoonerCare member end up in an account owned solely by the applicant or member.

(N) When a transfer of assets by the spouse of an individual results in a period of ineligibility and the spouse who made such transfer subsequently becomes institutionalized, the period of ineligibility will be apportioned between the two institutionalized spouses.

(6) **Commensurate return.** Commensurate return for purposes of this Section is defined as actual money payment or documentation of money spent on the member's behalf; i.e., property taxes, medical debts, nursing care expenses, etc., corresponding to the market value of the transferred property. The definition does not include personal services, labor or provision of rent-free shelter. It also does not include a monetary value assigned and projected for future payment either by cash or provision of services. Any transfer of property within the five years prior to application or during receipt of assistance must be analyzed in regard to commensurate return as well as determination of intent.

SUBCHAPTER 17. ADVANTAGE WAIVER SERVICES

317:35-17-10. Determining financial eligibility/categorical relationship for the ADvantage program

Financial eligibility for the ADvantage program is determined as follows:

(1) **Financial eligibility/categorically related to ABD.** In determining income and resources for the individual categorically related to ABD, the "family" includes the individual and spouse, if any. If an individual and spouse cease to live together for reasons other than institutionalization, income and resources are considered available to each other through the month in which they are separated. Mutual consideration ceases with the month after the month in which the separation occurs. Any amounts which are actually contributed to the spouse after the mutual consideration has ended are considered. If the individual and spouse cease to live together because of the individual entering a nursing facility, see OAC 317:35-19-21 to determine financial eligibility.

(A) The categorically needy standard on OKDHS Appendix C-1, Schedule VI, is applicable for individuals categorically related to ABD.

(B) If the individual is receiving ADvantage program services and has received services for 30 days or longer, the categorically needy standard in OKDHS Appendix C-1, Schedule VIII. B.1., is used. The 30-day requirement is considered to have been met even if it is interrupted by a hospital stay or the individual is deceased before the 30-day period ends. If the individual does not require services past the 30

days, the categorically needy standard in OKDHS Appendix C-1, Schedule VI., is used.

(2) **Transfer of capital resources on or before August 10, 1993.** Individuals who have transferred capital resources on or before August 10, 1993 and applying for or receiving ADvantage waiver services are subject to penalty if the individual, the individual's spouse, the guardian, or legal representative of the individual or individual's spouse, disposes of resources for less than fair market value during the 30 months immediately prior to eligibility for Title XIX if the individual is eligible at institutionalization. If the individual is not eligible for Title XIX at institutionalization, the individual is subject to penalty if a resource was transferred during the 30 months immediately prior to the date of application for Title XIX. Any subsequent transfer is also subject to the rules in this paragraph. When there have been multiple transfers of resources without commensurate return, all transferred resources are added together to determine the penalty period. The penalty consists of a period of ineligibility (whole number of months) determined by dividing the total uncompensated value of the resource by the average monthly cost (\$2,000) to a private patient in a nursing facility level of care in Oklahoma. The penalty period begins with the month the resource or resources were first transferred and cannot exceed 30 months. Uncompensated value is defined as the difference between the equity value and the amount received for the resource.

(A) However, the penalty would not apply if:

(i) the transfer was prior to July 1, 1988;

(ii) the title to the individual's home was transferred to:

(I) the spouse;

(II) the individual's child who is under age 21 or is blind or totally disabled;

(III) a sibling who has equity interest in the home and resided in the home for at least one year prior to the individual's admission to the ADvantage program; or

(IV) the individual's son or daughter who resided in the home and provided care for at least two years prior to the individual's entry into the ADvantage program;

(iii) the individual can show satisfactorily that the intent was to dispose of resources at fair market value or that the transfer was for a purpose other than eligibility;

(iv) the transfer was to the community spouse or to another person for the sole benefit of the community spouse in an amount equal to the community spouse's resource allowance;

(v) the resource was transferred to the individual's minor child who is blind or totally disabled;

(vi) the resource was transferred to the spouse (either community or institutionalized) or to another person for the sole benefit of the spouse if the resources are not subsequently transferred to still another person for less than fair market value; or

- (vii) the denial would result in undue hardship. Such determination should be referred to OKDHS State Office for a decision.
- (B) The individual is advised by a written notice of a period of ineligibility due to transfer of assets. The notice explains the period of ineligibility for payment for ADvantage program services and the continuance of eligibility for other Title XIX services.
- (C) The penalty period can be ended by either the resource being restored or commensurate return being made to the individual.
- (D) Once the restoration or commensurate return is made, eligibility is redetermined considering the value of the restored resource or the amount of commensurate return.
- (E) The restoration or commensurate return will not entitle the member to benefits for the period of time that the resource remained transferred. An applicant cannot be certified for ADvantage program services for a period of resource ineligibility.
- (3) **Transfer of assets on or after August 11, 1993 but before February 8, 2006.** An institutionalized individual, an institutionalized individual's spouse, the guardian or legal representative of the individual or individual's spouse who disposes of assets on or after August 11, 1993 but before February 8, 2006 for less than fair market value on or after the look-back date specified in (A) of this paragraph subjects the individual to a penalty period for the disposal of such assets.
- (A) For an institutionalized individual, the look-back date is 36 months before the first day the individual is both institutionalized and has applied for SoonerCare. However, in the case of payments from a trust or portions of a trust that are treated as transfers of assets, the look back date is 60 months.
- (B) For purposes of this paragraph, an "institutionalized" individual is one who is receiving ADvantage program services.
- (C) The penalty period begins the first day of the first month during which assets have been transferred and which does not occur in any other period of ineligibility due to an asset transfer. When there have been multiple transfers, all transferred assets are added together to determine the penalty.
- (D) The penalty period consists of a period of ineligibility (whole number of months) determined by dividing the total uncompensated value of the asset by the average monthly cost (\$2,000) to a private patient in an NF level of care in Oklahoma. In this calculation, any partial month is dropped. There is no limit to the length of the penalty period for these transfers. Uncompensated value is defined as the difference between the fair market value at the time of transfer less encumbrances and the amount received for the resource.
- (E) Assets are defined as all income and resources of the individual and the individual's spouse, including any income or resources which the individual or

such individual's spouse is entitled to but does not receive because of action:

- (i) by the individual or such individual's spouse;
- (ii) by a person, including a court or administrative body, with legal authority to act in place of or on behalf of the individual or such individual's spouse; or
- (iii) by any person, including any court or administrative body acting at the direction or upon the request of the individual or such individual's spouse.
- (F) A penalty would not apply if:
- (i) the title to the individual's home was transferred to:
- (I) the spouse;
- (II) the individual's child who is under age 21 or is blind or totally disabled as determined by Social Security;
- (III) a sibling who has equity interest in the home and resided in the home for at least one year immediately prior to the institutionalization of the individual; or
- (IV) the individual's son or daughter who resided in the home and provided care for at least two years immediately prior to the individual's institutionalization.
- (ii) the individual can show satisfactorily that the intent was to dispose of assets at fair market value or that the transfer was exclusively for a purpose other than eligibility. It is presumed that any transfer of assets made for less than fair market value was made in order to qualify the individual for SoonerCare. In order to rebut this presumption, the individual must present compelling evidence that a transfer was made for reasons other than to qualify for SoonerCare. It is not sufficient for an individual to claim that assets were transferred solely for the purposes of allowing another to have them with ostensibly no thought of SoonerCare if the individual qualifies for SoonerCare as a result of the transfer.
- (iii) the transfer was to the community spouse or to another person for the sole benefit of the community spouse in an amount equal to the community spouse's asset allowance.
- (iv) the asset was transferred to the individual's child who is blind or totally disabled as determined by Social Security. The transfer may be to a trust established for the benefit of the individual's child.
- (v) the asset was transferred to or from the spouse (either community or institutionalized) or to another person for the sole benefit of the spouse if the assets are not subsequently transferred to still another person for less than fair market value.
- (vi) the asset is transferred to a trust established solely for the benefit of a disabled individual under the age of 65.

Emergency Adoptions

- (vii) the denial would result in undue hardship. Such determination should be referred to OKDHS State Office for a decision.
- (G) The individual is advised by a written notice of a period of ineligibility due to transfer of assets. The notice explains the period of ineligibility for payment of ADvantage program services and the continuance of eligibility for other SoonerCare services.
- (H) The penalty period can be ended by either all assets being restored or commensurate return being made to the individual.
- (I) Once the restoration or commensurate return is made, eligibility is redetermined considering the value of the restored asset or the amount of commensurate return.
- (J) The restoration or commensurate return will not entitle the member to benefits for the period of time that the asset remained transferred. An applicant cannot be certified for ADvantage program services for a period of asset ineligibility.
- (K) Assets which are held by an individual with another person or persons, whether held in joint tenancy or tenancy in common or similar arrangement, and the individual's ownership or control of the asset is reduced or eliminated ~~shall be~~ is considered a transfer.
- (L) When a transfer of assets by the spouse of an individual results in a period of ineligibility and the spouse who made such transfer subsequently becomes institutionalized, the period of ineligibility will be apportioned between the two institutionalized spouses.
- (4) **Transfer of assets on or after February 8, 2006.** An institutionalized individual, an institutionalized individual's spouse, the guardian or legal representative of the individual or individual's spouse who disposes of assets on or after February 8, 2006 for less than fair market value on or after the look-back date specified in (A) of this paragraph subjects the individual to a penalty period for the disposal of such assets.
- (A) For an institutionalized individual, the look-back date is 60 months before the first day the individual is both institutionalized and has applied for SoonerCare. However, individuals that have purchased an Oklahoma Long-Term Care Partnership Program approved policy may be completely or partially exempted from this Section depending on the monetary extent of the insurance benefits paid.
- (B) For purposes of this paragraph, an "institutionalized" individual is one who is receiving ADvantage program services.
- (C) The penalty period will begin with the later of:
- (i) the first day of a month during which assets have been transferred for less than fair market value; or
 - (ii) the date on which the individual is:
 - (I) eligible for medical assistance; ~~or~~ **and**
 - (II) receiving institutional level of care services that, were it not for the imposition of the penalty period, would be covered by SoonerCare.
- (D) The penalty period:
- (i) cannot begin until the expiration of any existing period of ineligibility;
 - (ii) will not be interrupted or temporarily suspended once it is imposed;
 - (iii) when there have been multiple transfers, all transferred assets are added together to determine the penalty.
- (E) The penalty period consists of a period of ineligibility determined by dividing the total uncompensated value of the asset by the average monthly cost to a private patient in a nursing facility in Oklahoma shown on OKDHS Appendix C-1. In this calculation, the penalty must include a partial month disqualification based upon the relationship between that fractional amount and the average monthly cost to a private patient in a nursing facility in Oklahoma. There is no limit to the length of the penalty period for these transfers. Uncompensated value is defined as the difference between the fair market value at the time of transfer less encumbrances and the amount received for the resource.
- (F) Assets are defined as all income and resources of the individual and the individual's spouse, including any income or resources which the individual or such individual's spouse is entitled to but does not receive because of action:
- (i) by the individual or such individual's spouse;
 - (ii) by a person, including a court or administrative body, with legal authority to act in place of or on behalf of the individual or such individual's spouse; or
 - (iii) by any person, including any court or administrative body acting at the direction or upon the request of the individual or such individual's spouse.
- (G) Special Situations.
- (i) Separate Maintenance or Divorce.
 - (I) There shall be presumed to be a transfer of assets if an applicant or member receives less than half of the couple's resources pursuant to a Decree of Separate Maintenance or a Decree of Divorce.
 - (II) There shall be presumed to be a transfer of assets if the income is reduced to an amount lower than the individual's own income plus half of the joint income. The transfer penalty shall be calculated monthly.
 - (III) Assets which were exempt lose the exempt character when not retained by the applicant or member in the divorce or separate maintenance. These assets, if received by the other spouse, are counted when determining the penalty.

- (IV) The applicant or member may rebut the presumption of transfer by showing compelling evidence that the uneven division of income or resources was the result of factors unrelated to SoonerCare eligibility.
- (ii) Inheritance from a spouse.
- (I) Oklahoma law provides that a surviving spouse is entitled to a minimum portion of a deceased spouse's probate estate. The amount depends on several factors.
- (II) It is considered a transfer if the deceased spouse's will places all, or some, of the statutory share the applicant or member is entitled to receive in a trust which the applicant or member does not have unfettered access to or leaves less than the statutory amount to the applicant or member, who does not then elect to receive the statutory share in probate proceedings.
- (H) A penalty would not apply if:
- (i) the title to the individual's home was transferred to:
- (I) the spouse; or
- (II) the individual's child who is under age 21 or is blind or totally disabled as determined by Social Security; or
- (III) a sibling who has equity interest in the home and resided in the home for at least one year immediately prior to the institutionalization of the individual; or
- (IV) the individual's son or daughter who resided in the home and provided care for at least two years immediately prior to the individual's institutionalization.
- (ii) the individual can show satisfactorily that the intent was to dispose of assets at fair market value or that the transfer was exclusively for a purpose other than eligibility. It is presumed that any transfer of assets made for less than fair market value was made in order to qualify the individual for SoonerCare. In order to rebut this presumption, the individual must present compelling evidence that a transfer was made for reasons other than to qualify for SoonerCare. It is not sufficient for an individual to claim that assets were transferred solely for the purposes of allowing another to have them with ostensibly no thought of SoonerCare if the individual qualifies for SoonerCare as a result of the transfer.
- (iii) the transfer was to the community spouse or to another person for the sole benefit of the community spouse in an amount equal to the community spouse's asset allowance. "Sole benefit" means that the amount transferred will be used for the benefit of the community spouse during his or her expected life.
- (iv) the asset was transferred to the individual's child who is blind or totally disabled as determined by Social Security. The transfer may be to a trust established for the benefit of the individual's child.
- (v) the asset was transferred to or from the spouse (either community or institutionalized) or to another person for the sole benefit of the spouse if the assets are not subsequently transferred to still another person for less than fair market value. "Sole benefit" means that the amount transferred will be used for the benefit of the spouse (either community or institutionalized) during his or her expected life.
- (vi) the asset is transferred to a trust established solely for the benefit of a disabled individual under the age of 65.
- (vii) the denial would result in undue hardship. Undue hardship exists when application of a transfer of assets penalty would deprive the individual of medical care such that the individual's health or life would be endangered; or of food, clothing, shelter, or other necessities of life.
- (I) An undue hardship does not exist if the individual willingly transferred assets for the purpose of qualifying for SoonerCare services through the use of the undue hardship exemption.
- (II) Such determination should be referred to OKDHS State Office for a decision.
- (III) If the undue hardship exists because the applicant was exploited, legal action must be pursued to return the transferred assets to the applicant before a hardship waiver will be granted. Pursuing legal action means an APS referral has been made to the district attorney's office or a lawsuit has been filed and is being pursued against the perpetrator.
- (I) The individual is advised by a written notice of a period of ineligibility due to transfer of assets, a timely process for determining whether an undue hardship waiver will be granted and a process for an adverse determination appeal. The notice explains the period of ineligibility for payment of ADvantage program services and the continuance of eligibility for other SoonerCare services.
- (J) The penalty period can be ended by either all assets being restored or commensurate return being made to the individual.
- (K) Once the restoration or commensurate return is made, eligibility is redetermined considering the value of the restored asset or the amount of commensurate return.
- (L) The restoration or commensurate return will not entitle the member to benefits for the period of time that the asset remained transferred. An applicant cannot be certified for ADvantage program services for a period of asset ineligibility.
- (M) Assets which are held by an individual with another person or persons, whether held in joint tenancy or tenancy in common or similar arrangement,

Emergency Adoptions

and the individual's ownership or control of the asset is reduced or eliminated ~~shall be~~ is considered a transfer. The exception to this rule is if ownership of a joint account is divided according to the amount contributed by each owner.

(i) Documentation must be provided to show each co-owner's contribution;

(ii) The funds contributed by the applicant or SoonerCare member end up in an account owned solely by the applicant or member.

(N) When a transfer of assets by the spouse of an individual results in a period of ineligibility and the spouse who made such transfer subsequently becomes institutionalized, the period of ineligibility will be apportioned between the two institutionalized spouses.

(5) **Commensurate return.** Commensurate return for purposes of this Section is defined as actual money payment or documentation of money spent on the member's behalf; i.e., property taxes, medical debts, nursing care expenses, etc., corresponding to the market value of the transferred property. The definition does not include personal services, labor or provision of rent-free shelter. It also does not include a monetary value assigned and projected for future payment either by cash or provision of services. Any transfer of property within the five years prior to application or during receipt of assistance must be analyzed in regard to commensurate return as well as determination of intent.

SUBCHAPTER 19. NURSING FACILITY SERVICES

317:35-19-4. Medicaid recovery

(a) **General overview.** The Omnibus Budget Reconciliation Act of 1993 mandates the state to seek recovery against the estate of certain Title XIX members who received medical care on or after July 1, 1994, and who were 55 years of age or older when the care was received. The payment of Title XIX by the Oklahoma Health Care Authority (OHCA) on behalf of a member who is an inpatient of a nursing facility, intermediate care facility for the mentally retarded or other medical institution creates a debt to the ~~Authority~~ OHCA subject to recovery by legal action either in the form of a lien filed against the real property of the member and/or a claim made against the estate of the member. Only Title XIX received on or after July 1, 1994, will be subject to provisions of this part. Recovery for payments made under Title XIX for nursing care is limited by several factors, including the family composition at the time the lien is imposed and/or at the time of the member's death and by the creation of undue hardship at the time the lien is imposed or the claim is made against the estate. [See OAC 317:35-5-41(e)(6)(H) 317:35-5-41.8(a)(3)(H) for consideration of home property as a countable resource.] State Supplemental Payments are not considered when determining the countable income. The types of medical care for which recovery can be sought include:

- (1) nursing facility services,
- (2) home and community based services,
- (3) related hospital services,
- (4) prescription drug services,
- (5) physician services, and
- (6) transportation services.

(b) **Recovery through lien.** The Oklahoma Health Care Authority (OHCA) may file and enforce a lien, after notice and opportunity for a hearing, (OKDHS will conduct hearings) against the real property of a member who is an inpatient in a nursing facility, ICF/MR or other medical institution in certain instances.

(1) **Exceptions to filing a lien.**

(A) A lien may not be filed on the home property if the member's family includes:

(~~A~~i) a surviving spouse residing in the home, ~~or~~

~~i~~ (~~B~~ii) a child or children age 20 or less lawfully residing in the home, ~~or~~;

(~~C~~iii) a disabled child or children of any age lawfully residing in the home; ~~or~~

(~~D~~iv) a brother or sister of the member who has an equity interest in the home and has been residing in the home for at least one year immediately prior to the member's admission to the nursing facility and who has continued to live there on a continuous basis since that time.

(B) If an individual covered under an Oklahoma Long-Term Care Partnership Program approved policy received benefits for which assets or resources were disregarded as provided for in OAC 317:35-5-41.9, the Oklahoma Health Care Authority will not seek recovery from the individual for the amount of assets or resources disregarded.

(2) **Reasonable expectation to return home.** A lien may be filed only after it has been determined, after notice and opportunity for a hearing, that the member cannot reasonably be expected to be discharged and return to the home. To return home means the member leaves the nursing facility and resides in the home on which the lien has been placed for a period of at least 90 days without being re-admitted as an inpatient to a facility providing nursing care. Hospitalizations of short duration that do not include convalescent care are not counted in the 90 day period. Upon certification for Title XIX for nursing care, OKDHS provides written notice to the member that a one-year period of inpatient care ~~shall constitute~~ constitutes a determination by the OKDHS that there is no reasonable expectation that the member will be discharged and return home for a period of at least three months. The member or the member's representative is asked to declare intent to return home by signing the OKDHS Form 08MA024E, Acknowledgment of Intent to Return Home/Medicaid Recovery Program form. Intent is defined here as a clear statement of plans in addition to other evidence and/or corroborative statements of others. Should the intent be to return home, the member must be informed that a one-year period of care at a nursing facility or facilities constitutes

a determination that the member cannot reasonably be expected to be discharged and return home. When this determination has been made, the member receives a notice and opportunity for hearing. This notification occurs prior to filing of a lien. At the end of the 12-month period, a lien may be filed against the member's real property unless medical evidence is provided to support the feasibility of his/her returning to the home within a reasonable period of time (90 days). This 90-day period is allowed only if sufficient medical evidence is presented with an actual date for the return to the home.

(3) **Undue hardship waiver.** When enforcing a lien or a recovery from an estate [see (C) of this Section] would create an undue hardship, a waiver may be granted. Undue hardship exists when enforcing the lien would deprive the individual of medical care such that the individual's health or life would be endangered. Undue hardship exists when application of the rule would deprive the individual or family members who are financially dependent on him/her for food, clothing, shelter, or other necessities of life. Undue hardship does not exist, however, where the individual or his/her family is merely inconvenienced or where their ~~life-style~~ lifestyle is restricted because of the lien or estate recovery being enforced. Decisions on undue hardship waivers are made at OKDHS State Office, Family Support Services Division, Health Related and Medical Services Section. Upon applying for an undue hardship waiver, an individual will receive written notice, in a timely process, whether an undue hardship waiver will be granted. If an undue hardship waiver is not granted, the individual will receive written notice of the process under which an adverse determination can be appealed. The OHCA Legal Division staff will receive notification on all undue hardship waiver decisions.

(4) **Filing the lien.** After it has been determined that the member cannot reasonably be expected to be discharged from the nursing facility and return home and the member has been given notice of the intent to file a lien against the real property and an opportunity for a hearing on the matter, a lien is filed by the Oklahoma Health Care Authority, Third Party Liability Unit, for record against the legal description of the real property in the office of the county clerk of the county in which the property is located. A copy of the lien is sent by OHCA to the member or his/her representative ~~by certified mail~~. The lien must contain the following information:

- (A) the name and mailing address of the member, member's spouse, legal guardian, authorized representative, or individual acting on behalf of the member,
- (B) the amount of Title XIX paid at the time of the filing of the lien and a statement that the lien amount will continue to increase by any amounts paid thereafter for XIX on the member's behalf,
- (C) the date the member began receiving compensated inpatient care at a nursing facility or nursing facilities, intermediate care facility for the mentally retarded or other medical institution,

- (D) the legal description of the real property against which the lien will be recorded, and
- (E) the address of the Oklahoma Health Care Authority.

(5) **Enforcing the lien.** The lien filed by the OHCA for Title XIX correctly received may be enforced before or after the death of the member. But it may be enforced only:

- (A) after the death of the surviving spouse of the member or until such time as the surviving spouse abandons the homestead to reside elsewhere;
- (B) when there is no child of the member, natural or adopted, who is 20 years of age or less residing in the home;
- (C) when there is no adult child of the member, natural or adopted, who is blind or disabled as defined in, OAC 317:35-1-2 residing in the home;
- (D) when no brother or sister of the member is lawfully residing in the home, who has resided there for at least one year immediately before the date of the member's admission to the nursing facility, and has resided there on a continuous basis since that time; and
- (E) when no son or daughter of the member is lawfully residing in the home who has resided there for at least two years immediately before the date of the member's admission to the nursing facility, and establishes to the satisfaction of the OKDHS that he or she provided care to the member which permitted the member to reside at home rather than in an institution and has resided there on continuous basis since that time.

(6) **Dissolving the lien.** The lien remains on the property even after transfer of title by conveyance, sale, succession, inheritance or will unless one of the following events occur:

- (A) The lien is satisfied. The member or member's representative may discharge the lien at any time by paying the amount of lien to the OHCA. Should the payment of the debt secured by the lien be made to the county office, the payment is forwarded to OHCA/Third Party Liability, so that the lien can be released within 50 days. After that time, the member or the member's representative may request in writing that it be done. This request must describe the lien and the property with reasonable certainty. By statute, a fine may be levied against the lien holder if it is not released in a timely manner.
- (B) The member leaves the nursing facility and resides in a property to which the lien is attached, for a period of more than 90 days without being re-admitted to a facility providing nursing care, even though there may have been no reasonable expectation that this would occur. If the member is re-admitted to a nursing facility during this period, and does return to his/her home after being released, another 90 days must be completed before the lien can be dissolved.

(7) **Capital resources.** Rules on the determination of capital resources for individuals related to the

Emergency Adoptions

aged, blind, or disabled (See OAC 317:35-5-41 through 317:35-5-41.7) apply to the proceeds received for the property in excess of the amount of the lien after the lien is satisfied.

(c) **Recovery From Estates from estates.**

(1) If the member was age 55 or older when the nursing care was received, adjustment or recovery may be made only after the death of the individual's spouse, if any, and at a time when there are no surviving children age 20 or less and no surviving disabled children of any age living in the home. Oklahoma Statutes contain stringent time frames concerning when and how claims against an estate in probate are filed and paid. Therefore, timely updating of computer input forms indicating the death of the member is crucial to insure the OHCA's ability to file timely against the estate.

(2) The estate consists of all real and personal property and other assets included in member's estate as defined by Title 58 of the Oklahoma Statutes. Although county staff ordinarily will not be responsible for inventorying or assessing the estate, assets and property that are not considered in determining eligibility should be documented in the case record.

(3) After updating of computer input form indicating member's death, a computer generated report is sent to OHCA/Third Party Liability (TPL). This report will serve as notification to OHCA/TPL to initiate estate recovery.

(4) Undue hardship waivers may be granted for estate recovery as provided in (b)(3) of the Section.

(5) If an individual covered under an Oklahoma Long-Term Care Partnership Program approved policy received benefits for which assets or resources were disregarded as provided for in OAC 317:35-5-41.9, the Oklahoma Health Care Authority will not seek recovery from the individual's estate for the amount of assets or resources disregarded.

317:35-19-20. Determining financial eligibility of categorically needy individuals

Financial eligibility for NF medical care is determined as follows:

(1) **Financial eligibility/categorically related to AFDC.**

(A) In determining income for the individual related to AFDC, all family income is considered. The "family", for purposes of determining need, includes the following persons if living together (or if living apart but there has been no break in the family relationship):

- (i) spouse; and
- (ii) parent(s) and minor children of their own.
 - (I) For adults, to be categorically needy, the net income must be less than the categorically needy standard as shown on the OKDHS Appendix C-1, Schedule X.
 - (II) For individuals under 19, to be categorically needy, the net income must be equal to or less than the categorically needy standard as

shown on the OKDHS Appendix C-1, Schedule I. A.

(B) Individuals related to AFDC but not receiving a money payment are not entitled to one-half income disregard following the earned income deduction.

(2) **Financial eligibility/categorically related to ABD.** In determining income and resources for the individual related to ABD, the "family" includes the individual and spouse, if any. If an individual and spouse cease to live together for reasons other than institutionalization, income and resources are considered available to each other through the month in which they are separated. Mutual consideration ceases with the month after the month in which the separation occurs. Any amounts which are actually contributed to the spouse after the mutual consideration has ended are considered. If the individual and spouse cease to live together because of the individual entering a nursing facility, see paragraph (3) of OAC 317:35-19-21 to determine financial eligibility.

(A) The categorically needy standard on OKDHS Appendix C-1, Schedule VI., is applicable for individuals related to ABD. If the individual is in an NF and has received services for 30 days or longer, the categorically needy standard in OKDHS Appendix C-1, Schedule VIII. B.1., is used. If the individual leaves the facility prior to the 30 days, or does not require services past the 30 days, the categorically needy standard in OKDHS Appendix C-1, Schedule VI., is used. The rules on determination of income and resources are applicable only when an individual has entered a NF and is likely to remain under care for 30 consecutive days. The 30-day requirement is considered to have been met even if it is interrupted by a hospital stay or the individual is deceased before the 30-day period ends.

(B) An individual who is a patient in an extended care facility may have SSI continued for a three month period if he/she meets conditions described in Subchapter 5 of this Chapter. The continuation of the payments is intended for use of the member and does not affect the vendor payment. If the institutional stay exceeds the three month period, SSI will make the appropriate change.

(3) **Transfer of capital resources on or before August 10, 1993.** Individuals who have transferred capital resources on or before August 10, 1993 and applying for or receiving NF, ICF/MR, or receiving HCBW/MR services are subject to penalty if the individual, the individual's spouse, the guardian, or legal representative of the individual or individual's spouse, disposes of resources for less than fair market value during the 30 months immediately prior to eligibility for SoonerCare if the individual is eligible at institutionalization. If the individual is not eligible for SoonerCare at institutionalization, the individual is subject to penalty if a resource was transferred during the 30 months immediately prior to the date of application for SoonerCare. Any subsequent transfer is also subject to this policy. When there have been multiple transfers of

resources without commensurate return, all transferred resources are added together to determine the penalty period. The penalty consists of a period of ineligibility (whole number of months) determined by dividing the total uncompensated value of the resource by the average monthly cost (\$2,000) to a private patient in a nursing facility in Oklahoma. The penalty period begins with the month the resource or resources were first transferred and cannot exceed 30 months. Uncompensated value is defined as the difference between the equity value and the amount received for the resource.

- (A) However, the penalty would not apply if:
- (i) The transfer was prior to July 1, 1988.
 - (ii) The title to the individual's home was transferred to:
 - (I) the spouse;
 - (II) the individual's child under age 21 or who is blind or totally disabled;
 - (III) a sibling who has equity interest in the home and resided in the home for at least one year prior to the individual's admission to the nursing facility; or
 - (IV) the individual's son or daughter who resided in the home and provided care for at least two years prior to the individual's admission to the nursing facility.
 - (iii) The individual can show satisfactorily that the intent was to dispose of resources at fair market value or that the transfer was for a purpose other than eligibility.
 - (iv) The transfer was to the community spouse or to another person for the sole benefit of the community spouse in an amount equal to the community spouse's resource allowance.
 - (v) The resource was transferred to the individual's minor child who is blind or totally disabled.
 - (vi) The resource was transferred to the spouse (either community or institutionalized) or to another person for the sole benefit of the spouse if the resources are not subsequently transferred to still another person for less than fair market value.
 - (vii) The denial would result in undue hardship. Such determination should be referred to OKDHS State Office for a decision.
- (B) The individual is advised by a written notice of a period of ineligibility due to transfer of assets. The notice explains the period of ineligibility for payment of NF and the continuance of eligibility for other SoonerCare services.
- (C) The penalty period can be ended by either the resource being restored or commensurate return being made to the individual.
- (D) Once the restoration or commensurate return is made, eligibility is redetermined considering the value of the restored resource or the amount of commensurate return.
- (E) The restoration or commensurate return will not entitle the member to benefits for the period

of time that the resource remained transferred. An applicant cannot be certified for NF, ICF/MR, ~~HCBS/MR~~ HCBW/MR, or ADvantage waiver services for a period of resource ineligibility.

- (4) **Transfer of assets on or after August 11, 1993 but before February 8, 2006.** An institutionalized individual, an institutionalized individual's spouse, the guardian or legal representative of the individual or individual's spouse who disposes of assets on or after August 11, 1993 but before February 8, 2006 for less than fair market value on or after the look-back date specified in (A) of this paragraph subjects the individual to a penalty period for the disposal of such assets.

(A) For an institutionalized individual, the look-back date is 36 months before the first day the individual is both institutionalized and has applied for medical assistance. However, in the case of payments from a trust or portions of a trust that are treated as transfers of assets, the look back date is 60 months.

(B) For purposes of this paragraph, an "institutionalized" individual is one who is residing in an NF.

(C) The penalty period begins the first day of the first month during which assets have been transferred and which does not occur in any other period of ineligibility due to an asset transfer. When there have been multiple transfers, all transferred assets are added together to determine the penalty.

(D) The penalty period consists of a period of ineligibility (whole number of months) determined by dividing the total uncompensated value of the asset by the average monthly cost (\$2,000) to a private patient in a nursing facility in Oklahoma. In this calculation, any partial month is dropped. There is no limit to the length of the penalty period for these transfers. Uncompensated value is defined as the difference between the fair market value at the time of transfer less encumbrances and the amount received for the resource.

(E) Assets are defined as all income and resources of the individual and the individual's spouse, including any income or resources which the individual or such individual's spouse is entitled to but does not receive because of action:

- (i) by the individual or such individual's spouse;
- (ii) by a person, including a court or administrative body, with legal authority to act in place of or on behalf of the individual or such individual's spouse; or
- (iii) by any person, including any court or administrative body acting at the direction or upon the request of the individual or such individual's spouse.

(F) A penalty would not apply if:

- (i) the title to the individual's home was transferred to:
 - (I) the spouse;

Emergency Adoptions

- (II) the individual's child under age 21 or who is blind or totally disabled as determined by Social Security;
 - (III) a sibling who has equity interest in the home and resided in the home for at least one year immediately prior to the institutionalization of the individual; or
 - (IV) the individual's son or daughter who resided in the home and provided care for at least two years immediately prior to the individual's institutionalization.
- (ii) the individual can show satisfactorily that the intent was to dispose of assets at fair market value or that the transfer was exclusively for a purpose other than eligibility. It is presumed that any transfer of assets made for less than fair market value was made in order to qualify the individual for SoonerCare. In order to rebut this presumption, the individual must present compelling evidence that a transfer was made for reasons other than to qualify for SoonerCare. It is not sufficient for an individual to claim that assets were transferred solely for the purposes of allowing another to have them with ostensibly no thought of SoonerCare if the individual qualifies for SoonerCare as a result of the transfer.
- (iii) the transfer was to the community spouse or to another person for the sole benefit of the community spouse in an amount equal to the community spouse's asset allowance.
- (iv) the asset was transferred to the individual's child who is blind or totally disabled as determined by Social Security. The transfer may be to a trust established for the benefit of the individual's child.
- (v) the asset was transferred to or from the spouse (either community or institutionalized) or to another person for the sole benefit of the spouse if the assets are not subsequently transferred to still another person for less than fair market value.
- (vi) the asset is transferred to a trust established solely for the benefit of a disabled individual under the age of 65.
- (vii) the denial would result in undue hardship. Such determination should be referred to OKDHS State Office for a decision.
- (G) The individual is advised by a written notice of a period of ineligibility due to transfer of assets. The notice explains the period of ineligibility for payment of NF and the continuance of eligibility for other SoonerCare services.
- (H) The penalty period can be ended by either all assets being restored or commensurate return being made to the individual.
- (I) Once the restoration or commensurate return is made, eligibility is redetermined considering the value of the restored asset or the amount of commensurate return.
- (J) The restoration or commensurate return will not entitle the member to benefits for the period of time that the asset remained transferred. An applicant cannot be certified for nursing care services for a period of asset ineligibility.
- (K) Assets which are held by an individual with another person or persons, whether held in joint tenancy or tenancy in common or similar arrangement, and the individual's ownership or control of the asset is reduced or eliminated ~~shall be~~ is considered a transfer.
- (L) When a transfer of assets by the spouse of an individual results in a period of ineligibility and the spouse who made such transfer subsequently becomes institutionalized, the period of ineligibility will be apportioned between the two institutionalized spouses.
- (5) **Transfer of assets on or after February 8, 2006.** An institutionalized individual, an institutionalized individual's spouse, the guardian or legal representative of the individual or individual's spouse who disposes of assets on or after February 8, 2006 for less than fair market value on or after the look-back date specified in (A) of this paragraph subjects the individual to a penalty period for the disposal of such assets.
- (A) For an institutionalized individual, the look-back date is 60 months before the first day the individual is both institutionalized and has applied for medical assistance. However, individuals that have purchased an Oklahoma Long-Term Care Partnership Program approved policy may be completely or partially exempted from this Section depending on the monetary extent of the insurance benefits paid.
- (B) For purposes of this paragraph, an "institutionalized" individual is one who is residing in an NF.
- (C) The penalty period will begin with the later of:
- (i) the first day of a month during which assets have been transferred for less than fair market value; or
 - (ii) the date on which the individual is:
 - (I) eligible for medical assistance; ~~or~~ and
 - (II) receiving institutional level of care services that, were it not for the imposition of the penalty period, would be covered by SoonerCare.
- (D) The penalty period:
- (i) cannot begin until the expiration of any existing period of ineligibility;
 - (ii) will not be interrupted or temporarily suspended once it is imposed;
 - (iii) When there have been multiple transfers, all transferred assets are added together to determine the penalty.
- (E) The penalty period consists of a period of ineligibility determined by dividing the total uncompensated value of the asset by the average cost to a private patient in a nursing facility in Oklahoma shown on OKDHS Appendix C-1. In this calculation,

the penalty must include a partial month disqualification based upon the relationship between that fractional amount and the average cost to a private patient in a nursing facility in Oklahoma. There is no limit to the length of the penalty period for these transfers. Uncompensated value is defined as the difference between the fair market value at the time of transfer less encumbrances and the amount received for the resource.

(F) Assets are defined as all income and resources of the individual and the individual's spouse, including any income or resources which the individual or such individual's spouse is entitled to but does not receive because of action:

- (i) by the individual or such individual's spouse;
- (ii) by a person, including a court or administrative body, with legal authority to act in place of or on behalf of the individual or such individual's spouse; or
- (iii) by any person, including any court or administrative body acting at the direction or upon the request of the individual or such individual's spouse.

(G) Special Situations.

(i) Separate Maintenance or Divorce.

(I) There shall be presumed to be a transfer of assets if an applicant or member receives less than half of the couple's resources pursuant to a Decree of Separate Maintenance or a Decree of Divorce.

(II) There shall be presumed to be a transfer of assets if the income is reduced to an amount lower than the individual's own income plus half of the joint income. The transfer penalty shall be calculated monthly.

(III) Assets which were exempt lose the exempt character when not retained by the applicant or member in the divorce or separate maintenance. These assets, if received by the other spouse, are counted when determining the penalty.

(IV) The applicant or member may rebut the presumption of transfer by showing compelling evidence that the uneven division of income or resources was the result of factors unrelated to SoonerCare eligibility.

(ii) Inheritance from a spouse.

(I) Oklahoma law provides that a surviving spouse is entitled to a minimum portion of a deceased spouse's probate estate. The amount depends on several factors.

(II) It is considered a transfer if the deceased spouse's will places all, or some, of the statutory share the applicant or member is entitled to receive in a trust which the applicant or member does not have unfettered access to

or leaves less than the statutory amount to the applicant or member, who does not then elect to receive the statutory share in probate proceedings.

(H) A penalty would not apply if:

(i) the title to the individual's home was transferred to:

(I) the spouse;

(II) the individual's child under age 21 or who is blind or totally disabled as determined by Social Security;

(III) a sibling who has equity interest in the home and resided in the home for at least one year immediately prior to the institutionalization of the individual; or

(IV) the individual's son or daughter who resided in the home and provided care for at least two years immediately prior to the individual's institutionalization.

(ii) the individual can show satisfactorily that the intent was to dispose of assets at fair market value or that the transfer was exclusively for a purpose other than eligibility. It is presumed that any transfer of assets made for less than fair market value was made in order to qualify the individual for SoonerCare. In order to rebut this presumption, the individual must present compelling evidence that a transfer was made for reasons other than to qualify for SoonerCare. It is not sufficient for an individual to claim that assets were transferred solely for the purposes of allowing another to have them with ostensibly no thought of SoonerCare if the individual qualifies for SoonerCare as a result of the transfer.

(iii) the transfer was to the community spouse or to another person for the sole benefit of the community spouse in an amount equal to the community spouse's asset allowance. "Sole benefit" means that the amount transferred will be used for the benefit of the community spouse during his or her expected life.

(iv) the asset was transferred to the individual's child who is blind or totally disabled as determined by Social Security. The transfer may be to a trust established for the benefit of the individual's child.

(v) the asset was transferred to or from the spouse (either community or institutionalized) or to another person for the sole benefit of the spouse if the assets are not subsequently transferred to still another person for less than fair market value. "Sole benefit" means that the amount transferred will be used for the benefit of the spouse (either community or institutionalized) during his or her expected life.

(vi) the asset is transferred to a trust established solely for the benefit of a disabled individual under the age of 65.

(vii) the denial would result in undue hardship. Undue hardship exists when application of a transfer of assets penalty would deprive the individual of medical care such that the individual's health or life would be endangered; or of food, clothing, shelter, or other necessities of life.

(I) An undue hardship does not exist if the individual willingly transferred assets for the purpose of qualifying for SoonerCare services through the use of the undue hardship exemption.

(II) Such determination should be referred to OKDHS State Office for a decision.

(III) If the undue hardship exists because the applicant was exploited, legal action must be pursued to return the transferred assets to the applicant before a hardship waiver will be granted. Pursuing legal action means an APS referral has been made to the district attorney's office or a lawsuit has been filed and is being pursued against the perpetrator.

(I) The individual is advised by a written notice of a period of ineligibility due to transfer of assets, a timely process for determining whether an undue hardship waiver will be granted and a process for an adverse determination appeal. The notice explains the period of ineligibility for payment of NF and the continuance of eligibility for other SoonerCare services.

(J) The penalty period can be ended by either all assets being restored or commensurate return being made to the individual.

(K) Once the restoration or commensurate return is made, eligibility is redetermined considering the value of the restored asset or the amount of commensurate return.

(L) The restoration or commensurate return will not entitle the member to benefits for the period of time that the asset remained transferred. An applicant cannot be certified for nursing care services for a period of asset ineligibility.

(M) Assets which are held by an individual with another person or persons, whether held in joint tenancy or tenancy in common or similar arrangement, and the individual's ownership or control of the asset is reduced or eliminated ~~shall be~~ is considered a transfer. The exception to this rule is if ownership of a joint account is divided according to the amount contributed by each owner.

(i) Documentation must be provided to show each co-owner's contribution;

(ii) The funds contributed by the applicant or SoonerCare member end up in an account owned solely by the applicant or member.

(N) When a transfer of assets by the spouse of an individual results in a period of ineligibility and the spouse who made such transfer subsequently becomes institutionalized, the period of ineligibility

will be apportioned between the two institutionalized spouses.

(6) **Commensurate return.** Commensurate return for purposes of this Section is defined as actual money payment or documentation of money spent on the member's behalf; i.e., property taxes, medical debts, nursing care expenses, etc., corresponding to the market value of the transferred property. The definition does not include personal services, labor or provision of rent-free shelter. It also does not include a monetary value assigned and projected for future payment either by cash or provision of services. Any transfer of property within the five years prior to application or during receipt of assistance must be analyzed in regard to commensurate return as well as determination of intent.

[OAR Docket #08-220; filed 2-8-08]

TITLE 317. OKLAHOMA HEALTH CARE AUTHORITY CHAPTER 35. MEDICAL ASSISTANCE FOR ADULTS AND CHILDREN-ELIGIBILITY

[OAR Docket #08-216]

RULEMAKING ACTION:

EMERGENCY adoption

RULES:

Subchapter 5. Eligibility and Countable Income
Part 5. Countable Income and Resources
317:35-5-42. [AMENDED]
(Reference APA WF # 07-55)

AUTHORITY:

The Oklahoma Health Care Authority Board; The Oklahoma Health Care Authority Act, Section 5003 through 5016 of Title 63 of Oklahoma Statutes; 42 CFR 435.733

DATES:

Adoption:

December 13, 2007

Approved by Governor:

January 18, 2008

Effective:

Immediately upon Governor's approval or February 1, 2008, whichever is later

Expiration:

Effective through July 14, 2008, unless superseded by another rule or disapproved by the Legislature.

SUPERSEDED EMERGENCY ACTIONS:

Superseded rules:

Subchapter 5. Eligibility and Countable Income
Part 5. Countable Income and Resources
317:35-5-42. [AMENDED]
(Reference APA WF # 07-57)

Register publication:

25 Ok Reg 674

Docket number:

08-220

Gubernatorial approval:

December 18, 2007

INCORPORATIONS BY REFERENCE:

N/A

FINDING OF EMERGENCY:

The Agency finds that a compelling public interest exists which necessitates promulgation of emergency rules and requests emergency approval of rule revisions to comply with federal regulations regarding the post-eligibility treatment of specific payments made by the Department of Veterans Affairs.

ANALYSIS:

SoonerCare eligibility rules for adults are revised to exempt the \$90 Veterans Affairs (VA) pension received by certain SoonerCare members who are residing in a nursing facility. Under Section 8003 of Public Law 1001-508, VA may reduce the pension of a veteran or their surviving spouse if the veteran does not have dependents, lives in a SoonerCare approved facility, and is a SoonerCare member. Current SoonerCare rules state that the \$90 pension is allowed as the individual's monthly maintenance standard; the standard for most SoonerCare nursing facility members is \$50 per month. OHCA has recently received clarification from CMS that the \$90 VA pension is to be excluded when determining the member's share of the nursing facility vendor payment; therefore, the member will be entitled to the \$90 reduced VA pension as well as the \$50 nursing facility maintenance standard. Rule revisions are needed to comply with federal regulations. Other revisions are incorporated due to superseding emergency rules previously approved by the Governor in APA WF 07-57.

CONTACT PERSON:

Joanne Terlizzi at (405)522-7272

PURSUANT TO THE ACTIONS DESCRIBED HEREIN, THE FOLLOWING EMERGENCY RULES ARE CONSIDERED PROMULGATED UPON APPROVAL BY THE GOVERNOR AS SET FORTH IN 75 O.S., SECTION 253(D), AND EFFECTIVE UPON APPROVAL BY GOVERNOR OR FEBRUARY 1, 2008, WHICHEVER IS LATER:

SUBCHAPTER 5. ELIGIBILITY AND COUNTABLE INCOME

PART 5. COUNTABLE INCOME AND RESOURCES

317:35-5-42. Determination of countable income for individuals categorically related to aged, blind and disabled

(a) **General.** The term income is defined as that gross gain or gross recurrent benefit which is derived from labor, business, property, retirement and other benefits, and many other forms which can be counted on as currently available for use on a regular basis. When an individual's income is reduced due to recoupment of an overpayment or garnishment, the gross amount before the recoupment or garnishment is counted as income.

- (1) If it appears the applicant or ~~recipient~~ SoonerCare member is eligible for any type of income (excluding SSI) or resources, he/she must be notified in writing by the Agency of his/her potential eligibility. The notice must contain the information that failure to file for and take all appropriate steps to obtain such benefit within 30 days from the date of the notice will result in a determination of ineligibility.
- (2) If a husband and wife are living in their own home, the couple's total income and/or resource is divided equally between the two cases. If they both enter a nursing facility, their income and resources are considered separately.
- (3) If only one spouse in a couple is eligible and the couple ceases to live together, consider only the income

and resources of the ineligible spouse that are actually contributed to the eligible spouse beginning with the month after the month which they ceased to live together.

(4) In calculating monthly income, cents are included in the computation until the monthly amount of each individual's source of income has been established. When the monthly amount of each income source has been established, cents are rounded to the nearest dollar (14 - 49¢ is rounded down, and 50¢ - 99¢ is rounded up). For example, an individual's weekly earnings of \$99.90 are multiplied by 4.3 and the cents rounded to the nearest dollar (\$99.90 x 4.3 = \$429.57 rounds to \$430). See rounding procedures in OAC 340:65-3-4 when using BENDEX to verify OASDI benefits.

(b) **Income disregards.** In determining need, the following are not considered as income:

- (1) The coupon allotment under the Food Stamp Act of 1977;
- (2) Any payment received under Title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970;
- (3) Educational grants (excluding work study), scholarships, etc., that are contingent upon the student regularly attending school. The student's classification (graduate or undergraduate) is not a factor;
- (4) Loans (regardless of use) if a bona fide debt or obligation to pay can be established. Criteria to establish a loan as bona fide includes;

(A) ~~an~~ An acknowledgment of obligation to repay or evidence that the loan was from an individual or financial institution in the loan business. ~~If the loan was from person(s) not in the loan business, the borrower's acknowledgment of obligation to repay (with or without interest) and the lender's verification of the loan are required to indicate that the loan is bona fide.~~ If the loan agreement is not written, an OKDHS Form Adm 103, Loan Verification form, should be completed by the borrower attesting that the loan is bona fide and signed by the lender verifying the date and amount of loan. When copies of written agreements or OKDHS Loan Verification form Form Adm 103 are not available, detailed case documentation must include information that the loan is bona fide and how the debt amount and date of receipt was verified;

(B) If the loan was from a person(s) not in the loan business, the borrower's acknowledgment of obligation to repay (with or without interest) and the lender's verification of the loan are required to indicate that the loan is bona fide.

(C) Proceeds of a loan secured by an exempt asset are not an asset;

- (5) One-third of child support payments received on behalf of the disabled minor child;
- (6) Indian payments (including judgement funds or funds held in trust) distributed per capita by the Secretary of the Interior (BIA) or distributed per capita by the tribe subject to approval by the Secretary of the Interior. Also,

Emergency Adoptions

any interest or investment income accrued on such funds while held in trust or any purchases made with judgement funds, trust funds, interest or investment income accrued on such funds. Any income from mineral leases, from tribal business investments, etc., as long as the payments are made per capita. For purposes of this Subchapter, per capita is defined as each tribal member receiving an equal amount. However, any interest or income derived from the principal or produced by purchases made with funds after distribution is considered as any other income;

(7) Special allowance for school expenses made available upon petition (in writing) for funds held in trust for the student;

(8) Title III benefits from State and Community Programs on Aging;

(9) Payment for supportive services or reimbursement of out-of-pocket expenses made to individual volunteers serving as foster grandparents, senior health aides, or senior companions, and to persons serving in the Service Corps of Retired Executives (SCORE) and Active Corps of Executives (ACE);

(10) Payments to volunteers under the Domestic Volunteer Services Act of 1973 (VISTA), unless the gross amount of VISTA payments equals or exceeds the state or federal minimum wage, whichever is greater;

(11) The value of supplemental food assistance received under the Child Nutrition Act or the special food service program for children under the national School Lunch Act;

(12) Any portion of payments made under the Alaska Native Claims Settlement Act to an Alaska Native which are exempt from taxation under the Settlement Act;

(13) Reimbursements from an employer for out-of-pocket expenditures and allowances for travel or training to the extent the funds are used for expenses directly related to such travel or training and uniform allowance if the uniform is uniquely identified with company names or logo;

(14) Assistance or services from the Vocational Rehabilitation program such as transportation expenses to a rehabilitation center, extra clothing, lunches, grooming needed for a training program and any other such complementary payments;

(15) Experimental Housing Allowance Program (EHAP) payments made under Annual Contributions Contracts entered into prior to January 1, 1975, under Section 23 of the U.S. Housing Act of 1937, as amended;

(16) Payments made by a public or private non-profit child care agency for a child placed in foster care or subsidized adoption;

(17) Governmental rental or housing subsidies by governmental agencies, e.g., HUD (received in-kind or in cash) for rent, mortgage payments or utilities;

(18) LIHEAP payments for energy assistance and payments for emergency situations under Emergency Assistance to Needy Families with Children;

(19) Payments made from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in the In Re Agent Orange product liability litigation, M.D.L. No. 381 (E.D.N.Y.);

(20) Payments made from the Radiation Exposure Compensation Trust Fund as compensation for injuries or deaths resulting from the exposure to radiation from nuclear testing and uranium mining;

(21) Federal major disaster and emergency assistance provided under the Disaster Relief Act of 1974, and comparable disaster assistance provided by States, local governments and disaster assistance organizations;

(22) Income of a sponsor to the sponsored eligible alien;

(23) The BIA frequently puts an individual's trust funds in an Individual Indian Money (IIM) account. To determine the availability of funds held in trust in an IIM account, the ~~social~~ worker must contact the BIA in writing and ascertain if the funds, in total or any portion, are available to the individual. If any portion of the funds is disbursed to the individual ~~client~~ member, guardian or conservator, such funds are considered as available income. If the BIA determines the funds are not available, they are not considered in determining eligibility. Funds held in trust by the BIA and not disbursed are considered unavailable.

(A) In some instances, BIA may determine the account is unavailable; however, they release a certain amount of funds each month to the individual. In this instance the monthly disbursement is considered as unearned income.

(B) When the BIA has stated the account is unavailable and the account does not have a monthly disbursement plan, but a review reveals a recent history of disbursements to the individual ~~client~~ member, guardian or conservator, these disbursements must be resolved with the BIA. These disbursements indicate all or a portion of the account may be available to the individual ~~client~~ member, guardian or conservator. When the county office is unable to resolve the situation with the BIA, the county submits a referral to the appropriate section in OKDHS Family Support Services Division (FSSD). The referral must include specific details of the situation, including the county's efforts to resolve the situation with the BIA. If FSSD cannot make a determination, a legal decision regarding availability will be obtained by FSSD, and then forwarded to the county office by FSSD. When a referral is sent to FSSD, the funds are considered as unavailable with a legal impediment until the county is notified otherwise.

(C) At each reapplication or redetermination, the ~~social~~ worker is to contact BIA to obtain information regarding any changes as to the availability of the funds and any information regarding modifications to the IIM account. Information regarding prior disbursements is also obtained at this time. All of this information is reviewed for the previous six or twelve-month period, or since the last contact if the

contact was within the last certification or redetermination period.

(D) When disbursements have been made, the worker determines whether such disbursements were made to the client member or to a third party vendor in payment for goods or services. Payments made directly from the BIA to vendors are not considered as income to the client member. Workers should obtain documentation to verify services rendered and payment made by BIA.

(E) Amounts disbursed directly to the clients members are counted as non-recurring lump sum payments in the month received. Some trusts generate income on a regular basis and the income is sent to the beneficiary. In those instances, the income is treated as unearned income in the month received;

(24) Income up to \$2,000 per year received by individual Indians, which are derived from leases or other uses of individually-owned trust or restricted lands;

(25) Income that is set aside under an approved Plan for Achieving Self-Support for Blind or Disabled People (PASS). The Social Security Administration approves the plan, the amount of income excluded and the period of time approved. A plan can be approved for an initial period of 18 months. The plan may be extended for an additional 18 months if needed, and an additional 12 months (total 48 months) when the objective involves a lengthy educational or training program;

(26) Payments made to individuals because of their status as victims of Nazi persecution (PL 103-286);

(27) Payments received under the Civil Liberties Act of 1988. These payments are to be made to individuals of Japanese ancestry who were detained in ~~internment intern-~~ ment camps during World War II; and

(28) Payments received as a result of participation in a class action lawsuit entitled "Factor VIII or IX Concentrate Blood Products Litigation". These payments are made to hemophilia patients who are infected with HIV. However, if the payments are placed in an interest-bearing account, or some other investment medium that produces income, the income generated by the account may be countable as income to the individual;

(29) Payments made to certain Vietnam veterans' children with spina bifida (PL 104-204);

(30) Payments made to certain Korea service veterans' children with spina bifida (PL 108-183); and

(31) Payments made to the children of women Vietnam veterans who suffer from certain birth defects (PL 106-419).

(c) **Determination of income.** The client member is responsible for reporting information regarding all sources of available income. This information is verified and used by the worker in determining eligibility.

(1) Gross income is listed for purposes of determining eligibility. It may be derived from many sources, and some items may be automatically disregarded by the computer when so provided by state or federal law.

(2) If a client member is determined to be categorically needy and is also an SSI recipient, any change in countable income, (see OAC 317:35-5-42(d)(3) to determine countable income) will not affect receipt of medical assistance and amount of State Supplemental Payment (SSP) as long as the amount does not cause SSI ineligibility. Income which will be considered by SSI in the retrospective cycle is documented in the case with computer update at the time that SSI makes the change (in order not to penalize the client member twice). If the SSI change is not timely, the worker updates the computer using the appropriate date as if it had been timely. If the receipt of the income causes SSI ineligibility, the income is considered immediately with proper action taken to reduce or close the medical assistance and SSP case. Any SSI overpayment caused by SSA not making timely changes will result in recovery by SSI in the future. When the worker becomes aware of income changes which will affect SSI eligibility or payment amount, the information is to be shared with the SSA office.

(3) Some of the more common income sources to be considered in determining eligibility are as follows:

(A) **Retirement and disability benefits.** These include but are not limited to OASDI, VA, Railroad Retirement, SSI, and unemployment benefits. Federal and State benefits are considered for the month they are intended when determining eligibility.

(i) Verifying and documenting the receipt of the benefit and the current benefit amount are achieved by:

- (I) seeing the client's member's award letter or warrant;
- (II) obtaining a signed statement from the individual who cashed the warrant; or
- (III) by using BENDEX and SDX.

(ii) Determination of OASDI benefits to be considered (disregarding COLA's) for former State Supplemental recipients who are reapplying for medical benefits under the Pickle Amendment must be computed according to OKDHS Appendix C-2-A.

(iii) The Veterans Administration allows their recipients the opportunity to request a reimbursement for medical expenses not covered by ~~Medicaid~~ SoonerCare. If a recipient is eligible for the readjustment payment, it is paid in a lump sum for the entire past year. This reimbursement is disregarded as income and a resource in the month it is received; however, any amount retained in the month following receipt is considered a resource.

(iv) Government financial assistance in the form of VA Aid and Attendance or Champus payments is considered as follows:

(I) **Nursing facility care.** VA Aid and Attendance or Champus payment whether paid directly to the client member or to the facility, are considered as third party resources and do

Emergency Adoptions

not affect the income eligibility or the vendor payment of the client member.

(II) **Own home care.** The actual amount of VA Aid and Attendance payment paid for an attendant in the home is disregarded as income. In all instances, the amount of VA Aid and Attendance is shown on the computer form.

(v) Veterans or their surviving spouse who receive a VA pension may have their pension reduced to \$90 by the VA if the veteran does not have dependents, is ~~Medicaid~~ SoonerCare eligible, and is residing in a nursing facility that is approved under ~~Medicaid~~ SoonerCare. Section 8003 of Public Law 101-508 allows these veterans' pensions to be reduced to \$90 per month. None of the \$90 may be used in computing any vendor payment or spend-down. ~~The \$90 payment becomes the monthly maintenance standard for the veteran. In these instances, the nursing home resident is entitled to the \$90 reduced VA pension as well as the regular nursing facility maintenance standard.~~ Any vendor payment or spenddown will be computed by using other income minus the monthly nursing facility maintenance standard minus any applicable medical deduction(s). Veterans or their surviving spouse who meet these conditions will have their VA benefits reduced the month following the month of admission to a ~~Medicaid~~ SoonerCare approved nursing facility.

(B) **SSI benefits.** SSI benefits may be continued up to three months for a recipient who enters a public medical or psychiatric institution, a ~~Medicaid~~ SoonerCare approved hospital, extended care facility, intermediate care facility for the mentally retarded or nursing facility. To be eligible for the continuation of benefits, the SSI recipient must have a physician's certification that the institutionalization is not expected to exceed three months and there must be a need to maintain and provide expenses for the home. These continued payments are intended for the use of the recipient and do not affect the vendor payment.

(C) **Lump sum payments.**

(i) Any income received in a lump sum (with the exception of SSI lump sum) covering a period of more than one month, whether received on a recurring or nonrecurring basis, is considered as income in the month it is received. Any amount from any lump sum source, including SSI (with the exception of dedicated bank accounts for disabled/blind children under age 18), retained on the first day of the next month is considered as a resource. Such lump sum payments may include, but are not limited to, accumulation of wages, retroactive OASDI, VA benefits, Workers' Compensation, bonus lease payments and annual rentals from land and/or minerals.

(ii) Lump sum payments used to establish dedicated bank accounts by representative payees in order to receive and maintain retroactive SSI benefits for disabled/blind children under age 18 are excluded as income. The interest income generated from dedicated bank accounts is also excluded. The dedicated bank account consisting of the retroactive SSI lump sum payment and accumulated interest is excluded as a resource in both the month received and any subsequent months.

(iii) A life insurance death benefit received by an individual while living is considered as income in the month received and as a resource in the following months to the extent it is available.

(iv) Changing a resource from one form to another, such as converting personal property to cash, is not considered a lump sum payment.

(D) **Income from capital resources and rental property.** Income from capital resources can be derived from rental of a house, rental from land (cash or crop rent), leasing of minerals, life estate, homestead rights or interest.

(i) If royalty income is received monthly but in irregular amounts, an average based on the previous six months' royalty income is computed and used to determine income eligibility. Exception: At any time that the county becomes aware of and can establish a trend showing a dramatic increase or decrease in royalty income, the previous two month's royalty income is averaged to compute countable monthly income.

(ii) Rental income may be treated as earned income when the individual participates in the management of a trade or business or invests his/her own labor in producing the income. The individual's federal income tax return will verify whether or not the income is from self-employment. Otherwise, income received from rent property is treated as unearned income.

(iii) When property rental is handled by a leasing agent who collects the rent and deducts a management fee, only the rent actually received by the client member is considered as income.

(E) **Earned income/self-employment.** The term "earned income" includes income in cash earned by an individual through the receipt of wages, salary, commission or profit from activities in which he/she is engaged as a self-employed individual or as an employee. See subparagraph (G) of this paragraph for earnings received in fluctuating amounts. "Earned Income" is also defined to include in-kind benefits received by an employee from an employer in lieu of wages or in conjunction with wages. Such benefits received in-kind are considered as earned income only when the employee/employer relationship has been established. The cash value of the in-kind benefits must be verified by the employer. Income from self-employment also includes in-kind benefits for a

work activity or service for which the self-employed person ordinarily receives payment in his/her business enterprise. An exchange of labor or services; e.g., barter, is considered as an in-kind benefit. Medical insurance secured through the employer, whether purchased or as a benefit, is not considered in-kind but is recorded on the case computer input document for coordination with Medicaid-SoonerCare benefits.

(i) Advance payments of EITC or refunds of EITC received as a result of filing a federal income tax return are considered as earned income in the month they are received.

(ii) Work study received by an individual who is attending school is considered as earned income with appropriate earned income disregards applied.

(iii) Money from the sale of whole blood or blood plasma is considered as self-employment income subject to necessary business expense and appropriate earned income disregards.

(iv) Self-employment income is determined as follows:

(I) Generally, the federal or state income tax form for the most recent year is used for calculating the self-employment income to project income on a monthly basis for the certification period. The gross income amount as well as the allowable deductions are the same as can be claimed under the Internal Revenue code for tax purposes.

(II) Self-employment income which represents a household's annual support is prorated over a 12-month period, even if the income is received in a short period of time. For example, self-employment income received by crop farmers is averaged over a 12-month period if the income represents the farmer's annual support.

(III) If the household's self-employment enterprise has been in existence for less than a year, the income from that self-employment enterprise is averaged over the period of time the business has been in operation to establish the monthly income amount.

(IV) If a tax return is not available because one has not been filed due to recent establishment of the self-employment enterprise, a profit and loss statement must be seen to establish the monthly income amount.

(V) The purchase price and/or payment(s) on the principal of loans for capital assets, equipment, machinery, and other durable goods is not considered as a cost of producing self-employed income. Also not considered are net losses from previous periods, depreciation of capital assets, equipment, machinery, and other durable goods; and federal, state and local income taxes, FICA, money set aside for

retirement purposes, and other work related personal expenses, such as meals and necessary transportation (these expenses are accounted for by the work related expense deduction given in OAC 340:10-3-33(1)).

(v) Countable self-employment income is determined by deducting allowable business expenses to determine the adjusted gross income. The earned income deductions are then applied to establish countable earned income.

(F) **Inconsequential or irregular income.** Inconsequential or irregular receipt of income in the amount of \$10 or less per month or \$30 or less per quarter is disregarded. The disregard is applied per individual for each type of inconsequential or irregular income. To determine whether the income is inconsequential or irregular, the gross amount of earned income and the gross minus business expense of self-employed income are considered.

(G) **Monthly income received in fluctuating amounts.** Income which is received monthly but in irregular amounts is averaged using two month's income, if possible, to determine income eligibility. Less than two month's income may be used when circumstances (e.g., new employment, unpaid sick leave, etc.) would indicate that previous income amounts would not be appropriate to use in determining future income amounts. Income received more often than monthly is converted to monthly amounts as follows:

(i) **Daily.** Income received on a daily basis is converted to a weekly amount then multiplied by 4.3.

(ii) **Weekly.** Income received weekly is multiplied by 4.3.

(iii) **Twice a month.** Income received twice a month is multiplied by 2.

(iv) **Biweekly.** Income received every two weeks is multiplied by 2.15.

(H) **Non-negotiable notes and mortgages.** Installment payments received on a note, mortgage, etc., are considered as monthly income.

(I) **Income from the Job Training and Partnership Act (JTPA).** Unearned income received by an adult, such as a needs based payment, cash assistance, compensation in lieu of wages, allowances, etc., from a program funded by JTPA is considered as any other unearned income. JTPA earned income received as wages is considered as any other earned income.

(J) **Other income.** Any other monies or payments which are available for current living expenses must be considered.

(d) **Computation of income.**

(1) **Earned income.** The general income exclusion of \$20 per month is allowed on the combined earned income of the eligible individual and eligible or ineligible spouse. See paragraph (6) of this subsection if there are ineligible

Emergency Adoptions

minor children. After the \$20 exclusion, deduct \$65 and one-half of the remaining combined earned income.

(2) **Unearned income.** The total gross amount of unearned income of the eligible individual and eligible or ineligible spouse is considered. See paragraph (6) of this subsection if there are ineligible minor children.

(3) **Countable income.** The countable income is the sum of the earned income after exclusions and the total gross unearned income.

(4) **Deeming computation for disabled or blind minor child(ren).** An automated calculation is available for computing the income amount to be deemed from parent(s) and the spouse of the parent to eligible disabled or blind minor child(ren) by use of transaction CID. The ineligible minor child in the computation regarding allocation for ineligible child(ren) is defined as: a dependent child under age 18.

(A) A mentally retarded child living in the home who is ineligible for SSP due to the deeming process may be approved for Medical Assistance under the Home and Community Based Waiver (HCBW) Program as outlined in OAC 317:35-9-5.

(B) For TEFRA, the income of child's parent(s) is not deemed to him/her.

(5) **Premature infants.** Premature infants (i.e., 37 weeks or less) whose birth weight is less than 1200 grams (approximately 2 pounds 10 ounces) will be considered disabled by SSA even if no other medical impairment(s) exist. In this event, the parents income are not deemed to the child until the month following the month in which the child leaves the hospital and begins living with his/her parents.

(6) **Procedures for deducting ineligible minor child allocation.** When an eligible individual has an ineligible spouse and ineligible minor children (not receiving TANF), the computation is as follows:

(A) Each ineligible child's allocation (OKDHS Appendix C-1, Schedule VII. C.) minus each child's gross countable income is deducted from the ineligible spouse's income. Deeming of income is not done from child to parent.

(B) The deduction in subparagraph (A) of this paragraph is prior to deduction of the general income exclusion and work expense.

(C) After computations in subparagraphs (A) and (B) of this paragraph, the remaining amount is the ineligible spouse's countable income considered available to the eligible spouse.

(7) **Special exclusions for blind individuals.** Any blind individual who is employed may deduct the general income exclusion and the work exclusion from the gross amount of earned income. After the application of these exclusions, one-half of the remaining income is excluded. The actual work expense is then deducted from the remaining half to arrive at the amount of countable income. If this blind individual has a spouse who is also eligible due to blindness and both are working, the amount of ordinary and necessary expenses attributable to the earning of income for each of the blind individuals may be deducted. Expenses are deductible as paid but may not exceed the amount of earned income. To be deductible, an expense need not relate directly to the blindness of the individual, it need only be an ordinary and necessary work expense of the blind individual. Such expenses fall into three broad categories:

- (A) transportation to and from work;
- (B) job performance; and
- (C) job improvement.

[OAR Docket #08-216; filed 2-8-08]

Executive Orders

As required by 75 O.S., Sections 255 and 256, Executive Orders issued by the Governor of Oklahoma are published in both the *Oklahoma Register* and the *Oklahoma Administrative Code*. Executive Orders are codified in Title 1 of the *Oklahoma Administrative Code*.

Pursuant to 75 O.S., Section 256(B)(3), "Executive Orders of previous gubernatorial administrations shall terminate ninety (90) calendar days following the inauguration of the next Governor unless otherwise terminated or continued during that time by Executive Order."

TITLE 1. EXECUTIVE ORDERS

1:2008-7.

EXECUTIVE ORDER 2008-7

I, Brad Henry, Governor of the State of Oklahoma, hereby direct the appropriate steps be taken to fly all American and Oklahoma flags on State property at half-staff from 8:00 a.m. on Friday, February 8, 2008 until 5:00 p.m. on Saturday, February 9, 2008, to honor former Oklahoma State Representative Opio Toure, an Oklahoma resident, who died on Monday, February 4, 2008, at age 53.

Toure was elected to the Oklahoma House of Representatives in 1994 and served the state of Oklahoma with honor and distinction until 2006. He was a passionate advocate for justice for all Oklahomans and a faithful representative to his constituents. His courage, intellect and tireless devotion to the people of Oklahoma earned him the respect and admiration of his colleagues in the Legislature and the community at large.

This executive order shall be forwarded to the Director of Central Services who shall cause the provisions of this order to be implemented by all appropriate agencies of state government.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Oklahoma to be affixed at Oklahoma City, Oklahoma, this 5th day of February, 2008.

BY THE GOVERNOR OF THE
STATE OF OKLAHOMA

Brad Henry

ATTEST:

M. Susan Savage
Secretary of State

[OAR Docket #08-211; filed 2-6-08]

1:2008-8.

EXECUTIVE ORDER 2008-8

I, Brad Henry, Governor of the State of Oklahoma, by the authority vested in me pursuant to Sections 1 and 2 of Article VI of the Oklahoma Constitution, hereby order the extension

of the existence and activities of the Governor's CLASS Task Force otherwise known as the Campus Life and Safety and Security Task Force.

The purpose of the Task Force as extended shall be to provide leadership in the follow-up and implementation of the recommendations made in the Final Report of the CLASS Task Force, which was submitted on January 15, 2008 to the Governor, President Pro Tempore and Co-President Pro Tempore of the Oklahoma State Senate and the Speaker of the Oklahoma House of Representatives pursuant to Amended Executive Order 2007-17.

The Task Force shall also continue to review and evaluate safety and security at higher education and career technology institutions, conduct reviews and evaluations, and make recommendations concerning additional modifications, if any, that are necessary to prevent crisis and enhance crisis response. The Task Force will also continue to examine methods for recognizing students in need and delivering to them appropriate services, such as counseling, substance abuse, and mental health treatment. The Task Force may make preliminary recommendations to university and career technology personnel of specific measures to better protect campuses and improve emergency response. The Task Force will also encourage campuses and other entities to apply for grants, as well as, attempt to seek federal, state and private funding to implement the recommendations made in the report submitted on January 15, 2008.

The Task Force shall consist of fifteen (15) members to be selected as follows:

1. The Chancellor of the Oklahoma State Regents for Higher Education or a designee, who shall serve as chair of the Task Force;
2. The President of the University of Oklahoma or a designee;
3. The President of Oklahoma State University or a designee;
4. Two members shall be representatives from the Regional Universities of Oklahoma and shall be appointed by the Chancellor;
5. Two members shall be representatives from Oklahoma Community Colleges and shall be appointed by the Chancellor;
6. The Director of the Department of Career and Technology Education or a designee, who shall serve as vice-chair of the Task Force;

Executive Orders

7. Two members shall be representatives from two separate Career and Technology Education Campuses and shall be appointed by the Director of the Oklahoma Department of Career and Technology Education;
8. The Cabinet Secretary of Safety and Security or a designee;
9. The Commissioner of Mental Health and Substance Abuse Services or a designee;
10. The Executive Director of a statewide association of independent colleges and universities to be appointed by and serve at the pleasure of the Governor; and
11. Two members shall be representatives from institutions of higher education that are members of the statewide association of independent colleges and universities and shall be appointed by the Executive Director of the statewide association.

The Task Force shall meet at such times and places as it deems appropriate. Members shall serve without compensation. Task Force members employed by a state agency shall be reimbursed travel expenses related to their service on the Task Force as authorized by state law by their respective state agency. Remaining Task Force members shall be reimbursed travel expenses related to their service on the Task Force as authorized by state law by the Oklahoma State Regents for Higher Education.

Administrative support for the Task Force, including, but not limited to, personnel necessary to ensure the proper performance of the duties and responsibilities of the Task Force,

shall be provided by the Oklahoma State Regents for Higher Education.

The Task Force shall submit annual reports containing evaluations of the current status of campus safety and security in Oklahoma and updates on progress made on the initiatives listed in the 2008 Final Task Force Report. The final report shall be submitted by December 31, 2010. The Task Force shall provide a copy of the annual reports and final report to the Governor, the President Pro Tempore and Co-President Pro Tempore of the Oklahoma State Senate and the Speaker of the Oklahoma House of Representatives.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Oklahoma to be affixed at Oklahoma City, Oklahoma, this 12th day of February, 2008.

BY THE GOVERNOR OF THE
STATE OF OKLAHOMA

Brad Henry

ATTEST:
M. Susan Savage
Secretary of State

[OAR Docket #08-246; filed 2-14-08]
