

This document is a comprehensive list of potential budget reductions. This is not a recommendation. It is intended to help guide discussions and develop recommendations should budget reductions be required. (March 12, 2014 -draft)

Potential Budget Reductions	Estimated Total Savings	Estimated State Savings (37.27%)
<b>Administrative Reductions</b>		
<b>Agency operations reduction (12% of appropriated dollars)</b> (this does not include contracted services)	<b>6,141,576</b>	<b>3,071,288</b>
<b>Medicaid Optional Adult Benefits</b>		
<b>Dental Program Reductions</b>	<b>12,026,803</b>	<b>4,482,389</b>
Elimination of Adult Dental Benefits	8,075,106	3,009,592
Elimination of Prenatal Dental Benefits	3,951,697	1,472,797
<b>Durable Medical Equipment (DME) Reductions</b>	<b>11,691,735</b>	<b>4,357,510</b>
Elimination of Adult Non-life Sustaining Supplies (wheelchairs, diabetic supplies, urinary catheters, hospital beds - everything except oxygen)		
<b>Other Adult Services - Medicaid Optional</b>	<b>3,081,608</b>	<b>1,148,515</b>
Elimination of Other Optional Services (podiatry, optometry) (also therapy, nutritionists, audiology, maternal child health)		
<b>Total of All Optional Benefits</b>	<b>26,800,146</b>	<b>9,988,415</b>
<b>Targeted Program Changes</b>		
<b>Durable Medical Equipment (DME) Changes</b>	<b>2,797,964</b>	<b>1,042,801</b>
Prior Authorize Oxygen after 90 days	2,000,000	745,400
Convert Blood Glucose supplies to competitive bid national rate (33% reduction \$16 to \$10 / unit)	797,964	297,401
<b>Emergency Department (ED) Visit Limits</b>	<b>7,354,273</b>	<b>2,740,937</b>
Physician	2,941,709	1,096,375
Hospital	4,412,564	1,644,562
Limit ED Visits to a max of 6 per Year (exclude kids, preg women, crossovers) (less than .6% of all members or less than 1.7% of all members using ED)		
<b>Exclude Members with Third Party Liability from Medical Homes</b>	<b>3,887,634</b>	<b>1,448,921</b>
<b>Federally Qualified Health Centers / Rural Health Centers Visit Limit</b>	<b>218,331</b>	<b>81,372</b>
limits to 4 / month for adults and 1 / day for everyone		
<b>Hospital Readmissions</b>	<b>18,783,264</b>	<b>7,000,523</b>
Reduce hospital readmissions occurring w/in 30 days (\$62.6 m spend on readmissions; assuming a 30% savings)		
<b>Implement Prior Authorization for all Sleep Studies</b>	<b>1,238,194</b>	<b>311,475</b>
(sfy13 totals \$4.1 m; assuming a 30% reduction w/ PA. would also impact subsequent CPAP)		
<b>Implement Prior Authorization for all Back &amp; Spinal Surgeries</b>	<b>4,566,343</b>	<b>1,551,876</b>
Physician	849,378	241,563
Hospital	3,716,965	1,310,313
(sfy13 totals \$15.2 m; assuming a 30% reduction w/ PA)		

<b>Increase Pharmacy Cost Sharing Amounts to the Federal Limit</b> (raising pharmacy copays to \$4; even on zero copay generics)	<b>5,100,000</b>	<b>1,900,770</b>
<b>Limit number of pairs of glasses we pay for children to 2 pair / year</b> (PA all glasses over 2)	<b>347,055</b>	<b>129,347</b>
<b>Nursing Homes</b>	<b>35,336,331</b>	<b>13,169,850</b>
Eliminate payment for hospital leave days	3,106,334	1,157,731
Eliminate payment for Medicare crossover claims	23,500,000	8,758,450
Decrease eligibility for Miller Trust	8,729,997	3,253,670
<b>Pharmacy</b>	<b>25,850,000</b>	<b>9,634,295</b>
Require PA for all controlled substances (includes net of administrative cost)	7,900,000	2,944,330
Require PA for all nongeneric pharmaceuticals (includes net of administrative cost)	10,000,000	3,727,000
Limit Adult Monthly Rx to 5 (down from 6)	6,350,000	2,366,645
Limit Adult Monthly Rx in Long Term Care Facility to 8 (currently unlimited) (savings are not mutually exclusive)	1,600,000	596,320

<b>Total of Other Program Changes</b>	<b>105,479,388</b>	<b>39,012,168</b>
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### Provider Payment Reductions

<b>Overall provider rate cuts (1%)</b>	<b>26,320,308</b>	<b>9,809,579</b>
Hospital Inpatient	6,020,716	2,243,921
Hospital Outpatient	2,563,479	955,409
Physicians	5,217,054	1,944,396
Nursing Homes / ICF-MR	6,508,095	2,425,567
SoonerCare Choice	442,723	165,003
Dentists	1,536,788	572,761
Behavioral Health (OHCA)	246,487	91,866
Other Providers:		
Mid-Level Practitioners	41,108	15,321
Other Practitioners	427,595	159,365
Home Health Care	228,934	85,324
Lab & Radiology	742,273	276,645
Clinics	1,199,461	447,039
Ambulatory Surgery Centers	117,584	43,824
Durable Medical Equipment (DME)	536,552	199,973
Emergency Transportation	203,330	75,781
Pharmacy Dispensing Fees	288,129	107,386
Crossovers (amount to be determined)		

<b>Total of Provider Payment Reductions</b>	<b>26,320,308</b>	<b>9,809,579</b>
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