

# Surprise! Oklahoma is using Obamacare to improve Medicaid

Posted by Sarah Kliff on January 23, 2013 at 2:40 pm

Oklahoma has made no secret of its opposition to Obamacare. The state will not build an exchange, nor will it expand Medicaid. It sued the federal government to repeal the law altogether and once returned a \$54.6 million grant to “stop the implementation of the president’s federal health care exchange.”

More quietly though, Oklahoma has accepted an influx of Obamacare dollars to digitize SoonerCare, the state’s Medicaid program. That means, even without expanding Medicaid, Oklahoma is using health reform funds to hugely overhaul how it serves the state’s lowest-income patients.

Using the federal dollars, Oklahoma has built technologies that allow patients to submit scanned documents online, rather than dropping a form in the mailbox. The state increased data sharing with its WIC program, so that local health offices might not need to ask for the same eligibility information twice.

At a time when most Medicaid applications are still submitted as paper forms, 95 percent of Oklahoma’s applications are submitted online.

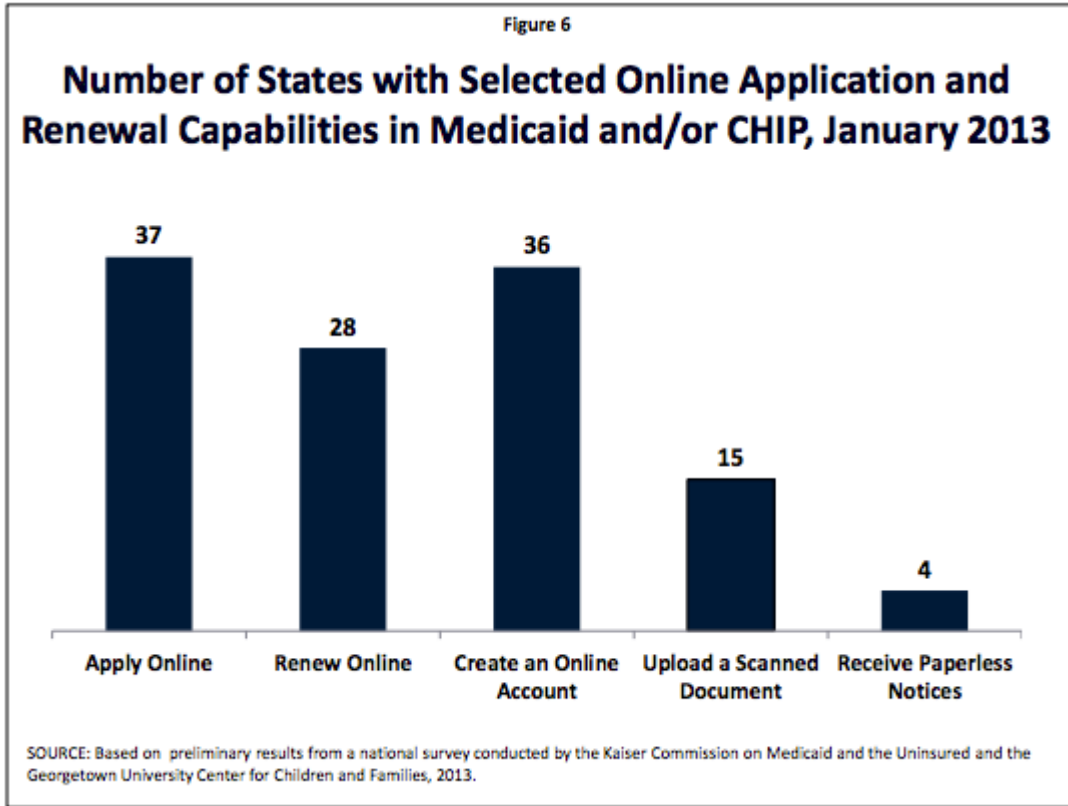
The health reform dollars “have given us the ability to really build an infrastructure,” said Nico Gomez, deputy chief executive officer of the Oklahoma Health Care Authority. “It’s allowed us to develop the technologies that are responsive to our members and their needs.”

Oklahoma is not alone. While only 22 states have committed to the Medicaid expansion, [a new Kaiser Family Foundation report](#) shows that 47 have pursued a new pot of Obamacare dollars meant to fund improvements in Medicaid information technology.

“In 2014, the application process will no longer begin with paper,” said Cindy Mann, director of the Center for Medicaid and the Children’s Health Insurance Program. “People in every state will be able to apply for Medicaid online through one coordinated program.”

The Supreme Court did give states the choice of whether to participate in the Medicaid expansion. Regardless of where states land on that decision, they still need to comply with other requirements of the Affordable Care Act.

All states will, for example, need to accept online applications. That's a significant increase from the 37 states that do so



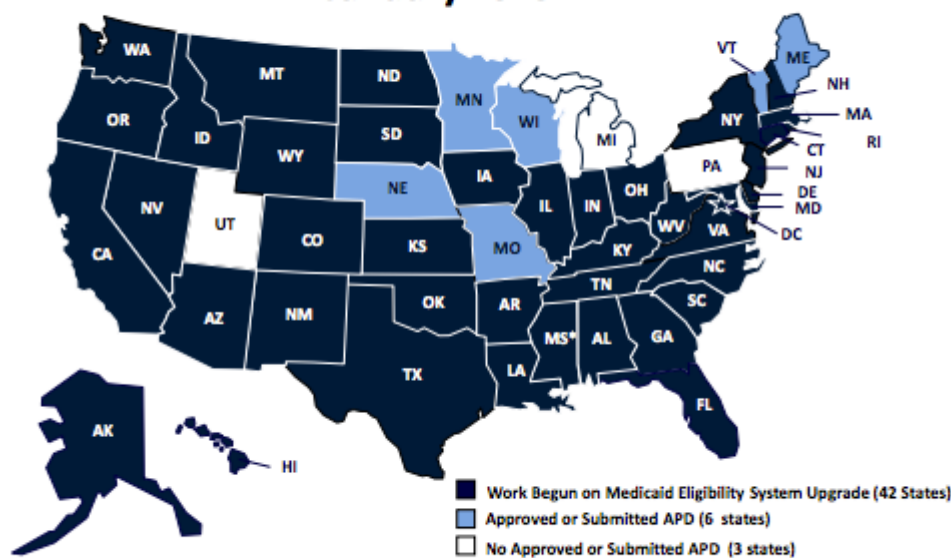
today.

To get there, many states have relied on an influx of funding from the federal government. Under the Affordable Care Act, the Obama administration is paying 90 percent of the costs for any information technology upgrades to Medicaid. That enhanced funding holds steady until the end of 2015, when it drops down to the standard 50 percent match.

With the federal government footing 90 percent of the bill – and the upgraded Medicaid system mandated for 2014 – nearly all states have pursued these Affordable Care Act

Figure 15

### Status of Major Medicaid Eligibility System Upgrades, January 2013



NOTE: "APD" refers to an Expedited Advanced Planning Document. MS has begun work on upgrading its Medicaid eligibility systems without submitting an APD.  
SOURCE: Based on the results of a national survey conducted by the Kaiser Commission on Medicaid and the Uninsured and the Georgetown University Center for Children and Families, 2013.

dollars.

**“Thanks to the time-limited support, nearly all states are moving forward on significant IT projects,”** said Tricia Brooks, a senior fellow at the Georgetown University Health Policy Institute. **“Design and development is well underway in 42 states. Even more states are in the process of concluding the RFP [request for proposal] process.”**

While states have balked at the Medicaid expansion, the infrastructure dollars have proved more palatable. That likely has a lot to do with the infrastructure upgrades being mandatory, no matter what a state decides on the Medicaid expansion.

“In all states, including those that do not proceed with the expansion, state eligibility systems must be able to electronically pass accounts between the Exchange,” the Obama administration told the states in a recent [FAQ document](#).

That means in a state like Oklahoma, current Medicaid recipients will likely see big changes in the coming months. SoonerCare currently covers 799,885 Oklahomans. Back in 2007, the state received a \$5 million transformation grant that allowed it to become the first state with an online application system.

The Obamacare dollars, according to Oklahoma’s Gomez, have allowed the state to keep moving forward in upgrading its system, adding the capabilities to upload scanned

documents and allow for greater data sharing. A paper in the journal *Health Affairs* recently described Oklahoma's Medicaid program as "A shining example of how to do things right."

**"It can be done," says Gomez, of the effort to go digital. "It can be Web-based, it can be paperless and it can be realtime. It's the right thing to do to meet the needs of our citizens."**