

1 STATE OF OKLAHOMA

2 1st Session of the 57th Legislature (2019)

3 COMMITTEE SUBSTITUTE
4 FOR

5 SENATE BILL 1044

By: Thompson and Rader of the
Senate

6 and

7 Wallace and Hilbert of the
8 House

9
10 COMMITTEE SUBSTITUTE

11 An Act relating to the Oklahoma Health Care
12 Authority; directing the Authority to achieve savings
13 in an amount sufficient to provide certain rate
14 increases; requiring compliance with certain laws,
15 regulations and methodologies; directing the
16 Authority to revise certain methodology and to modify
17 compensation; providing for duties and compensation
18 of employees; authorizing payment of certain
19 expenses; providing process for exemptions;
20 authorizing certain transfers; providing procedures;
21 providing lapse dates; requiring and prohibiting
22 certain budget procedures; providing an effective
23 date; and declaring an emergency.

24 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. After approval by Centers for Medicare and Medicaid
Services (CMS), but not earlier than October 1, 2019, through agency
administrative savings and efficiencies, the Oklahoma Health Care
Authority shall increase the current reimbursement rates for

1 SoonerCare-contracted long-term care facilities by five percent
2 (5%).

3 SECTION 2. After approval by Centers for Medicare and Medicaid
4 Services (CMS), but not earlier than October 1, 2019, through agency
5 administrative savings and efficiencies, the Oklahoma Health Care
6 Authority shall increase the current reimbursement rates for all
7 remaining SoonerCare-contracted provider types/groups by five
8 percent (5%) with the following exclusions: services financed
9 through appropriations to other state agencies, Durable Medical
10 Equipment Prosthetics, Orthotics and Supplies, non-emergency
11 transportation, services provided to Insure Oklahoma members,
12 payments for drug ingredients/physician supplied drugs, Indian
13 Health Services/Indian Tribal/Urban Clinics and Federally Qualified
14 Health Centers, Program for the All-inclusive Care for the Elderly
15 and rural health centers.

16 SECTION 3. All rate increases shall be in compliance with
17 federal and state law and regulations, as well as state cost
18 reimbursement methodologies.

19 SECTION 4. The Oklahoma Health Care Authority shall revise the
20 payment methodology for hospital-based rural health care clinics.
21 This revision shall increase payments to maximize the federal match.

22 SECTION 5. The Oklahoma Health Care Authority shall revise the
23 methodology of the Disproportionate Share Hospital Program. The
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1 Authority shall then distribute the additional dollars from this
2 revision to qualifying rural hospitals.

3 SECTION 6. A. The duties and compensation of employees, not
4 otherwise prescribed by law, necessary to perform the duties imposed
5 upon the Oklahoma Health Care Authority by law shall be set by the
6 Administrator of the Oklahoma Health Care Authority.

7 B. The Oklahoma Health Care Authority is authorized to:

8 1. Pay professional expenses of the Administrator of the
9 Authority, including dues, licenses, professional memberships and
10 continuing education classes conducted in the State of Oklahoma; and

11 2. Pay professional expenses of any employee, including dues,
12 licenses, professional memberships, continuing medical education
13 classes conducted in the State of Oklahoma and medical malpractice
14 insurance; provided, he or she is a full-time employee of the
15 Authority in accordance with subsection B of Section 5006 of Title
16 63 of the Oklahoma Statutes or paragraph 1 of subsection B of
17 Section 840-5.5 of Title 74 of the Oklahoma Statutes and utilizing
18 those professional skills in the performance of their job duties.

19 SECTION 7. In order to facilitate cash management of federal
20 grant receipts and disbursements, the Office of Management and
21 Enterprise Services shall transfer monies between the Oklahoma
22 Health Care Authority federal and revolving funds in amounts
23 requested by the Oklahoma Health Care Authority.

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1 SECTION 8. The Oklahoma Health Care Authority is authorized to
2 transfer funds from Fund 205 to Fund 340 to satisfy claims made to
3 the Authority under the Supplemental Hospital Offset Payment Program
4 Act.

5 SECTION 9. A. The Administrator of the Oklahoma Health Care
6 Authority may request, in the manner provided in this section, that
7 receipt and expenditure of unanticipated federal funds awarded after
8 July 1, 2019, be exempt from expenditure limitations and from
9 budgetary limitations.

10 1. The Administrator shall make a request for exemption to the
11 Office of Management and Enterprise Services in writing and file a
12 revised budget program.

13 2. The Administrator shall also file copies of the request for
14 exemption and budget work program revisions with the Oklahoma House
15 of Representatives Appropriations and Budget Committee Chair and the
16 Oklahoma State Senate Appropriations Committee Chair. The House
17 Appropriations and Budget Committee Chair and/or the Senate
18 Appropriations Committee Chair shall notify the Office of Management
19 and Enterprise Services of any noncompliance of the request with
20 legislative intent within twelve (12) calendar days of their receipt
21 of the exemption request.

22 B. The Office of Management and Enterprise Services shall
23 approve the request for exemption unless both the Chair and Vice
24 Chair of the Joint Legislative Committee on Budget and Program

1 Oversight provide written notification to the Office of Management
2 and Enterprise Services within twelve (12) calendar days of the
3 Committee's receipt of the exemption request that the exemption
4 subverts the intention and objectives of the Legislature in
5 establishing the original limit. The Office of Management and
6 Enterprise Services shall give written notice of approval or
7 disapproval of each exemption to the agency, the Governor and the
8 Chair of the House Appropriations and Budget Committee and the Chair
9 of the Senate Appropriations Committee within eighteen (18) calendar
10 days of receiving the request.

11 SECTION 10. The Office of Management and Enterprise Services
12 shall transfer monies appropriated from the General Revenue Fund and
13 the 245 Fund to the Oklahoma Health Care Authority disbursing funds
14 in the amounts and ratios requested by the Authority, except that
15 the cumulative amount transferred shall not exceed the cumulative
16 amount of equal monthly allotments of the appropriation from the
17 General Revenue Fund. Monies appropriated or collected for the
18 fiscal year ending June 30, 2020, may be transferred to these
19 disbursing funds for the fiscal year ending June 30, 2019, to
20 satisfy encumbrances and obligations of said fiscal year; provided,
21 that monies equal in amount are transferred from appropriations or
22 collections for the fiscal year ending June 30, 2019, to the
23 disbursing fund for the fiscal year ending June 30, 2020, to satisfy
24 encumbrances and obligations of said fiscal year. All transfer

1 requests shall be in writing to the Office of Management and
2 Enterprise Services. The Oklahoma Health Care Authority shall
3 maintain record of the inter-year transfers.

4 SECTION 11. The Administrator of the Oklahoma Health Care
5 Authority may request, through the Director of the Office of
6 Management and Enterprise Services, the early transfer by the
7 Oklahoma Tax Commission of tax collections to the General Revenue
8 Fund for the purpose of early allocation to the agency's disbursing
9 funds to alleviate cash-flow problems.

10 SECTION 12. Appropriations made to the Oklahoma Health Care
11 Authority by Enrolled House Bill No. 2765 of the 1st Session of the
12 57th Oklahoma Legislature, not including appropriations made for
13 capital outlay purposes, may be budgeted for the fiscal year ending
14 June 30, 2020 (hereafter FY-20), or may be budgeted for the fiscal
15 year ending June 30, 2021 (hereafter FY-21). Funds budgeted for FY-
16 20 may be encumbered only through June 30, 2020, and must be
17 expended by November 15, 2020. Any funds remaining after November
18 15, 2020, and not budgeted for FY-21, shall lapse to the credit of
19 the proper fund for the then current fiscal year. Funds budgeted
20 for FY-21 may be encumbered only through June 30, 2021. Any funds
21 remaining after November 15, 2021, shall lapse to the credit of the
22 proper fund for the then current fiscal year. These appropriations
23 may not be budgeted in both fiscal years simultaneously. Funds
24 budgeted in FY-20, and not required to pay obligations for that

1 fiscal year, may be budgeted for FY-21, after the agency to which
2 the funds have been appropriated has prepared and submitted a budget
3 work program revision removing these funds from the FY-20 budget
4 work program and after such revision has been approved by the Office
5 of Management and Enterprise Services.

6 SECTION 13. This act shall become effective July 1, 2019.

7 SECTION 14. It being immediately necessary for the preservation
8 of the public peace, health or safety, an emergency is hereby
9 declared to exist, by reason whereof this act shall take effect and
10 be in full force from and after its passage and approval.

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