

**BILL SUMMARY**  
1<sup>st</sup> Session of the 58<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB2299</b>
<b>Version:</b>	<b>INT</b>
<b>Request Number:</b>	<b>6553</b>
<b>Author:</b>	<b>Roberts, Dustin</b>
<b>Date:</b>	<b>3/8/2021</b>
<b>Impact:</b>	<b>Unknown</b>

**Research Analysis**

HB 2299 creates the Oklahoma Medical Education Protection Act. The measure defines the following terms: Contracted entity; Enhanced reimbursement payment program; Medical Education; Supplemental Payment Program; and Teaching hospital.

The measure requires any state entity that enters into contractual arrangements for the management of Medicaid patients to preserve and protect the supplemental payment programs and enhanced reimbursement payment programs payable to OSU Center for Health Sciences or the University of Oklahoma Health Sciences Center, affiliated hospitals, and hospital partners.

The measure prohibits Medicaid contractors from taking any action that would reduce the number of Medicaid patients cared for by service providers. Any violations of this measure would be cause for termination of the managed care contract. The measure requires reimbursement by contracted entities to service providers for lost or decreased revenues as a result of contract termination.

The measure declares an emergency.

Prepared By: Dan Brooks

**Fiscal Analysis**

From the Oklahoma Health Care Authority:

This is a tough one to give a number on.

For hospital supplemental payments, the allocation of the pool of funds is based on actual utilization of services. We have no mechanism to preserve a minimum payment and no mechanism that CMS (Center for Medicare and Medicaid Services) would allow us to pay that is outside of utilization of service. Bottom line, payment is tied to service and payment not tied to service means no federal funds.

For example, the supp payment amount OSU Medical received in 2018 was \$47.8 million, and in 2020 received \$43 million. If this bill passes, and 2021 utilization was similar to '20, the state would have to make up the difference from any decreases in utilization. There is no policy that we can attribute to receive federal funds if the payment is not tied to utilization of services.

Prepared By: Stacy Johnson

**Other Considerations**

None.

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