

BILL SUMMARY
2nd Session of the 58th Legislature

Bill No.:	SB1396
Version:	FA1
Request Number:	11470
Author:	Rep. McEntire
Date:	4/28/2022
Impact:	Please see previous summary of this measure

Research Analysis

The floor substitute (FA1) to SB 1396 modifies and adds certain definitions to the measure. The measure modifies the purposes for funds generated by the Supplemental Hospital Offset Payment Program fee. FA1 provides that starting July 1, 2022, Oklahoma Health Care Authority (OHCA) will calculate an annual assessment rate percentage specified in the measure. The measure directs OHCA to review which hospitals are eligible to participate in the Supplemental Hospital Offset Payment Program and what hospitals are exempted.

The measure updates statutory language for clarity and modifies the Oklahoma Health Care Authority's criteria for administrative penalties. FA1 directs OHCA to make hospital access payments to eligible hospitals and critical access hospitals to supplement reimbursements for inpatient and outpatient services that are provided through Medicaid on both a fee-for-service and managed care basis.

FA1 requires OHCA to determine on an annual basis prior to the start of each program year:

- the upper payment limit gap for inpatient and outpatient services
- the managed care gap for inpatient and outpatient services

The measure provides the purposes OHCA will use assessment fees. Hospital access payments will be determined annually and paid quarterly from certain funding pools with certain requirements specified in the measure. FA1 provides the methodologies for hospital access payments each quarter from the hospital outpatient and inpatient fee-for-service and managed care payment pools. The measure also provides the criteria for in-state critical access hospitals to receive hospital access payments from the critical access hospital payment pool.

FA1 directs OHCA to pay each quarterly hospital access payment within fourteen calendar days of the date in which each quarterly payment of an annual assessment is due. The measure provides the requirements in processing directed payments through Medicaid managed care organizations. FA1 provides the prohibitions regarding hospital access payments.

If the federal Centers for Medicare and Medicaid Services (CMS) disallows any hospital access payments pursuant to this act, each hospital receiving such disallowed payments is required to refund to OHCA an amount equal to that hospital's pro rata share of the recouped federal funds. This provision is triggered only if the disallowance is considered final and all appeals have been exhausted.

This act will only become effective if Engrossed SB 1337 of the Second Session of the 58th Legislature is enacted into law. The measure declares an emergency.

Prepared By: Dan Brooks

Fiscal Analysis

The measure is currently under review and impact information will be completed.

Prepared By: Mark Tygret

Other Considerations

None.