

STATE OF OKLAHOMA

2nd Session of the 43rd Legislature (1992)

HOUSE BILL NO. 2379

BY: MONSON

AS INTRODUCED

AN ACT RELATING TO PUBLIC HEALTH AND SAFETY; CREATING THE OKLAHOMA HEALTH CARE INFORMATION SYSTEM ACT; PROVIDING SHORT TITLE; DEFINING TERMS; STATING INTENT; AUTHORIZING THE STATE DEPARTMENT OF HEALTH TO COLLECT, ANALYZE AND DISSEMINATE CERTAIN INFORMATION; REQUIRING RULES; PROVIDING FOR CONTENTS; PROVIDING FOR POWERS AND DUTIES; AUTHORIZING CERTAIN CONTRACTS; REQUIRING CERTAIN INFORMATION; PROVIDING FOR APPOINTMENT, QUALIFICATION AND COMPOSITION OF CERTAIN ADVISORY COMMITTEE; CREATING THE OKLAHOMA HEALTH CARE INFORMATION SYSTEM REVOLVING FUND; DEDICATING AND APPROPRIATING CERTAIN MONIES AND PROVIDING PROCEDURES; PROVIDING FOR ASSESSMENT OF CERTAIN PENALTIES FOR BREACH OF CERTAIN RULES AND REGULATIONS; REQUIRING ANNUAL REPORTS AND RECOMMENDATIONS TO THE LEGISLATURE; PROVIDING FOR CONTENTS OF INITIAL REPORT; PROVIDING FOR HIRING OF CERTAIN STAFF; AUTHORIZING CERTAIN FEES AND PROVIDING FOR DEPOSIT OF SAID FEES; REQUIRING ADOPTION OF CERTAIN CODING SYSTEMS; PROVIDING FOR CERTAIN CONTRACTS; PROVIDING FOR ADOPTION AND CONTENT OF CERTAIN RULES; PROVIDING FOR ACCEPTANCE OF CERTAIN CONTRIBUTIONS; PROVIDING IMMUNITY FROM

CERTAIN LIABILITY; PROHIBITING SHARING OF CERTAIN DATA WITH STATE AGENCIES AND PROVIDING AN EXCEPTION; PROVIDING FOR RELEASE OR DISSEMINATION OF CERTAIN INFORMATION AS PUBLIC INFORMATION AND MAKING AN EXCEPTION; PROVIDING FOR CONFIDENTIALITY OF CERTAIN PATIENT INFORMATION; PROHIBITING CERTAIN DEPARTMENTAL ACTIONS RELATED TO PATIENT INFORMATION; EXEMPTING CERTAIN INFORMATION FROM JUDICIAL PROCESS AND REQUIRING CERTAIN JUDICIAL PROCEDURES; PROVIDING FOR CODIFICATION; AND PROVIDING AN EFFECTIVE DATE.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1-115 of Title 63, unless there is created a duplication in numbering, reads as follows:

This act shall be known and may be cited as the "Oklahoma Health Care Information System Act".

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1-116 of Title 63, unless there is created a duplication in numbering, reads as follows:

When used in this act, unless the context otherwise requires:

1. "Board" means the State Board of Health;
2. "Commissioner" means the State Commissioner of Health;
3. "Department" means the State Department of Health;
4. "Health care providers" means a hospital or related

institution licensed pursuant to Section 1-702 of Title 63 of the Oklahoma Statutes and nursing facilities licensed pursuant to Section 1-1903 of Title 63 of the Oklahoma Statutes;

5. "Third-party payor" means any entity, other than a purchaser, which is responsible for payment either to the purchaser or the health care provider for health care services rendered by the health care provider;

6. "State-supported provider" means any public or private entity supported in whole or in part by public funds or health care provider contracting with the state for providing health care services including but not limited to Medicaid; and

7. "Patient identifying information" means the name, address, social security number or similar information by which the identity of the patient can be determined with reasonable accuracy and speed, either directly or by reference to other publicly available information. The term shall not include a patient identifying number assigned by a program.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1-117 of Title 63, unless there is created a duplication in numbering, reads as follows:

A. As a result of rising health care costs and concern expressed by health care providers, health care consumers, third-party payors and the general public, the Oklahoma State Legislature finds that there is an urgent need to establish and maintain, for the purposes of health care planning and cost containment, an information base for the State of Oklahoma that will facilitate ongoing analysis and evaluation of patterns and trends in the utilization and costs of health care services and the capability of the various components of the health care industry to provide needed services.

B. The Oklahoma Health Care Information System shall be responsible for the development and operation of a method for collecting, processing and disseminating health care data including but not limited to price and utilization data. It is the intent of the Legislature that a uniform set of data be periodically and

routinely compiled that will make possible the ongoing analysis, comparison and evaluation of trends in the delivery of health care services in this state for the purpose of effective health care planning and cost containment.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1-118 of Title 63, unless there is created a duplication in numbering, reads as follows:

A. The State Department of Health is hereby authorized to:

1. Collect financial, utilization and patient discharge data from health care providers and insurers;
2. Establish and maintain health care information data bases;
3. Analyze health care cost and utilization trends;
4. Oversee dissemination of health care data to users;
5. Require that health care data be submitted to the Department or its agent by all state agencies and state-supported providers and by all health care providers and third-party payors both public and private; and

6. Have such additional powers as necessary to implement the provisions of the Oklahoma Health Care Information System Act.

B. 1. The Department shall adopt rules governing the acquisition, compilation and dissemination of all data collected pursuant to the Oklahoma Health Care Information System Act.

2. The rules shall include but not be limited to:

- a. adequate measures to provide system security for all data and information acquired pursuant to the Oklahoma Health Care Information System Act,
- b. adequate procedures to ensure confidentiality of patient records,
- c. charges for users for the cost of data preparation for information that is beyond the routine data disseminated by the Department,

- d. time limits for the submission of data by data providers, and
- e. procedures for assessment of administrative penalties for failure to submit the data within the established time.

C. The Department shall adopt standard Medicare Prospective Payment coding systems to ensure quality in receiving and processing data.

D. The Department may contract with an organization that shall act as a data processor. The Department shall require any data processor at a minimum to:

- 1. Collect the data from the hospitals, third-party carriers, state agencies, and others as described in this section;
- 2. Build and maintain the data base;
- 3. Analyze the information; and
- 4. Prepare reports.

E. The Department shall have the authority to set fees and charges with regard to the collection, compilation and dissemination of data. These funds shall be deposited in the Oklahoma Health Care Information System Revolving Fund account.

F. The Department may accept grants or charitable contributions for use in carrying out the functions set forth in the Oklahoma Health Care Information System Act from any source. These funds shall be deposited in the Oklahoma Health Care Information System Revolving Fund account.

SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1-119 of Title 63, unless there is created a duplication in numbering, reads as follows:

Each state agency, state-supported provider and public and private health care provider and third-party payors shall make and file, as required by the Department, health care data including but not limited to:

1. Financial information including but not limited to costs of operation, revenues, assets, liabilities, fund balances, other income, rates, charges, units of service, wage and salary data;

2. Service information including but not limited to bed capacity by category of health care service provided, special services, ancillary services, physician profiles in the aggregate by clinical specialties and nursing services; and

3. Discharge data including but not limited to completed hospital discharge data set in accordance of rules of the Oklahoma State Board of Health or comparable information for each patient discharged from the facility after the effective date of this act.

SECTION 6. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1-120 of Title 63, unless there is created a duplication in numbering, reads as follows:

Any health care data provider who has been determined by the State Department of Health to have violated any provision of the Oklahoma Health Care Information System Act or any rule, regulation or order issued pursuant to the provisions of the Oklahoma Health Care Information System Act shall be assessed an administrative penalty by the Department of not more than One Hundred Dollars (\$100.00) for each day that said violation continues. The maximum administrative penalty shall not exceed Ten Thousand Dollars (\$10,000.00) for any continuous series of related violations.

SECTION 7. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1-121 of Title 63, unless there is created a duplication in numbering, reads as follows:

A. The individual forms, computer tapes or other forms of data collected by and furnished to the State Department of Health or data processor shall not be public records as defined in the Open Records Act and shall not be subject to public inspection.

B. After approval by the Department, the compilations prepared for release or dissemination from the data collected, except for a

report prepared at the request of an individual data provider containing information concerning only its transactions, shall be public records.

C. The confidentiality of patient identifying information is to be protected and the pertinent statutes, rules and regulations of the State of Oklahoma and of the federal government relative to patient confidentiality shall apply.

D. Patient identifying information shall not be disclosed, and may not be used in connection with any legal, administrative, supervisory or other action whatsoever with respect to such patient. The Department shall hold such information in confidence.

E. The Department is prohibited from taking any administrative, investigative or other action with respect to any individual patient on the basis of patient identifying information. The Department is further prohibited from identifying, directly or indirectly, any individual patient in any report of scientific research or long-term evaluation, or otherwise disclosing patient identities in any manner.

F. Patient identifying information submitted to the Department which would directly or indirectly identify any patient shall not be disclosed by the Department, either voluntarily or in response to any legal process, unless authorized by an appropriate court of competent jurisdiction, granted after application showing good cause therefor with notice of the hearing to the Department. In assessing good cause the court shall weigh the public interest and the need for disclosure against the injury to the patient, to the physician-patient relationship, and to the treatment services. Upon the granting of such order, the court, in determining the extent to which any disclosure of all or any part of any record is necessary, shall impose appropriate safeguards against unauthorized disclosure.

G. Any person who submits data as required by the Oklahoma Health Care Information System Act shall be immune from liability in

any civil action for any action taken as required by the provisions of the Oklahoma Health Care Information System Act. This immunity is in addition to any other immunity for the same or similar acts to which the person is otherwise entitled.

H. Data collected by and furnished to the Department pursuant to the Oklahoma Health Care Information System Act shall not be shared among other state agencies unless the information is approved by the Department as a public record or as otherwise required by law.

SECTION 8. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1-122 of Title 63, unless there is created a duplication in numbering, reads as follows:

The Department shall issue reports no less than annually which may include recommendations to the Legislature for any change in the statutes needed to further the purposes of this act. The initial report shall survey the types of data collected and shall make recommendations for the elimination of duplication in the collection of that data. Subsequent reports may include plans for expanding the uniform data base to other medical providers including, but not limited to, all licensed health care professionals or entities providing health care services.

SECTION 9. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1-123 of Title 63, unless there is created a duplication in numbering, reads as follows:

The Commissioner shall appoint a health care data advisory committee to assist in the development of reporting requirements and in the interpretation and evaluation of the data received under this act. The health care data advisory committee shall include representatives from each of the following groups or organizations:

1. Hospital administration;
2. Private businesses of less than two hundred employees;
3. Private businesses of two hundred or more employees;

4. Physicians;
5. Hospital financial offices;
6. Commercial insurance;
7. State government;
8. Nursing administration;
9. Medical records;
10. Consumers;
11. Nursing home administration;
12. The Department of Human Services;
13. The Department of Mental Health and Substance Abuse Services;
14. The State Department of Health;
15. The State Insurance Department; and
16. The School of Public Health, Oklahoma University Health Sciences Center.

SECTION 10. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1-124 of Title 63, unless there is created a duplication in numbering, reads as follows:

There is hereby created in the State Treasury a revolving fund for the State Department of Health to be designated the "Oklahoma Health Care Information System Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of monies received by the State Department of Health from state agencies, boards, commissions and institutions and from counties, cities and towns for services rendered or as elsewhere provided in this act. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the State Department of Health for the furtherance of this act. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of State Finance for approval and payment.

SECTION 11. This act shall become effective September 1, 1992.

43-2-7042

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