

STATE OF OKLAHOMA

2nd Session of the 44th Legislature (1994)

COMMITTEE SUBSTITUTE

FOR HOUSE BILL NO. 1947

By: Thomas

COMMITTEE SUBSTITUTE

An Act relating to Public Health and Safety; creating the Oklahoma Primary Care Rural Hospital Act; providing for legislative findings and intent; defining terms; requiring certain revenues and assessments; requiring development of rules; providing for specific content and impact; providing for certain submission; providing for certain consultation; adding and providing for certain powers and duties for the Oklahoma State Department of Health and the Department of Human Services; providing for codification; providing an effective date; and declaring an emergency.

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 1-706.1 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 Primary Care Rural Hospital Act".

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1-706.2 of Title 63, unless there is created a duplication in numbering, reads as follows:

The Legislature finds and declares all of the following:

1. Primary care rural hospitals serve as the hub of health care in the communities which they serve, and through that role attract and retain in their communities physicians, nurses and other primary care providers;

2. Because of economics of scale compounded by changes in payment for services, many rural hospitals may close. The smallest and most remote facilities are at highest risk of closure;

3. Closure of primary care rural hospitals will result in the departure of health care providers and the loss of emergency medical services both to residents and persons traveling through the area;

4. Licensure rules which may be appropriate for larger and urban hospitals are often unduly burdensome for some primary care rural hospitals; and

5. The intent of the Oklahoma Primary Care Rural Hospital Act is to establish a mechanism for a comprehensive assessment of regulatory requirements applicable to primary care rural hospitals, to provide for the implementation of less restrictive rules, to assure the promulgation of those standards by the Oklahoma State Board of Health and to otherwise implement the full intent of the Oklahoma Primary Care Rural Hospital Act.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1-706.3 of Title 63, unless there is created a duplication in numbering, reads as follows:

As used in the Oklahoma Primary Care Rural Hospital Act:

1. "Department" means the Oklahoma State Department of Health; and

2. "Primary care rural hospital" means a specialized hospital with fifty (50) or fewer licensed beds in a community of ten thousand (10,000) or less population and which is the sole provider of hospital services in the community.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1-706.4 of Title 63, unless there is created a duplication in numbering, reads as follows:

A. Between the effective date of this act and January 1, 1995, the Department shall undertake a comprehensive review and assessment of the regulatory requirements currently imposed upon primary care rural hospitals pursuant to Article 7 of the Public Health Code.

B. Based upon such review and assessment, the Department shall develop rules for specialized hospitals which are less restrictive than the rules for general acute care hospitals as appropriate to implement the provisions of the Oklahoma Primary

Care Rural Hospital Act. Such rules shall ensure that a safe and effective alternative to rules for general acute care hospitals is available and shall cover at least the following areas: admission criteria, basic services, governing body, medical and professional staff, nursing service, medical records and physical plant.

C. By March 1, 1995, the Department shall submit to the State Board of Health for their consideration, rules which modify the existing rules for general acute care hospitals determined by the Department to be inapplicable, unreasonably burdensome to, or unnecessary for the safe and efficient operation of primary care rural hospitals and which assure compliance with Medicare certification standards. These modifications shall apply only to hospitals which have requested licensure as primary care rural hospitals.

D. Prior to promulgating these specialized hospital rules, the Department shall consult with appropriate professional associations to ensure that safety and quality of care are not compromised.

SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1-706.5 of Title 63, unless there is created a duplication in numbering, reads as follows:

The Department of Human Services shall:

1. Pursue waivers of state Medicaid plan amendments that are necessary to allow primary care rural hospitals to continue to participate in and receive full reimbursement; and

2. Modify inpatient limitation for Medicaid so as not to single out primary care rural hospitals for application.

SECTION 6. This act shall become effective July 1, 1994.

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