

ENROLLED HOUSE
BILL NO. 1947

By: Thomas, Hager and Reese
of the House

and

Rozell of the Senate

An Act relating to public health and safety;
creating the Oklahoma Rural Primary Care Hospital
and Emergency Medical Services Act; providing for
legislative findings and intent; defining terms;
requiring certain reviews and assessments;
requiring development of rules; providing for
specific content and impact of rules; providing for
certain submission; providing for certain
consultation; adding and providing for certain
powers and duties for 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 Rural
Primary Care Hospital and Emergency Medical Services 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. Rural primary care 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 rural primary care 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 rural primary
care hospitals; and

5. The intent of the Oklahoma Rural Primary Care Hospital and
Emergency Medical Services Act is to establish a mechanism for a
comprehensive assessment of regulatory requirements applicable to
rural primary care hospitals and rural emergency medical services,
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 Rural Primary Care Hospital and Emergency Medical Services
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 Rural Primary Care Hospital and Emergency Medical Services Act:

1. "Department" means the Oklahoma State Department of Health;
2. "Rural primary care hospital" means a hospital with sixty or fewer licensed beds in a community of ten thousand (10,000) or less population according to the 1990 federal census and which is the sole provider of hospital services in the community; and
3. "Rural emergency medical services system" means an emergency medical services system as such term is defined by the Oklahoma Emergency Medical Services Act servicing counties with a population of fifty thousand (50,000) or less according to the 1990 federal census.

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 rural primary care hospitals pursuant to Article 7 of the Public Health Code and rural emergency medical services system pursuant to Article 25 of the Public Health Code.

B. Based upon such review and assessment, the Department shall develop rules for rural hospitals which are less restrictive than the rules for general acute care hospitals and rules which waive regulatory requirements as appropriate to implement the provisions of the Oklahoma Rural Primary Care Hospital and Emergency Medical Services Act. The rules shall ensure that a safe and effective alternative is available to the rules for general acute care hospitals 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 for rural primary care hospitals and emergency medical service systems which modify the existing rules for general acute care hospitals and emergency medical services systems that have been determined by the Department to be inapplicable to, unreasonably burdensome to, or unnecessary for the safe and efficient operation of rural primary care hospitals and emergency medical services systems and which assure compliance with Medicare certification standards. These modifications shall apply only to hospitals and emergency medical services systems which have requested licensure as new primary care hospitals or emergency medical services systems.

D. Prior to promulgating these rural primary care hospital and emergency medical services rules, the Board shall consult with appropriate professional associations to ensure that the rules do not compromise safety and quality of care in rural primary care hospitals and emergency medical services.

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. Submit to the federal government a waiver request to amend the State Medicaid Plan to allow rural primary care hospitals and emergency medical services systems which become licensed as rural primary care hospitals or emergency medical services systems to

continue to participate in and receive full Medicaid reimbursement;
and

2. Modify inpatient limitation standards for Medicaid so as not to single out rural primary care hospitals and emergency medical services systems 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.

Passed the House of Representatives the 18th day of May, 1994.

Speaker of the House of
Representatives

Passed the Senate the 19th day of May, 1994.

President of the Senate