STATE OF OKLAHOMA

2nd Session of the 46th Legislature (1998)

CONFERENCE COMMITTEE SUBSTITUTE
FOR ENGROSSED
HOUSE BILL NO. 2290

By: Roberts and Mitchell of the House

and

Monson of the Senate

CONFERENCE COMMITTEE SUBSTITUTE

An Act relating to health benefits; amending 67 O.S. 1991, Section 206, which relates to the Records Management Act; providing an exemption for certain health records; directing the Joint Liaison Committee on State and Education Employees Group Insurance Benefits to create a Payment Rate Review Task Force; stating membership of Task Force; stating duties of the Task Force; requiring an annual report; requiring the Task Force to make certain recommendations; providing qualifications for membership; directing the Task Force to collect and assess certain information; providing for unrestricted access to certain payment rate information; providing for codification; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 67 O.S. 1991, Section 206, is amended to read as follows:

Section 206. A. The head of each agency shall:

~~(a)~~ 1. Establish and maintain an active, continuing program for the economical and efficient management of the records of the agency~~.~~;

~~(b)~~ 2. Make and maintain records containing adequate and proper documentation of the organization, functions, policies, decisions, procedures and essential transactions of the agency designed to furnish information to protect the legal and financial rights of the state and of persons directly affected by the agency's activities~~.~~;

~~(c)~~ 3. Submit to the Administrator, in accordance with the standards established by ~~him~~ the Administrator, schedules proposing the length of time each state record series warrants retention for administrative, legal or fiscal purposes after it has been created or received by the agency. The head of each agency also shall submit lists of state records in ~~his~~ the custody of the head of the agency that are not needed in the transaction of current business and that do not have sufficient administrative, legal or fiscal value to warrant their further keeping for disposal in conformity with the requirements of Section 210 of this title~~.~~;

~~(d)~~ 4. Cooperate with the Administrator in the conduct of surveys made by ~~him~~ the Administrator pursuant to the provisions of this act~~.~~; and

~~(e)~~ 5. Comply with the rules, regulations, standards and procedures issued by the Administrator.

B. Confidential health, life, disability and dental claims or related files of the State and Education Employees Group Insurance Program shall be exempt from this act.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1306.3 of Title 74, unless there is created a duplication in numbering, reads as follows:

A. The Joint Liaison Committee on State and Education Employees Group Insurance Benefits shall create the Payment Rate Review Task Force, which shall review all payments made to providers of medical care by the Oklahoma State and Education Employees Group Insurance Board. The Task Force shall be composed of independent experts appointed by the Joint Liaison Committee on State and Education Employees Group Insurance Benefits. The Task Force shall annually review applicable changes in payment rates which will affect hospital inpatient and outpatient payment methodologies.

B. The Task Force shall study and make recommendations, as part of its annual report, regarding new institutional reimbursement policy and changes in each existing reimbursement policy by the Oklahoma State and Education Employees Group Insurance Board under which payments to an institution are made.

C. No later than September 1 of each year, the Task Force shall submit a report to the Joint Liaison Committee on State and Education Employees Group Insurance Benefits containing an examination of issues affecting health care delivery to state and education employees in Oklahoma, including issues related to:

1. Trends in health care costs;

2. The financial condition of hospitals and the effect of the payments made to hospitals under this act on such condition;

3. Trends in the use of health care services under the Oklahoma State and Education Employees Group Insurance Board health plans; and

4. New methods used by employers, insurers, and others to address the use of health care services.

The Task Force shall make, as part of its annual report, recommendations to the Joint Liaison Committee on State and Education Employees Group Insurance Benefits concerning appropriate changes in reimbursement rates which should be used for inpatient and outpatient hospital services.

D. The Task Force shall consist of nine (9) members. The membership of the Task Force shall include individuals with recognized expertise in health economics, health facility management, reimbursement of health facilities or other providers of services which reflect the scope of the Task Force's responsibilities, a balance of urban and rural representatives, including hospital administrators, physicians, and registered nurses, employers, third party payors, individuals skilled in the conduct and interpretation of biomedical, health services, and health economics research, and individuals having expertise in the research and development of technological and scientific advances in health care.

E. In order to identify medically appropriate patterns of health resources, the Task Force shall collect and assess information on medical and surgical procedures and services, including information on variations of medical practice and lengths of hospitalization and on other patient care data, giving special attention to treatment patterns for conditions which appear to involve excessively costly or inappropriate services not adding to the quality of care provided. The Task Force shall give special attention to the needs of updating existing diagnosis-related groups and establishing new diagnosis-related groups, to reflect appropriate differences in resource consumption in delivering safe, efficacious and cost effective care.

F. In order to conduct its duties, the Task Force shall have unrestricted access to all payment rate information of the Oklahoma State and Education Employees Group Insurance Board immediately upon request.

SECTION 3. This act shall become effective July 1, 1998.

SECTION 4. 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.

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