

1 STATE OF OKLAHOMA

2 1st Session of the 47th Legislature (1999)

3 COMMITTEE SUBSTITUTE  
4 FOR ENGROSSED  
5 SENATE BILL NO. 789

By: Cain of the Senate

and

6 Blackburn of the House

7  
8 COMMITTEE SUBSTITUTE

9 An Act relating to poor persons; amending Section 5,  
10 Chapter 336, O.S.L. 1993, as amended by Section 5,  
11 Chapter 204, O.S.L. 1995 (56 O.S. Supp. 1998, Section  
12 1010.5), which relates to the Oklahoma Medicaid  
13 Healthcare Options Act; expanding contract  
14 requirements; providing an effective date; and  
15 declaring an emergency.

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

17 SECTION 1. AMENDATORY Section 5, Chapter 336, O.S.L.  
18 1993, as amended by Section 5, Chapter 204, O.S.L. 1995 (56 O.S.  
19 Supp. 1998, Section 1010.5), is amended to read as follows:

20 Section 1010.5 As a condition of the contract with any proposed  
21 or potential participating provider pursuant to the Oklahoma  
22 Medicaid Healthcare Options Act, the Oklahoma Health Care Authority  
23 shall require such contract terms as are necessary, in its judgment,  
24 to ensure adequate performance by a participating provider of the  
25 provisions of each contract executed pursuant to the Oklahoma  
26 Medicaid Healthcare Options Act. Required contract provisions shall  
27 include, but are not limited to:

28 1. The maintenance of deposits, performance bonds, financial  
29 reserves or other financial providers which have posted other  
30 security, equal to or greater than that required by the System, with  
31 a state agency for the performance of managed care contracts if  
32 funds would be available from such security for the System upon  
default by the participating provider;

1       2. A requirement that a participating provider shall also  
2 provide a copy of any bill for services under the state Medicaid  
3 program to the Medicaid client or such client's guardian, if any;

4       3. Requirements that all records relating to contract  
5 compliance shall be available for inspection by the Authority or are  
6 submitted in accordance with rules promulgated by the Oklahoma  
7 Health Care Authority Board and that such records be maintained by  
8 the participating provider for five (5) years. A participating  
9 provider shall also make such records available on request of the  
10 secretary of the United States Department of Health and Human  
11 Services, or its successor agency;

12       ~~3.~~ 4. Authorization for the Authority to directly assume the  
13 operations of a participating provider under circumstances specified  
14 in the contract. Operations of the participating provider shall be  
15 assumed only as long as it is necessary to ensure delivery of  
16 uninterrupted care to members enrolled with the participating  
17 provider and accomplish the orderly transition of those members to  
18 other providers participating in the System, or until the  
19 participating provider reorganizes or otherwise corrects the  
20 contract performance failure. The operations of a participating  
21 provider shall not be assumed unless, prior to that action, notice  
22 is delivered to the provider and an opportunity for a hearing is  
23 provided; and

24       ~~4.~~ 5. Requirement that, if the Authority finds that the public  
25 health, safety or welfare requires emergency action, it may assume  
26 the operations of the participating provider on notice to the  
27 participating provider and pending an administrative hearing which  
28 it shall promptly institute. Notice, hearings and actions pursuant  
29 to this subsection shall be in accordance with Article II of the  
30 Administrative Procedures Act.

31       SECTION 2. This act shall become effective July 1, 1999.  
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1       SECTION 3. It being immediately necessary for the preservation  
2 of the public peace, health and safety, an emergency is hereby  
3 declared to exist, by reason whereof this act shall take effect and  
4 be in full force from and after its passage and approval.

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