

AS INTRODUCED

A Resolution memorializing the U.S. Congress to repeal the portion of the federal Health Care Financing Authority rule, promulgated pursuant to Public Law 102-234, that unfairly subjects certain long-term care services providers to taxes from which they will derive no benefit; and directing distribution.

WHEREAS, in an effort to improve the public health care system in this state, the Oklahoma State Legislature recently enacted provisions that address the critical needs of its most vulnerable citizens, the elderly and children; and

WHEREAS, enactment of these provisions by the Legislature will make possible a vast array of improvements in the quality of health care available to senior citizens in this state including, but not limited to:

1. Improved staffing ratios and nursing facility assessment and reimbursement methodologies;
2. Wage and salary improvements for direct care nursing facility staff and elderly nutrition site staff;
3. Durable medical equipment and pharmacy and other Medicaid services for certain qualified Medicare beneficiaries;
4. Eyeglass, denture and transportation services for nursing facility residents;
5. Improved client advocacy and regulatory capabilities within nursing facilities;
6. An increase in the nursing facility resident personal needs allowance; and
7. Ongoing study of alternative nursing facility reimbursement systems; and

WHEREAS, the Oklahoma State Legislature has chosen to provide for the funding for such provisions through the combining of proceeds received by this state from the tobacco settlement with leveraged funds under the federal Medicaid Program. A proposed Nursing Facility Quality of Care Fee of \$4 per day per bed will mean an estimated \$92 Million in federal financial participation; and

WHEREAS, Public Law 102-234 and rules promulgated thereto by the federal Health Care Financing Administration (HCFA), which specify the types of health care-related fees against which a state may leverage without experiencing a reduction in federal financial participation, postulate receipt of such federal matching funds on the uniform application of such fees to all health care providers in a class, regardless of their tax costs; and

WHEREAS, the effect of the HCFA requirement to uniformly assess the Nursing Facility Quality of Care Fee on all nursing facilities in this state, including private pay nursing facilities that do not receive Medicaid reimbursement, amounts to taxation without benefit of value, and has the potential of impeding the state in its efforts to improve the quality of its public health care system.

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE OF THE 2ND SESSION OF THE 47TH OKLAHOMA LEGISLATURE:

THAT the Oklahoma State Senate hereby memorializes Congress to disapprove that portion of the federal Health Care Financing Authority rule, promulgated pursuant to Public Law 102-234, that unfairly subjects certain long-term care services providers to taxes from which they will derive no benefit.

THAT a copy of this resolution be distributed to the Oklahoma Congressional Delegation.