ENGROSSED SENATE
CONCURRENT
RESOLUTION NO. 17

By: Henry of the Senate

and

Ervin of the House

A Concurrent Resolution stating intent of the Legislature and urging the Workers' Compensation Court Administrator to rescind and revoke the changes made to the Schedule of Medical and Hospital Fees pursuant to Section 1 of Senate Bill No. 1414 effective on January 1, 2001; and directing distribution.

WHEREAS, during the 2nd Session of the 47th Oklahoma Legislature, Senate Bill No. 1414 received final passage in both the Oklahoma State Senate and the Oklahoma House of Representatives on the 24th day of May, 2000, and was approved by the Governor of the State of Oklahoma on the 26th day of May, 2000; and

WHEREAS, Section 1 of Senate Bill No. 1414, now codified as Section 173.2 of Title 85 of the Oklahoma Statutes, reads as follow:

A. *On or before September 1, 2000*, the Workers' Compensation Court Administrator shall reduce the current medical costs so as to result in a net savings system-wide of not less than four and six-tenths percent (4.6%) *in accordance with recommendations of the Medical Cost Reduction Committee*.

B. The Medical Cost Reduction Committee shall be composed of the following:

1. A representative designated by the Oklahoma Osteopathic Association;

2. A representative designated by the Oklahoma Medical Association;

3. Two (2) representatives designated by the Oklahoma Hospital Association, one of whom shall represent metropolitan hospitals and one of whom shall represent rural hospitals;

4. A representative designated by the Oklahoma State Chiropractic Association;

5. A representative designated by the Oklahoma Podiatric Medical Association;

6. A representative designated by the Oklahoma Pharmacists Association;

7. A representative designated by the Independent Medical Providers' Action Coalition; and

8. The Chair of the Physicians' Advisory Committee, or a designee.

C. The Medical Cost Reduction Committee shall meet no later than June 15, 2000, at a time and place agreed upon by all parties, and select a chairperson. Thereafter, all meetings shall be called by the chairperson. Each member of the Medical Cost Reduction Committee shall provide his or her own staff to assist in the work of the Committee. Members of the Committee shall not be entitled to receive any reimbursement for any expenses of any kind, incurred in the work of the Committee. *If the Committee fails to submit recommendations to the Administrator by August 15, 2000*, the Administrator shall reduce the current medical costs as required by this section; and

WHEREAS, pursuant to the mandate of Section 1 of Senate Bill No. 1414, the Medical Cost Reduction Committee worked diligently throughout the summer of 2000, gathering data, conducting meetings and formulating cost-saving initiatives, and submitted its recommendations to the Court Administrator on August 14, 2000, one day before the August 15, 2000 deadline; and

WHEREAS, the Medical Cost Reduction Committee estimated that its recommendations would result in a system-wide savings of $51,588,05.00 or 7.9% - well above the minimum 4.6% mandated in Section 1 of Senate Bill No. 1414; and

WHEREAS, on September 1, 2000, the Court Administrator adopted virtually all of the recommendations of the Medical Cost Reduction Committee; and

WHEREAS, after a public hearing on November 17, 2000, the Court Administrator, relying on Section 1 of Senate Bill No. 1414, made additional reductions in the Schedule of Medical and Hospital Fees, effective January 1, 2001.

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE OF THE 1ST SESSION OF THE 48TH OKLAHOMA LEGISLATURE, THE HOUSE OF REPRESENTATIVES CONCURRING THEREIN:

THAT in giving final passage to Section 1 of Senate Bill No. 1414, it was the intent of the Legislature to limit the Court Administrator's discretion by requiring that the reductions be made "*in accordance with the recommendations of the Medical Cost Reduction Committee", except "[i]f the Committee fails to submit recommendations to the Administrator by August 15, 2000"*.

THAT Section 1 of Senate Bill No. 1414 specifically states, and it was the clear intent of the Legislature, that September 1, 2000, be the day for finality for all action to be taken pursuant to said section, and it was not the intent of the Legislature to, in any way, authorize or empower the Court Administrator to make additional reductions in medical costs subsequent to that date.

THAT in giving final passage to Section 1 of Senate Bill No. 1414, it was not the intent of the Legislature to give the Court Administrator or any other entity or party the discretion, directly or indirectly, to determine whether the recommendations of the Medical Cost Reduction Committee were appropriate to reduce current medical costs so as to result in a minimum 4.6% net savings system-wide.

THAT the Court Administrator is urged to immediately rescind and revoke the changes made to the Schedule of Medical and Hospital Fees, effective January 1, 2001, for the reason and upon the grounds

that the implementation of such changes exceeded the authority granted by the Oklahoma Legislature.

THAT a copy of this resolution be distributed to the Workers' Compensation Court Administrator.

Adopted by the Senate the 13th day of March, 2001.

_____
Presiding Officer of the Senate

Adopted by the House of Representatives the ____ day of _____, 2001.

_____
Presiding Officer of the House
of Representatives