

ENGROSSED SENATE AMENDMENT
TO
ENGROSSED HOUSE
BILL NO. 1017

By: Leist, Harrison, McClain,
Dorman and McIntyre of the
House

and

Robinson of the Senate

An Act relating to poor persons; amending 56 O.S. 2001, Section 222, which relates to certain audits; changing certain responsibility from Department of Public Welfare to the Oklahoma Health Care Authority; amending 56 O.S. 2001, Section 1010.13, which relates to persons authorized to enroll beneficiaries of Medicaid program; clarifying cite; amending 56 O.S. 2001, Section 1025.2, as amended by Section 2, Chapter 378, O.S.L. 2002 (56 O.S. Supp. 2002, Section 1025.2), which relates to community services and Medicaid personal care providers; authorizing Executive Director of Authority to make certain waivers and receive certain information; requiring Department of Human Services to disclose certain information to the State Medicaid Agency; authorizing the Oklahoma Health Care Authority to assess a quality assurance assessment fee on certain health maintenance organizations; providing percentage; providing procedures; providing certain dates for assessment; providing for calculations; limiting certain assessments; specifying uses for assessment; providing conditions which would make assessment null and void; providing for penalties; providing for deposits and expenditures; defining terms; providing for codification; and declaring an emergency.

AMENDMENT NO. 1. Page 8, line 25 ½, insert a new paragraph 3 to read

"3. a. In lieu of terminating its contract with the Oklahoma Health Care Authority pursuant to the provisions of paragraph 2 of this subsection and in order to provide the Medicaid population with access to quality health care without disrupting caseload balances by and among Medicaid managed care organizations, a Medicaid managed care organization may, at its own expense, create a stand alone

Medicaid managed care organization from its current book of business, provided the following criteria are met:

- (1) the Medicaid premium of the Medicaid managed care organization is less than twenty percent (20%) of its total premium for all business,
- (2) the Medicaid managed care organization is licensed in good standing pursuant to the provisions of Section 2501 et seq. of Title 63 of the Oklahoma Statutes and has been licensed pursuant to such provisions for at least eight (8) consecutive years,
- (3) the action will not result in substantive or material changes in policies or operation of the Medicaid managed care organization or the new entity,
- (4) the Medicaid managed care organization and the new entity will retain the same owners, management and board members, and
- (5) the Medicaid managed care organization and the new entity meet all requirements or conditions established by law for health maintenance organizations licensed to do business in this state.

b. Notwithstanding the provisions of paragraph 3 of subsection A of Section 2504 of Title 63 of the Oklahoma Statutes and rules promulgated pursuant thereto, any Medicaid managed care organization electing to proceed under the provisions of this paragraph shall be entitled to a hearing within twenty (20) days from the date application is made to the State Department of Health. For purposes of this paragraph, the Department shall forward a copy of the application to the Insurance Commissioner who shall review the application for fiscal responsibility and fiducial integrity and make recommendations to the Department prior to the hearing date. If a response is not received from the Insurance Commissioner prior to the hearing date, the Department may proceed to make a determination upon the application as submitted. The Department

shall have ten (10) days from the hearing date to grant or deny a license to the new Medicaid managed care organization.

4. As used in this subsection, "Medicaid managed care organization" means a health maintenance organization that has a Medicaid managed care contract awarded by the state and administered by the Oklahoma Health Care Authority."

and amend the title to conform as follows:

Page 1, Line 18, by inserting after the first semicolon (;) and before the word "specifying" the words:

"providing conditions in lieu of termination of contract between the Oklahoma Health Care Authority and a Medicaid managed care organization; allowing creation of stand alone managed care organization and providing criteria related thereto; allowing specified hearing and providing procedures related thereto; defining term;"

Passed the Senate the 6th day of March, 2003.

Presiding Officer of the Senate

Passed the House of Representatives the ____ day of _____,
2003.

Presiding Officer of the House
of Representatives