

STATE OF OKLAHOMA

2nd Session of the 50th Legislature (2006)

HOUSE BILL 2105

By: Wright

AS INTRODUCED

An Act relating to poor persons; amending 56 O.S. 2001, Sections 1010.1, as last amended by Section 1, Chapter 136, O.S.L. 2004 and 1010.4, as amended by Section 3, Chapter 464, O.S.L. 2003 (56 O.S. Supp. 2005, Sections 1010.1 and 1010.4), which relate to the Oklahoma Medicaid Program Reform Act of 2003; modifying income requirements for eligibility for certain benefits; and providing an effective date.

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

SECTION 1. AMENDATORY 56 O.S. 2001, Section 1010.1, as last amended by Section 1, Chapter 136, O.S.L. 2004 (56 O.S. Supp. 2005, Section 1010.1), is amended to read as follows:

Section 1010.1 A. Sections 1010.1 through 1010.7 of this title shall be known and may be cited as the "Oklahoma Medicaid Program Reform Act of 2003".

B. Recognizing that many Oklahomans do not have health care benefits or health care coverage, that many small businesses cannot afford to provide health care benefits to their employees, and that, under federal law, barriers exist to providing Medicaid benefits to the uninsured, the Oklahoma Legislature hereby establishes provisions to lower the number of uninsured, assist businesses in their ability to afford health care benefits and coverage for their employees, and eliminate barriers to providing health coverage to eligible enrollees under federal law.

C. The Oklahoma Health Care Authority shall provide coverage under the state Medicaid program to children under the age of eighteen (18) years whose family incomes do not exceed ~~one hundred~~

~~eighty-five percent (185%)~~ one hundred seventy-eight percent (178%)
of the federal poverty level.

D. 1. The Authority is hereby directed to apply for a waiver or waivers to the Centers for Medicaid and Medicare Services (CMS) that will accomplish the purposes outlined in subsection B of this section. The Authority is further directed to negotiate with CMS to include in such waiver authority provisions to:

- a. increase access to health care for Oklahomans,
- b. reform the Oklahoma Medicaid Program to promote personal responsibility for health care services and appropriate utilization of health care benefits through the use of public-private cost sharing,
- c. enable small employers, and/or employed, uninsured adults with or without children to purchase employer-sponsored, state-approved private, or state-sponsored health care coverage through a state premium assistance payment plan, and
- d. develop flexible health care benefit packages based upon patient need and cost.

2. The Authority may phase in any waiver or waivers it receives based upon available funding.

3. The Authority is hereby authorized to develop and implement a pilot premium assistance plan to assist small businesses and/or their eligible employees to purchase employer-sponsored insurance or "buy-in" to a state-sponsored benefit plan.

E. 1. There is hereby created in the State Treasury a revolving fund to be designated the "Health Employee and Economy Improvement Act (HEEIA) Revolving Fund".

2. The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of:

- a. all monies received by the Authority pursuant to this section and otherwise specified or authorized by law,

- b. monies received by the Authority due to federal financial participation pursuant to Title XIX of the Social Security Act, and
- c. interest attributable to investment of money in the fund.

3. All monies accruing to the credit of the fund are hereby appropriated and shall be budgeted and expended by the Authority to implement a premium assistance plan.

SECTION 2. AMENDATORY 56 O.S. 2001, Section 1010.4, as amended by Section 3, Chapter 464, O.S.L. 2003 (56 O.S. Supp. 2005, Section 1010.4), is amended to read as follows:

Section 1010.4 A. The Oklahoma Health Care Authority shall take all steps necessary to implement the Oklahoma Medicaid Healthcare Options System as required by the Oklahoma Medicaid Program Reform Act of 2003.

B. The implementation of the System shall include, but not be limited to, the following:

1. Development of operations plans for the System which include reasonable access to hospitalization, eye care, dental care, medical care and other medically related services for members including, but not limited to, access to twenty-four-hour emergency care;

2. Contract administration and oversight of participating providers;

3. Technical assistance services to participating providers and potential providers;

4. Development of a complete plan of accounts and controls for the System including, but not limited to, provisions designed to ensure necessary and reasonable usage of covered health and medical services provided through the System;

5. Establishment of peer review and utilization study functions for all participating providers;

6. Technical assistance for the formation of medical care consortiums to provide covered health and medical services under the System. Development of service plans and consortiums may be on the basis of medical referral patterns;

7. Development and management of a provider payment system;

8. Establishment and management of a comprehensive plan for ensuring the quality of care delivered by the System;

9. Establishment and management of a comprehensive plan to prevent fraud against the System by members, eligible persons and participating providers;

10. Coordination of benefits provided under the Oklahoma Medicaid Program Reform Act of 2003 to any member;

11. Development of a health education and information program;

12. Development and management of a participant enrollment system;

13. Establishment and maintenance of a claims resolution procedure to ensure that a submitted claim is resolved within forty-five (45) days of the date the claim is correctly submitted;

14. Establishment of standards for the coordination of medical care and patient transfers;

15. Provision for the transition of patients between participating providers and nonparticipating providers;

16. Provision for the transfer of members and persons who have been determined eligible from hospitals which do not have contracts to care for such persons;

17. Specification of enrollment procedures including, but not limited to, notice to providers of enrollment. Such procedures may provide for varying time limits for enrollment in different situations;

18. Establishment of uniform forms and procedures to be used by all participating providers;

19. Methods of identification of members to be used for determining and reporting eligibility of members;

20. Establishment of a comprehensive eye care and dental care system which:

- a. includes practitioners as participating providers,
- b. provides for quality care and reasonable and equal access to such practitioners, and
- c. provides for the development of service plans, referral plans and consortiums which result in referral practices that reflect timely, convenient and cost-effective access to such care for members in both rural and urban areas;

21. a. Development of a program for Medicaid eligibility and services for individuals who are in need of breast or cervical cancer treatment and who:

- (1) have family incomes that are below ~~one hundred eighty-five percent (185%)~~ one hundred seventy-eight percent (178%) of the federal poverty level,
- (2) have not attained the age of sixty-five (65) years,
- (3) have no or have inadequate health insurance or health benefit coverage for treatment of breast and cervical cancer, and
- (4) meet the requirements for treatment and have been screened for breast or cervical cancer.

b. The program shall include presumptive eligibility and shall provide for treatment throughout the period of time required for treatment of the individual's breast or cervical cancer,

c. On or before July 1, 2002, the Oklahoma Health Care Authority shall coordinate with the State Commissioner

of Health to develop procedures to implement the program, contingent upon funds becoming available; and

22. Establishment of co-payments, premiums and enrollment fees, and the establishment of policy for those members who do not pay co-payments, premiums or enrollment fees.

C. Except for reinsurance obtained by providers, the Authority shall coordinate benefits provided under the Oklahoma Medicaid Program Reform Act of 2003 to any eligible person who is covered by workers' compensation, disability insurance, a hospital and medical service corporation, a health care services organization or other health or medical or disability insurance plan, or who receives payments for accident-related injuries, so that any costs for hospitalization and medical care paid by the System are recovered first from any other available third party payors. The System shall be the payor of last resort for eligible persons.

D. Prior to the development of the plan of accounts and controls required by this section and periodically thereafter, the Authority shall compare the scope, utilization rates, utilization control methods and unit prices of major health and medical services provided in this state with health care services in other states to identify any unnecessary or unreasonable utilization within the System. The Authority shall periodically assess the cost effectiveness and health implications of alternate approaches to the provision of covered health and medical services through the System in order to reduce unnecessary or unreasonable utilization.

E. The Authority may contract distinct administrative functions to one or more persons or organizations who may be participating providers within the System.

F. Contracts for managed health care plans, authorized pursuant to paragraph 2 of subsection A of Section 1010.3 of this title and necessary to implement the System, and other contracts entered into

prior to July 1, 1996, shall not be subject to the provisions of the Oklahoma Central Purchasing Act.

G. The Oklahoma Health Care Authority Board shall promulgate rules:

1. Establishing appropriate competitive bidding criteria and procedures for contracts awarded pursuant to the Oklahoma Medicaid Program Reform Act of 2003;

2. Which provide for the withholding or forfeiture of payments to be made to a participating provider by the Oklahoma Medicaid Healthcare Options System for the failure of the participating provider to comply with a provision of the participating provider's contract with the System or with the provisions of promulgated rules or law; and

3. Necessary to carry out the provisions of the Oklahoma Medicaid Program Reform Act of 2003. Such rules shall consider the differences between rural and urban conditions on the delivery of hospitalization services, eye care, dental care and medical care.

SECTION 3. This act shall become effective November 1, 2006.

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