STATE OF OKLAHOMA

2nd Session of the 50th Legislature (2006)

SENATE BILL 1464 By: Laughlin

AS INTRODUCED

An Act relating to public health and safety; creating the Small Hospitals Self-Help Act; providing short title; stating legislative findings; providing for establishment and functions of locally designated health care districts; providing for certification of certain amounts to specified entity; requiring promulgation of rules and specifying contents; requiring submission of certain application; providing for codification; and providing an effective date.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 5027 of Title 63, unless there is created a duplication in numbering, reads as follows:

A. This act shall be known and may be cited as the "Small Hospitals Self-Help Act".

B. The Oklahoma Legislature finds that establishment of subordinate health care entities designated as "health care districts" will better promote efficient administration of health care service delivery to eligible persons in this state.

C. Such locally designated health care districts shall:

1. Coordinate the delivery of health care services in local jurisdictions such as municipalities and counties; provided, however, jurisdictions containing multiple areas shall be contiguous and shall possess commonality as it relates to need;

2. Be authorized to adjust Medicaid provider rates above the state minimum established by the Oklahoma Health Care Authority;

3. Be authorized to contract with employer-sponsored health plans or private health plans to provide services to Medicaid and indigent beneficiaries; and

4. Be authorized to expand health care services or health care providers within health care districts.

D. Health care districts may be established by local communities wherein locally generated tax dollars are received for the benefit of local hospitals or other local health care services. Such districts shall have the same boundaries as the area over which the locally assessed tax is levied.

E. Health care districts may be established by the governing boards of the hospitals located within the area over which the locally assessed tax for the benefit of the local hospital or other local health care service is levied. The governing board of such hospital shall be the governing board of the local health care district.

F. 1. Each health care district may certify to the Oklahoma Health Care Authority the amount of funds generated by tax assessment within the health care district for the benefit of the local hospital or other local health care services.

2. The Authority shall submit such information to the Centers for Medicare and Medicaid Services for the purpose of applying for federal matching funds. The Authority shall submit any necessary applications for waivers to accomplish the provisions of this act.

G. The Oklahoma Health Care Authority Board is hereby directed to promulgate rules to enact the provisions of this section. Such rules shall, at a minimum, address:

1. Internal establishment of local health care district accounts within the Authority including, but not limited to, procedures for remitting funds out of such accounts back to the local health care district;

2. Methods for certifying funds for each local health care district and for reporting such amounts to the Centers for Medicare and Medicaid Services (CMS) for federal matching purposes. The revenue for each health care district account shall consist of federal matching dollars received for such certified funds.

The Oklahoma Health Care Authority shall apply for federal matching funds based on the amount of funds certified by the local Health Care District for such purposes. The Authority shall not reduce the amount of disbursements otherwise due to a health care district based on the health care district's receipt of such local area dedicated monies and any attributable federal matching funds; and

3. Procedures for continuing the Authority's claims payment function, pursuant to a draw-down process for funds, for each Medicaid service within the local health care district.

SECTION 2. This act shall become effective November 1, 2006.

50-2-2841 JC 6/13/2015 8:28:56 AM