

1 ENGROSSED HOUSE
2 BILL NO. 2778

By: Steele, Billy, Shelton,
Morrisette, Denney,
McDaniel (Jeannie), Tibbs
and Inman of the House

4 and

5 Crain of the Senate

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8 An Act relating to poor persons; amending Section 5,
9 Chapter 315, O.S.L. 2006 (56 O.S. Supp. 2009, Section
10 1011.5), which relates to an incentive reimbursement
11 rate plan for nursing facilities; requiring that the
Oklahoma Health Care Authority make certain
refinements to the plan; requiring annual report to
certain individuals; and providing an effective date.

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

15 SECTION 1. AMENDATORY Section 5, Chapter 315, O.S.L.
16 2006 (56 O.S. Supp. 2009, Section 1011.5), is amended to read as
17 follows:

18 Section 1011.5 A. The Oklahoma Health Care Authority in
19 cooperation with the State Department of Health, a statewide
20 organization of the elderly, representatives of the Health and Human
21 Services Interagency Task Force on long-term care, and
22 representatives of both statewide associations of nursing facility
23 operators shall develop an incentive reimbursement rate plan for
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1 nursing facilities that shall include, but may not be limited to,
2 the following:

3 1. Quality of life indicators that relate to total management
4 initiatives;

5 2. Quality of care indicators;

6 3. Family and resident satisfaction survey results;

7 4. State Department of Health survey results;

8 5. Employee satisfaction survey results;

9 6. CNA training and education requirements;

10 7. Patient acuity level;

11 8. Direct care expenditures pursuant to subparagraph e of
12 paragraph 2 of subsection I of Section 1-1925.2 of Title 63 of the
13 Oklahoma Statutes; and

14 9. Other incentives which include, without limitation,
15 participation in quality initiative activities performed and/or
16 recommended by the Oklahoma Foundation for Medical Quality in
17 capital improvements, in-service education of direct staff, and
18 procurement of reasonable amounts of liability insurance.

19 B. The Oklahoma Health Care Authority shall negotiate with the
20 Centers for Medicare and Medicaid Services to include the authority
21 to base provider reimbursement rates for nursing facilities on the
22 criteria specified in subsection A of this section.

23 C. The Oklahoma Health Care Authority shall make refinements to
24 the incentive reimbursement rate plan to ensure transparency and

1 integrity. These refinements shall include, but may not be limited
2 to, the following:

3 1. Establishing minimum standard for incentive payments,
4 through higher percentiles using evidence-based criteria or
5 introduction of absolute standards above the current benchmark;

6 2. Using state survey results as a threshold metric for
7 determining if facilities should receive incentive payment and
8 suspend facilities falling below the threshold;

9 3. Taking steps to strengthen data collection process; and

10 4. Establishing an advisory group with consumer, provider and
11 state agency representation to provide feedback on program
12 performance and recommendations for improvements.

13 D. The Oklahoma Health Care Authority shall provide an annual
14 report of the incentive reimbursement rate plan to the Governor, the
15 Speaker of the House of Representatives, and the President Pro
16 Tempore of the Senate by December 31 of each year. The report shall
17 include, but not be limited to, an analysis of the previous fiscal
18 year including incentive payments, ratings, and notable trends.

19 SECTION 2. This act shall become effective November 1, 2010.

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1 Passed the House of Representatives the 2nd day of March, 2010.

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4 Presiding Officer of the House of
Representatives

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6 Passed the Senate the ____ day of _____, 2010.

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9 Presiding Officer of the Senate