

1 STATE OF OKLAHOMA

2 1st Session of the 52nd Legislature (2009)

3 SENATE BILL 336

By: Adelson

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5
6 AS INTRODUCED

7 An Act relating to public health and safety; defining
8 terms; providing for allocation of certain funds;
9 prohibiting certain funds from being set aside for
10 specified entities; specifying allocation of certain
11 funds to hospitals; specifying allocation of certain
12 funds to institutions for mental disease; authorizing
13 the Oklahoma Health Care Authority to seek certain
14 approval; subjecting the Oklahoma Health Care
15 Authority to certain laws and regulations; providing
16 for codification; and providing an effective date.

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

18 SECTION 1. NEW LAW A new section of law to be codified in
19 the Oklahoma Statutes as Section 5061 of Title 63, unless there is
20 created a duplication in numbering, reads as follows:

21 As used in this act:

- 22 1. "Hospital" means a licensed facility located within the state
23 that provides medical and/or surgical treatment and care for the sick
24 and injured which may or may not be owned or operated by the state or
by an instrumentality or a unit of government within the state; and
2. "Institution for mental disease" means an institution located
in the state that is primarily engaged in providing diagnosis,

1 treatment or care of persons with mental diseases, which meets the
2 federal definition established in 42 C.F.R. 435.1009, and which is
3 licensed by the State Department of Health as a Specialized Hospital:
4 Psychiatric;

5 SECTION 2. NEW LAW A new section of law to be codified in
6 the Oklahoma Statutes as Section 5062 of Title 63, unless there is
7 created a duplication in numbering, reads as follows:

8 A. Hospitals shall receive an amount equal to the state
9 disproportionate share hospital allocation published by the Centers
10 for Medicare and Medicaid Services in the Federal Register less the
11 amount reserved for institutions for mental disease pursuant to
12 subsection B of this section.

13 B. Institutions for mental disease shall receive an amount equal
14 to the amount allocated and published in the Federal Register by the
15 Centers for Medicare and Medicaid Services.

16 C. No funds from the state disproportionate hospital share
17 allocation published by the Centers for Medicare and Medicaid
18 Services in the Federal Register shall be set aside for use by a
19 specific hospital.

20 SECTION 3. NEW LAW A new section of law to be codified in
21 the Oklahoma Statutes as Section 5063 of Title 63, unless there is
22 created a duplication in numbering, reads as follows:

23 A. Hospitals shall receive funds from the state disproportionate
24 hospital share allocation pursuant to Section 2 of this act based on

1 their relationship to the total amount of indigent care costs
2 provided by all hospitals.

3 B. Indigent care costs shall be reported to the Oklahoma Health
4 Care Authority by each hospital using the annual Disproportionate
5 Hospital Share (DSH) Survey. Indigent care costs shall be calculated
6 based on the following hospital specific formula:

7 Indigent care costs = (Medicaid gross charges + bad debt
8 allowance + charity care charges) x (hospital specific cost-to-charge
9 ratio).

10 C. Once allocations are made to each hospital, they shall be
11 compared to the hospital specific disproportionate share hospital
12 upper payment limit and then adjusted down, if necessary, so as to
13 not exceed the limit.

14 SECTION 4. NEW LAW A new section of law to be codified in
15 the Oklahoma Statutes as Section 5064 of Title 63, unless there is
16 created a duplication in numbering, reads as follows:

17 A. Institutions for mental disease shall receive funds from the
18 state disproportionate hospital share allocation pursuant to Section
19 2 of this act based on their relationship to the total amount of
20 indigent care costs provided by all institutions for mental disease.

21 B. Indigent care costs shall be reported to the Oklahoma Health
22 Care Authority by each institution for mental disease using the
23 annual Disproportionate Hospital Share (DSH) Survey. Indigent care
24

1 costs shall be calculated based on the following hospital specific
2 formula:

3 Indigent care costs = (Medicaid gross charges + bad debt
4 allowance + charity care charges) x (hospital specific cost-to-charge
5 ratio).

6 C. Once allocations are made to each institution for mental
7 disease, they shall be compared to the hospital specific
8 disproportionate share hospital upper payment limit and then adjusted
9 down, if necessary, so as to not exceed the limit.

10 SECTION 5. NEW LAW A new section of law to be codified in
11 the Oklahoma Statutes as Section 5065 of Title 63, unless there is
12 created a duplication in numbering, reads as follows:

13 A. The Oklahoma Health Care Authority is authorized to seek any
14 and all federal approval necessary to implement the provisions of
15 this act.

16 B. The Oklahoma Health Care Authority shall be subject to all
17 applicable federal laws and regulations when carrying out the
18 provisions of this act.

19 SECTION 6. This act shall become effective November 1, 2009.

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