

1 STATE OF OKLAHOMA

2 2nd Session of the 54th Legislature (2014)

3 COMMITTEE SUBSTITUTE
4 FOR

5 SENATE BILL NO. 1495

By: David of the Senate

and

McCullough of the House

6
7
8
9 COMMITTEE SUBSTITUTE

10 [Oklahoma Medicaid Reform Act of 2014 - codification
11 - effective date]
12

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

14 SECTION 1. NEW LAW A new section of law to be codified
15 in the Oklahoma Statutes as Section 1011.12 of Title 56, unless
16 there is created a duplication in numbering, reads as follows:

17 This act shall be known and may be cited as the "Oklahoma
18 Medicaid Reform Act of 2014".

19 SECTION 2. NEW LAW A new section of law to be codified
20 in the Oklahoma Statutes as Section 1011.13 of Title 56, unless
21 there is created a duplication in numbering, reads as follows:

22 A. The Oklahoma Health Care Authority is directed to develop
23 and implement a statewide, patient-centered, integrated managed care
24 system for the provision of services provided, inclusive of all

1 Medicaid eligible populations, under the Oklahoma Medicaid Program.
2 The managed care plan shall include a statewide network with a
3 catchment area serving every county in this state. Conversion of
4 the Oklahoma Medicaid Program to a managed care system shall be
5 completed by no later than January 1, 2016.

6 B. The Authority shall develop and submit for approval
7 applications or amendments for waivers of applicable federal laws
8 and regulations as necessary to implement the provisions of the
9 Oklahoma Medicaid Reform Act of 2014. Copies of all waivers
10 submitted to and approved by the United States Centers for Medicare
11 and Medicaid Services under this section shall be provided to the
12 Legislature within ten (10) days of their approval. The Oklahoma
13 Health Care Authority shall submit a plan containing a recommended
14 timeline for implementation of any waivers and budgetary projections
15 of the effect of the Oklahoma Medicaid Reform Act of 2014. This
16 implementation plan shall be submitted to the Governor, the Speaker
17 of the House of Representatives and the President Pro Tempore of the
18 Senate.

19 C. Participation by specialty plans is subject to procurement
20 requirements provided for in this act. The enrollment of a
21 specialty plan shall not exceed ten percent (10%) of the total
22 number of enrollees; provided, however, a specialty plan whose
23 target population includes no more than ten percent (10%) of the
24 enrollees shall not be subject to the regional enrollment limits

1 provided for in this section. For the purposes of this subsection,
2 "specialty plan" shall mean a managed care plan serving Medicaid
3 recipients who meet specified criteria based on age, medical
4 conditions, or diagnosis.

5 D. The Oklahoma Health Care Authority shall establish a five-
6 year contract with each managed care plan selected through
7 procurement procedures provided for in this act. A plan contract
8 may not be renewed; provided, however, the Authority may extend the
9 term of a plan contract to cover any delays during the transition to
10 a new plan.

11 E. Provider payments by the managed care plans shall not be
12 lower than the Medicaid fee-for-service rate in effect on May 1,
13 2015.

14 F. The Oklahoma Health Care Authority shall implement a choice
15 counseling system to ensure enrollees have timely access to accurate
16 information on available plans. The counseling system shall include
17 plan-to-plan comparative information on benefits, provider networks,
18 drug formularies, quality measures, and other data points as deemed
19 necessary by the Authority.

20 G. Managed care plans may customize benefit packages for non-
21 pregnant adults, vary cost-sharing provisions, and provide coverage
22 for additional services. The Oklahoma Health Care Authority shall
23 evaluate the proposed benefit packages to ensure services are
24 sufficient to meet the needs of the plan's enrollees and to verify

1 actuarial equivalence. Each plan operating in the managed care
2 program shall, subject to approval by the Authority, establish a
3 program to encourage and reward healthy behaviors.

4 SECTION 3. This act shall become effective November 1, 2014.

5
6 54-2-3454 JAM 2/25/2014 1:47:44 PM
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24