

**BILL SUMMARY**  
1st Session of the 54<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB 1942</b>
<b>Version:</b>	<b>Committee Substitute</b>
<b>Request Number:</b>	
<b>Author:</b>	<b>Rep. Bennett</b>
<b>Date:</b>	<b>3/5/2013</b>
<b>Impact:</b>	<b>State Fund Reallocation: \$30 Million; Additional Potential Costs related to agency administration and Medicaid State Share costs.</b>

**Research Analysis**

The CS for HB 1942 creates the “Oklahoma Veterans Recovery Plan Act of 2013.” The act provides for the citizens of Oklahoma with service connected injuries to have access to effective biological repair treatments and other therapies for the treatment of brain injuries, posttraumatic stress disorder, and other service connected injuries through the state’s two medical schools. The measure creates the Oklahoma TBI Treatment Act,” that allows for the use of hyperbaric oxygen treatment (HBOT) by other persons under certain circumstances.

The act specifies payment requirements for these treatments and directs the Oklahoma Insurance Department (OID) to recover the state’s costs for delivering these treatments. Treatment providers will seek payment for services through the OID, and they will be paid for services at published Medicare and Medicaid rates. Additionally, the act grants the OID the authority to withdraw funds from the National Guard Relief Fund and the Trauma Care Assistance Revolving Fund for authorized expenditures. Any expenditure for equipment, training, or education under the act must be approved by the OID.

The act creates the Oklahoma Evidence-based Practice Center (OKEBPC) which will be located at the Oklahoma University Health Sciences Center College of Public Health.

The act directs the Oklahoma Health Care Authority to seek any waivers or approvals from the Centers for Medicare and Medicaid Services (CMS) to utilize HBOT throughout SoonerCare.

Prepared By: Scott C. Tohlen

**Fiscal Analysis**

*Section 2* requires the Insurance Department to begin recovery of the state’s costs for delivering treatments for certain biological repair treatments and other therapies. The Insurance Department is also the entity, designated by the measure, billable by providers delivering services under the measure.

*Analysis:* Section 2 requires the Insurance Department to administer functions dissimilar from its current duties, therefore significant administrative costs are expected; though the Insurance Department has not yet provided a cost estimate.

**Section 3** creates a third-party payer and insurance mandate for prescribed FDA-cleared Hyperbaric Oxygen Treatment (HBOT). The section regulates the price of treatments as well as the percentage received by the providing physician and facility. The section requires the Oklahoma Health Care Authority (OHCA) to seek a waiver to expand Medicaid coverage and reimbursement for HBOT. The section also requires, state funds and resources be used to pay for all treatments at all providers at a stated rate.

**Analysis:** Along with seeking Medicaid coverage of treatment this section creates an entitlement for all residents with regard to the treatment. The State would bear a significant cost for each service provided; the total cost is dependent on the level of utilization which is currently unknown.

**Section 4** authorizes the Insurance Department to draw funds from the National Guard Relief Fund (NGRF) and the Trauma Care Assistance Revolving Fund (TCARF), to reimburse providers under the act.

**Analysis:** See Section 7

**Section 5** creates the Oklahoma Evidence-based Practice Center (OKEBPC) to be located at the OU Health Sciences Center. The measure charges OKEBPC with validating treatment results, collecting payment utilization information, and perform bio-statistical analysis. The section mentions the entity will be funded through a fee but is not clear with regard to the source of the fee revenue.

**Analysis:** Net Cost to the University of Oklahoma related to implementing the requirements of the section are currently unknown and will be dependent on the availability of the fee revenue mentioned in the section.

**Section 6** mandates payment at a certain rate by the State, for treatments for brain insults received by residents of the state within 30 days billing. The section requires certain notifications and reports by the Secretary of Veterans and Military Affairs. The section requires the Insurance Department to collect payments from payers responsible for given treatment. The section authorizes the Insurance Department to purchase equipment and facility installation to facilitate the service delivery required under the measure. The section states that OSU Center for Health Sciences may draw funds to educate personnel to deliver services required under the act. The section creates fees ranging from \$10-25 payable by physicians and practitioners delivering services under the act, but is not clear where such fees are to be deposited. The Section exempts certain agencies from the Central Purchasing Act, the Public Competitive, Bidding and Construction Acts, the Surplus Property Act, management and Enterprise Services (OMES) budget reporting provisions.

**Analysis:** The elements of this sections will have a significant finance and are designed to be funded through the Revolving Funds in Section 7.

**Section 7** authorizes a total of \$30,000,000 from the National Guard Relief Fund (OKNGRF) and the Trauma Care Assistance Revolving Fund (TCARF) to be used to make reimbursements for services and pay for education and other administrative costs associated with the measure. The section provides that additional funds from Debt Financing can be used as revenue for the programs.

*Analysis:* The measure reallocates \$30,000,000 in state funds currently utilized in the State Budget.

Prepared By: John McPhetridge

**Other Considerations**

None.

© 2013 Oklahoma House of Representatives, see Copyright Notice at [www.okhouse.gov](http://www.okhouse.gov)