

1 ENGROSSED SENATE  
2 BILL NO. 640

By: Treat of the Senate

and

Cox of the House

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5  
6 [ Oklahoma Medicaid Program - standards for certain  
7 payments - determination of eligibility - guidelines  
8 for determining medical necessity - quarterly  
redetermination of eligibility - codification -  
effective date ]

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

12 SECTION 1. NEW LAW A new section of law to be codified  
13 in the Oklahoma Statutes as Section 5028 of Title 63, unless there  
14 is created a duplication in numbering, reads as follows:

15 A. The Oklahoma Health Care Authority shall make payments to  
16 nursing facilities pursuant to the state Medicaid plan for  
17 individuals who meet applicable financial requirements and are  
18 determined to require at least the following services and supports:

19 1. Skilled nursing services or rehabilitation therapy on a  
20 daily basis ordered by a physician for the treatment of one or more  
21 conditions of sufficient severity that the individual's needs exceed  
22 the routine care that can be given by an untrained person and  
23 require the assessment, supervision, planning, and intervention of  
24 licensed nurses; or

1           2. Substantial or complete assistance in four or more  
2 activities of daily living or in any one of three critical  
3 activities of daily living that require twenty-four-hour staff  
4 availability, including toileting, positioning, and transferring; or

5           3. Twenty-four-hour supervision and assistance necessitated by  
6 severe or moderate cognitive impairment that places the individual  
7 at risk or presents a risk to others.

8           B. 1. The requirements of subsection A of this act shall also  
9 be adopted in determining initial and continued eligibility of aged  
10 and disabled individuals to receive Medicaid services under waivers  
11 approved by the Centers for Medicare and Medicaid Services pursuant  
12 to Section 1915(c) of the Social Security Act as an alternative to  
13 nursing facility admission.

14           2. Eligibility for home and community-based waiver services  
15 shall be extended to individuals who meet the requirements of  
16 subsection A and elect to receive waiver services and who are  
17 determined by the Authority to be at high risk for nursing home  
18 admission but for the expeditious provision of such services.

19           C. 1. In applying the requirements of subsection A to  
20 determine medical necessity for nursing facility services and home-  
21 and community-based waiver services, the Authority shall utilize the  
22 Minimum Data Set 3.0 Resident Assessment Instrument (MDS-RAI) to  
23 assemble pertinent medical and functional information relative to  
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1 individual applicant health status, medical needs, and cognitive and  
2 functional deficits.

3 2. Prior to implementing the medical necessity determination  
4 requirements of subsection A, the Authority shall obtain the advice  
5 of a technical expert panel and from essential stakeholders with  
6 respect to the most appropriate and efficient use of the MDS-RAI and  
7 an associated acuity scale and scoring mechanism.

8 3. Not later than January 1, 2016, the Authority shall retain  
9 the services of a qualified independent contractor organization to  
10 administer the requirements of this section.

11 D. Following an initial determination of medical necessity and  
12 commencement of nursing facility services or home- and community-  
13 based waiver services, the Authority shall provide for a  
14 redetermination of the recipient's need for continuation of services  
15 on a quarterly basis or upon a significant change in the recipient's  
16 condition.

17 E. The provisions of this act shall be implemented with respect  
18 to Medicaid-eligible individuals initially applying for nursing  
19 facility or home-based or community-based services on or after  
20 January 1, 2016.

21 F. The provisions of this act shall not apply to individuals  
22 with intellectual disabilities.

23 SECTION 2. This act shall become effective September 1, 2015.  
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