

1 STATE OF OKLAHOMA

2 2nd Session of the 55th Legislature (2016)

3 HOUSE BILL 2489

By: Cox

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6 AS INTRODUCED

7 An Act relating to state employee benefits; amending  
8 74 O.S. 2011, Section 1329.1, as amended by Section  
9 974, Chapter 304, O.S.L. 2012 (74 O.S. Supp. 2015,  
10 Section 1329.1), which relates to the mutual  
11 accountability incentive pilot program; specifying  
12 division within certain office; providing for a  
13 certain cohort study; modifying participants in  
14 study; extending certain program; creating certain  
15 oversight committee; providing committee membership;  
16 providing certain powers of committee; requiring the  
17 committee to submit certain final report; and  
18 providing an effective date.

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

20 SECTION 1. AMENDATORY 74 O.S. 2011, Section 1329.1, as  
21 amended by Section 974, Chapter 304, O.S.L. 2012 (74 O.S. Supp.  
22 2015, Section 1329.1), is amended to read as follows:

23 Section 1329.1 A. The Employees Group Insurance Division  
24 (EGID) of the Office of Management and Enterprise Services shall  
contract for 2012 with a vendor that offers a Health Insurance  
Portability and Accountability Act (HIPAA) compliant web-based,  
doctor-patient mutual accountability incentive program. The purpose  
of the contract is to conduct a pilot project to test the value

1 proposition of a program that offers financial incentives to both  
2 the health care provider and the patient for each care encounter in  
3 which the provider and patient incorporate evidence-based medicine  
4 treatment guidelines, patient health education remedies and other  
5 proven medical interventions made available and recorded through the  
6 program in the rendering and utilization of health care.

7 B. The ~~Office~~ EGID shall use operating funds to underwrite the  
8 cost of this pilot project and shall not pass these costs along to  
9 the participating state agencies, or school boards or providers.  
10 The ~~Office~~ EGID may retain or share with participating state  
11 agencies or school boards any savings realized as a result of the  
12 pilot program. The program will demonstrate a self-sustaining  
13 financial model that, through the savings incurred by better  
14 utilization of health care programs, will offset the costs of this  
15 program with savings.

16 C. This program will offer the health care provider the  
17 flexibility to use the health care provider's clinical judgment to  
18 adhere to or deviate from the program's treatment guidelines and  
19 still receive a financial incentive, as long as the health care  
20 provider communicates care guidelines and patient health education  
21 remedies to the patient that include an explanation of the  
22 provider's adherence or reason for nonadherence to the guideline.  
23 The vendor managing the pilot program shall offer a financial reward  
24 to the patient for responding to the vendor's guidelines for care

1 and patient education remedies by demonstrating the patient's  
2 understanding of the patient's health condition, by declaring or  
3 demonstrating adherence to recommended care, by agreeing to allow  
4 the patient's physician to view patient's responses and acknowledge  
5 the patient's health accomplishments, and by judging the quality of  
6 care given to the patient against these guidelines and recommended  
7 care.

8 D. Any communications to patient and provider shall be in  
9 compliance with all HIPAA regulations and standards. Participation  
10 in the program shall be voluntary to both the provider and patient  
11 on an encounter-by-encounter basis. The program shall be offered  
12 and administered by the program vendor through an Internet  
13 application that is HIPAA-compliant.

14 E. This pilot project shall involve a cohort study to include a  
15 minimum of fifteen thousand beneficiaries of the Office EGID to be  
16 covered by the program, designated as the intervention group, to  
17 achieve a statistical significance, and collect and analyze data  
18 concerning the intervention group's total per capita health care  
19 costs, properly adjusted to appropriately compare to a population of  
20 the EGID's beneficiaries not covered by the program, designated as  
21 the control group, over a period of ~~three (3) years~~ five (5) years  
22 in order to determine the program's effectiveness and ability to  
23 become self-funded.  
24

1 F. In order to ensure the pilot project is administered and  
2 evaluated in a fair and appropriate manner, an oversight committee  
3 shall be formed with administrative authority over all matters  
4 pertaining to the pilot project. The committee shall be dissolved  
5 after the pilot's final report is accepted and approved by the  
6 committee.

7 1. The committee shall consist of five (5) members to be  
8 appointed as follows:

9 a. two members selected by the Speaker of the House of  
10 Representatives,

11 b. two members selected by the President Pro Tempore of  
12 the Senate, and

13 c. one member selected by the Governor.

14 2. The committee shall be empowered to rule on special requests  
15 by the EGID and the vendor. The committee shall also be empowered  
16 to:

17 a. arrange to provide to the vendor all data, to include  
18 Protected Health Information (PHI), of both the pilot  
19 program's intervention and control groups, in a HIPAA-  
20 compliant manner and such other support as the vendor  
21 may reasonably require at its sole discretion  
22 pertinent to its role of program administrator  
23 responsible for achieving the best possible cost-  
24

1 containment outcome relative to the goal of program  
2 financial self-sustainment,

3 b. direct the EGID and the vendor, or their surrogates,  
4 to conduct pilot data analyses, compare results,  
5 reconcile variances, and reach consensus on the  
6 performance of the program against the goal of self-  
7 funding,

8 c. direct the EGID and the vendor, or their surrogates,  
9 to submit a written report to the committee, on an  
10 annual or more frequent basis, that presents findings  
11 relative to the program's performance against the goal  
12 of self-funding,

13 d. with assistance from the EGID and the vendor, select  
14 an independent party with the requisite expertise and  
15 experience in the appropriate methods to assess the  
16 cost-containment capabilities of the program in a  
17 cohort study, to be jointly engaged by the EGID and  
18 the vendor as the pilot evaluator,

19 e. direct the pilot evaluator to confirm the analyses  
20 conducted by the EGID and the vendor, or their  
21 surrogates, or at the evaluator's discretion conduct a  
22 separate analysis of the pilot project's data and  
23 submit a final written report to the EGID and the  
24 vendor within five (5) months after the pilot

1 project's conclusion that presents statistically valid  
2 findings relative to the program's cost-containment  
3 capabilities against the goal of self-funding,

4 f. direct the EGID and the vendor, or their surrogates,  
5 to review the pilot evaluator's final report, and  
6 offer critique and commentary prior to the submission  
7 of the evaluator's final report as provided in  
8 paragraph 3 of this subsection, and

9 g. direct the EGID to submit the pilot evaluator's final  
10 report, including critiques and commentary by the EGID  
11 and the vendor, to the committee for review and  
12 approval.

13 3. Once approved, the committee shall submit the pilot  
14 evaluator's final report with all critiques and commentary to the  
15 Governor, the Speaker of the House of Representatives and the  
16 President Pro Tempore of the Senate.

17 SECTION 2. This act shall become effective November 1, 2016.

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19 55-2-8121            AMM            01/20/16  
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