

<DateSubmitted>

HOUSE OF REPRESENTATIVES  
CONFERENCE COMMITTEE REPORT

Mr. President:  
Mr. Speaker:

The Conference Committee, to which was referred

**HB2803**

By: Derby of the House and Griffin of the Senate

Title: Medicaid Program; certain health care benefit waivers; qualifications. Effective date.

Together with Engrossed Senate Amendments thereto, beg leave to report that we have had the same under consideration and herewith return the same with the following recommendations:

1. That the Senate recede from its amendment; and
2. That the attached Conference Committee Substitute be adopted.

Respectfully submitted,

House Action \_\_\_\_\_ Date \_\_\_\_\_ Senate Action \_\_\_\_\_ Date \_\_\_\_\_

**SENATE CONFEREES**

Allen	_____
Anderson	_____
Barrington	_____
Bass	_____
Bice	_____
Boggs	_____
Brecheen	_____
Brooks	_____
Brown	_____
Crain	_____
Dahm	_____
David	_____
Dossett	_____
Fields	_____
Floyd	_____
Ford	_____
Fry	_____
Garrison	_____
Griffin	_____
Halligan	_____
Holt	_____
Jech	_____
Jolley	_____
Justice	_____

Loveless	_____
Marlatt	_____
Matthews	_____
Mazzei	_____
Newberry	_____
Paddack	_____
Pittman	_____
Quinn	_____
Sharp	_____
Shaw	_____
Shortey	_____
Silk	_____
Simpson	_____
Smalley	_____
Sparks	_____
Standridge	_____
Stanislawski	_____
Sykes	_____
Thompson	_____
Treat	_____
Wyrick	_____
Yen	_____
	_____
	_____

STATE OF OKLAHOMA

2nd Session of the 55th Legislature (2016)

CONFERENCE COMMITTEE  
SUBSTITUTE  
FOR ENGROSSED  
HOUSE BILL NO. 2803

By: Derby of the House

and

Griffin of the Senate

CONFERENCE COMMITTEE SUBSTITUTE

An Act relating to the Oklahoma Medicaid Program;  
creating the Medicaid Rebalancing Act of 2020;  
defining terms; requiring limitation of certain  
coverage; prioritizing maintenance of provider  
reimbursement; authorizing enrollment of certain  
uninsureds in premium assistance plans; amending 56  
O.S. 2011, Section 1010.1, which relates to the  
Oklahoma Medicaid Program Reform Act of 2003;  
lowering certain poverty eligibility threshold upon  
the expiration of certain requirement; clarifying  
language; eliminating certain contingent program  
expansion; authorizing Health Care Authority to seek  
certain waiver; authorizing an individual Insure  
Oklahoma commercial insurance plan; providing for  
suspension of plan based on specific contingency;  
allowing for transfers of funds between certain  
accounts; limiting transfers of funds between certain  
accounts; clarifying meaning of certain phrase;  
providing for codification; providing an effective  
date; and declaring an emergency.

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

1       SECTION 1.       NEW LAW       A new section of law to be codified  
2 in the Oklahoma Statutes as Section 1010A of Title 56, unless there  
3 is created a duplication in numbering, reads as follows:

4       A. This section shall be known and may be cited as the  
5 "Medicaid Rebalancing Act of 2020".

6       B. For purposes of this section:

7       1. "Authority" means the Oklahoma Health Care Authority;

8       2. "CMS" means the Centers for Medicare and Medicaid Services;

9       3. "CHIP" means the federal Children's Health Insurance  
10 Program;

11       4. "Maintenance of effort" means the provisions of federal law  
12 reauthorized under the Patient Protection and Affordable Care Act  
13 that require states to maintain eligibility and enrollment standards  
14 for Medicaid and the Children's Health Insurance Program; and

15       5. "Medicaid" means the state program administered by the  
16 Oklahoma Health Care Authority pursuant to Title XIX of the federal  
17 Social Security Act, which provides for payments for medical goods  
18 or services on behalf of indigent families with dependent children  
19 and of aged, blind, or disabled individuals whose income and  
20 resources are insufficient to meet the cost of necessary medical  
21 services.

22       C. In order to reduce the Medicaid population and rebalance  
23 certain current members into the private commercial health insurance  
24 market in the State of Oklahoma, the Authority shall:

1        1. Limit Medicaid coverage not to exceed one hundred and  
2 thirty-three percent (133%) of the federal poverty level for  
3 nondisabled children and pregnant women upon the expiration of the  
4 federal maintenance-of-effort requirement;

5        2. Maintain provider reimbursement as a funding priority; and

6        3. Enroll uninsured Oklahomans between the ages of nineteen  
7 (19) and sixty-four (64) in premium assistance plans pursuant to  
8 Section 1010.1 of Title 56 of the Oklahoma Statutes.

9        SECTION 2.        AMENDATORY        56 O.S. 2011, Section 1010.1, is  
10 amended to read as follows:

11        Section 1010.1 A. Section 1010.1 et seq. of this title shall  
12 be known and may be cited as the "Oklahoma Medicaid Program Reform  
13 Act of 2003".

14        B. Recognizing that many Oklahomans do not have health care  
15 benefits or health care coverage, that many small businesses cannot  
16 afford to provide health care benefits to their employees, and that,  
17 under federal law, barriers exist to providing Medicaid benefits to  
18 the uninsured, the Oklahoma Legislature hereby establishes  
19 provisions to lower the number of uninsured, assist businesses in  
20 their ability to afford health care benefits and coverage for their  
21 employees, and eliminate barriers to providing health coverage to  
22 eligible enrollees under federal law.

23        C. Unless otherwise provided by law, the Oklahoma Health Care  
24 Authority shall provide coverage under the state Medicaid program to

1 children under the age of eighteen (18) years whose family incomes  
2 do not exceed ~~one hundred eighty-five percent (185%)~~ one hundred  
3 thirty-three percent (133%) of the federal poverty level upon the  
4 expiration of the federal maintenance-of-effort requirement.

5 D. 1. The Authority is directed to apply for a waiver or  
6 waivers to the Centers for ~~Medicaid and Medicare~~ and Medicaid  
7 Services (CMS) that will accomplish the purposes outlined in  
8 subsection B of this section. The Authority is further directed to  
9 negotiate with CMS to include in the waiver authority provisions to:

- 10 a. increase access to health care for Oklahomans,
- 11 b. reform the Oklahoma Medicaid Program to promote
- 12 personal responsibility for health care services and
- 13 appropriate utilization of health care benefits
- 14 through the use of public-private cost sharing,
- 15 c. enable small employers, ~~and/or employed,~~ and uninsured
- 16 adults with or without children to purchase employer-
- 17 sponsored, state-approved private, or state-sponsored
- 18 health care coverage through a state premium
- 19 assistance payment plan. ~~If by January 1, 2012, the~~
- 20 ~~Employer/Employee Partnership for Insurance Coverage~~
- 21 ~~Premium Assistance Program is not consuming more than~~
- 22 ~~seventy-five percent (75%) of its dedicated source of~~
- 23 ~~funding, then the program will be expanded to include~~
- 24 ~~parents of children eligible for Medicaid, and~~

d. develop flexible health care benefit packages based upon patient need and cost.

2. The Authority may phase in any waiver or waivers it receives based upon available funding.

3. The Authority is authorized to develop and implement a premium assistance plan to assist small businesses and/or their eligible employees to purchase employer-sponsored insurance or "buy in" to a state-sponsored benefit plan.

4. a. The Authority is authorized to seek from the Centers for Medicare and Medicaid Services any waivers or amendments to existing waivers necessary to accomplish an expansion of the premium assistance program to:

(1) include for-profit employers with two hundred fifty employees or less up to any level supported by existing funding resources, ~~and~~

(2) include not-for-profit employers with five hundred employees or less up to any level supported by existing funding resources, and

(3) include uninsured adults between the ages of nineteen (19) and sixty-four (64), whose incomes do not exceed one hundred thirty-three percent (133%) of the federal poverty level supported by the availability of funds pursuant to paragraph 2 of subsection G of this section.

1           b. Foster parents employed by employers with greater than  
2           two hundred fifty employees shall be exempt from the  
3           qualifying employer requirement provided for in this  
4           paragraph and shall be eligible to qualify for the  
5           premium assistance program provided for in this  
6           section if supported by existing funding.

7           E. For purposes of this paragraph, "for-profit employer" shall  
8           mean an entity which is not exempt from taxation pursuant to the  
9           provisions of Section 501(c)(3) of the Internal Revenue Code and  
10          "not-for-profit employer" shall mean an entity which is exempt from  
11          taxation pursuant to the provisions of Section 501(c)(3) of the  
12          Internal Revenue Code.

13          F. The Authority is authorized to seek from the Centers for  
14          Medicare and Medicaid Services any waivers or amendments to existing  
15          waivers necessary to accomplish an extension of the premium  
16          assistance program to include qualified employees whose family  
17          income does not exceed two hundred fifty percent (250%) of the  
18          federal poverty level, subject to the limit of federal financial  
19          participation.

20          G. 1. The Authority is authorized to create an individual  
21          Insure Oklahoma commercial insurance plan as part of the premium  
22          assistance program ~~an option to purchase a high-deductible health~~  
23          ~~insurance plan that is compatible with~~ includes a health savings or  
24          incentive account.



1        2. Pursuant to 42 USC 1396d, if the federal funding made  
2 available for the premium assistance program authorized in division  
3 (3) of subparagraph a of paragraph 4 of subsection D of this section  
4 and paragraph 1 of this subsection falls below a ninety percent  
5 (90%) matching rate, an immediate suspension of the program will  
6 remain until such date that the Legislature deems appropriate.

7        H. 1. While an individual is enrolled in the Insure Oklahoma  
8 commercial insurance plan pursuant to paragraph 1 of subsection G of  
9 this section, an annual withdrawal of no more than ten percent (10%)  
10 of the funds within the health savings or incentive account may be  
11 transferred to other savings accounts at the end of each fiscal  
12 year, provided the amount within the health savings or incentive  
13 account does not fall below One Hundred Dollars (\$100.00).

14        2. Upon an individual's departure from the Insure Oklahoma  
15 commercial insurance plan pursuant to paragraph 1 of subsection G of  
16 this section, the remaining balance of the individual's health  
17 savings or incentive account may be transferred to other savings  
18 accounts.

19        3. For purposes of this section, "other savings accounts"  
20 include but are not limited to an individual retirement account or  
21 an Oklahoma 529 College Savings Plan created pursuant to the  
22 Oklahoma College Savings Plan Act.

1        I. 1. There is hereby created in the State Treasury a  
2 revolving fund to be designated the "Health Employee and Economy  
3 Improvement Act (HEEIA) Revolving Fund".

4        2. The fund shall be a continuing fund, not subject to fiscal  
5 year limitations, and shall consist of:

- 6            a. all monies received by the Authority pursuant to this  
7                    section and otherwise specified or authorized by law,
- 8            b. monies received by the Authority due to federal  
9                    financial participation pursuant to Title XIX of the  
10                   Social Security Act, and
- 11           c. interest attributable to investment of money in the  
12                   fund.

13        3. All monies accruing to the credit of the fund are hereby  
14 appropriated and shall be budgeted and expended by the Authority to  
15 implement a premium assistance plan, unless otherwise provided by  
16 law.

17        ~~I.~~ J. 1. The Authority shall establish a procedure for  
18 verifying an applicant's individual income by utilizing available  
19 Oklahoma Tax Commission records, new hire report data collected by  
20 the Oklahoma Employment Security Commission, and child support  
21 payment data collected by the Department of Human Services in  
22 accordance with federal and state law.

23        2. The Oklahoma Tax Commission, Oklahoma Employment Security  
24 Commission, and Department of Human Services shall cooperate in

1 accordance with federal and state law with the Authority to  
2 establish procedures for the secure electronic transmission of an  
3 applicant's individual income data to the Authority.

4 SECTION 3. This act shall become effective July 1, 2016.

5 SECTION 4. It being immediately necessary for the preservation  
6 of the public peace, health and safety, an emergency is hereby  
7 declared to exist, by reason whereof this act shall take effect and  
8 be in full force from and after its passage and approval.

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10 55-2-9899 JM 04/28/2016

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