

**OKLAHOMA STATE SENATE
JOINT
COMMITTEE REPORT**

April 27, 2018

JOINT COMMITTEE ON APPROPRIATIONS AND BUDGET

SB 1605

By: David and Fields of the Senate and Wallace and Casey of the House

Title: Public finance; specifying certain duty of Director of OMES. Effective date.
Emergency.

Recommendation: **DO PASS AS AMENDED**

Aye: Allen, Bass, Bergstrom, Bice, Brecheen, Brooks, Daniels, Dugger, Floyd, Fry,
Griffin, Jech, Kidd, Leewright, McCortney, Murdock, Paxton, Pederson, Pugh,
Quinn, Rader, Rosino, Scott, Sharp, Shaw, Simpson, Smalley, Stanislawski,
Sykes, Thompson, Fields, David

Nay: Dahm

Pass:

Senator Kim David, Chair

Committee Substitute, motion by Senator DAVID - Adopted (Request No: 3642)

OKLAHOMA HOUSE OF REPRESENTATIVES
COMMITTEE REPORT

JOINT COMMITTEE ON APPROPRIATIONS AND BUDGET COMMITTEE

SB1605

By: Wallace et al of the House

David et al of the Senate

Title: Public finance; specifying certain duty of Director of OMES.
Effective date. Emergency.

Coauthored By:

Recommendation: **DO PASS AS AMENDED BY CS**

Amendments:

1. Committee Substitute Attached

 Chr.
Representative Kevin Wallace

YEAS: 15

Caldwell, Casey, Cockroft, Dunnington, Jordan, Kannady, Kouplen, McBride, Ortega, Osborn (L),
Ownbey, Pfeiffer, Sanders, Sears, Wallace

NAYS: 0

CONSTITUTIONAL PRIVILEGE: 0

1 STATE OF OKLAHOMA

2 2nd Session of the 56th Legislature (2018)

3 COMMITTEE SUBSTITUTE
4 FOR

5 SENATE BILL NO. 1605

By: David and Fields of the
Senate

6 and

7 Wallace and Casey of the
8 House

9
10 COMMITTEE SUBSTITUTE

11 An Act relating to the Oklahoma Health Care
12 Authority; directing the Authority to achieve savings
13 in an amount sufficient to provide certain rate
14 increases; requiring compliance with certain laws,
15 regulations and methodologies; providing for duties
16 and compensation of employees; authorizing payment of
17 certain expenses; providing process for exemptions;
18 authorizing certain transfers; providing procedures;
19 providing lapse dates; requiring and prohibiting
20 certain budget procedures; providing an effective
21 date; and declaring an emergency.

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

23 SECTION 1. After approval by Centers for Medicare and Medicaid
24 Services (CMS), but not earlier than October 1, 2018, through agency
administrative savings and efficiencies, the Oklahoma Health Care
Authority shall increase the current reimbursement rates for

1 SoonerCare-contracted long-term care facilities by three percent
2 (3%) .

3 SECTION 2. After approval by Centers for Medicare and Medicaid
4 Services (CMS), but not earlier than October 1, 2018, through agency
5 administrative savings and efficiencies, the Oklahoma Health Care
6 Authority shall increase the current reimbursement rates for all
7 remaining SoonerCare-contracted provider types/groups by two percent
8 (2%) with the following exclusions: services financed through
9 appropriations to other state agencies, Durable Medical Equipment
10 Prosthetics, Orthotics and Supplies, non-emergency transportation,
11 services provided to Insure Oklahoma members, payments for drug
12 ingredients/physician supplied drugs, Indian Health Services/Indian
13 Tribal/Urban Clinics and Federally Qualified Health Centers, Program
14 for the All-inclusive Care for the Elderly and rural health centers.

15 SECTION 3. All rate increases must be in compliance with
16 federal and state law and regulations, as well as state cost
17 reimbursement methodologies.

18 SECTION 4. A. The duties and compensation of employees, not
19 otherwise prescribed by law, necessary to perform the duties imposed
20 upon the Oklahoma Health Care Authority by law shall be set by the
21 Administrator of the Oklahoma Health Care Authority.

22 B. The Oklahoma Health Care Authority is authorized to:
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24

1 1. Pay professional expenses of the Administrator of the
2 Authority, including dues, licenses, professional memberships and
3 continuing education classes conducted in the State of Oklahoma; and

4 2. Pay professional expenses of any employee, including dues,
5 licenses, professional memberships, continuing medical education
6 classes conducted in the State of Oklahoma and medical malpractice
7 insurance; provided, he or she is a full-time employee of the
8 Authority in accordance with subsection B of Section 5006 of Title
9 63 of the Oklahoma Statutes or paragraph 1 of subsection B of
10 Section 840-5.5 of Title 74 of the Oklahoma Statutes and utilizing
11 those professional skills in the performance of their job duties.

12 SECTION 5. In order to facilitate cash management of federal
13 grant receipts and disbursements, the Office of Management and
14 Enterprise Services shall transfer monies between the Oklahoma
15 Health Care Authority federal and revolving funds in amounts
16 requested by the Oklahoma Health Care Authority.

17 SECTION 6. The Oklahoma Health Care Authority is authorized to
18 transfer funds from Fund 205 to Fund 340 to satisfy claims made to
19 the Authority under the Supplemental Hospital Offset Payment Program
20 Act.

21 SECTION 7. A. The Administrator of the Oklahoma Health Care
22 Authority may request, in the manner provided in this section, that
23 receipt and expenditure of unanticipated federal funds awarded after
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1 July 1, 2018, be exempt from expenditure limitations and from
2 budgetary limitations.

3 1. The Administrator shall make a request for exemption to the
4 Office of Management and Enterprise Services in writing and file a
5 revised budget program.

6 2. The Administrator shall also file copies of the request for
7 exemption and budget work program revisions with the Oklahoma House
8 of Representatives Appropriations and Budget Committee Chair and the
9 Oklahoma State Senate Appropriations Committee Chair. The House
10 Appropriations and Budget Committee Chair and/or the Senate
11 Appropriations Committee Chair shall notify the Office of Management
12 and Enterprise Services of any noncompliance of the request with
13 legislative intent within twelve (12) calendar days of their receipt
14 of the exemption request.

15 B. The Office of Management and Enterprise Services shall
16 approve the request for exemption unless both the Chair and Vice
17 Chair of the Joint Legislative Committee on Budget and Program
18 Oversight provide written notification to the Office of Management
19 and Enterprise Services within twelve (12) calendar days of the
20 Committee's receipt of the exemption request that the exemption
21 subverts the intention and objectives of the Legislature in
22 establishing the original limit. The Office of Management and
23 Enterprise Services shall give written notice of approval or
24 disapproval of each exemption to the agency, the Governor and the

1 Chair of the House Appropriations and Budget Committee and the Chair
2 of the Senate Appropriations Committee within eighteen (18) calendar
3 days of receiving the request.

4 SECTION 8. The Office of Management and Enterprise Services
5 shall transfer monies appropriated from the General Revenue Fund and
6 the 245 Fund to the Oklahoma Health Care Authority disbursing funds
7 in the amounts and ratios requested by the Authority, except that
8 the cumulative amount transferred shall not exceed the cumulative
9 amount of equal monthly allotments of the appropriation from the
10 General Revenue Fund. Monies appropriated or collected for the
11 fiscal year ending June 30, 2019, may be transferred to these
12 disbursing funds for the fiscal year ending June 30, 2018, to
13 satisfy encumbrances and obligations of said fiscal year; provided,
14 that monies equal in amount are transferred from appropriations or
15 collections for the fiscal year ending June 30, 2018, to the
16 disbursing fund for the fiscal year ending June 30, 2019, to satisfy
17 encumbrances and obligations of said fiscal year. All transfer
18 requests shall be in writing to the Office of Management and
19 Enterprise Services. The Oklahoma Health Care Authority shall
20 maintain record of the inter-year transfers.

21 SECTION 9. The Administrator of the Oklahoma Health Care
22 Authority may request, through the Director of the Office of
23 Management and Enterprise Services, the early transfer by the
24 Oklahoma Tax Commission of tax collections to the General Revenue

1 Fund for the purpose of early allocation to the agency's disbursing
2 funds to alleviate cash-flow problems.

3 SECTION 10. Appropriations made to the Oklahoma Health Care
4 Authority by Enrolled Senate Bill No. 1600 of the 2nd Session of the
5 56th Oklahoma Legislature, not including appropriations made for
6 capital outlay purposes, may be budgeted for the fiscal year ending
7 June 30, 2019 (hereafter FY-19), or may be budgeted for the fiscal
8 year ending June 30, 2020 (hereafter FY-20). Funds budgeted for FY-
9 19 may be encumbered only through June 30, 2019, and must be
10 expended by November 15, 2019. Any funds remaining after November
11 15, 2019, and not budgeted for FY-20, shall lapse to the credit of
12 the proper fund for the then current fiscal year. Funds budgeted
13 for FY-20 may be encumbered only through June 30, 2020. Any funds
14 remaining after November 15, 2020, shall lapse to the credit of the
15 proper fund for the then current fiscal year. These appropriations
16 may not be budgeted in both fiscal years simultaneously. Funds
17 budgeted in FY-19, and not required to pay obligations for that
18 fiscal year, may be budgeted for FY-20, after the agency to which
19 the funds have been appropriated has prepared and submitted a budget
20 work program revision removing these funds from the FY-19 budget
21 work program and after such revision has been approved by the Office
22 of Management and Enterprise Services.

23 SECTION 11. This act shall become effective July 1, 2018.
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1 SECTION 12. It being immediately necessary for the preservation
2 of the public peace, health or safety, an emergency is hereby
3 declared to exist, by reason whereof this act shall take effect and
4 be in full force from and after its passage and approval.

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