

**BILL SUMMARY**  
2<sup>nd</sup> Session of the 56<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB 2958</b>
<b>Version:</b>	<b>CS</b>
<b>Request Number:</b>	<b>9759</b>
<b>Author:</b>	<b>Rep. Thomsen</b>
<b>Date:</b>	<b>3/12/2018</b>
<b>Impact:</b>	<b>\$32M State/ \$806M Total</b>

**Research Analysis**

HB 2958 eliminates the Oklahoma Nursing Facility Funding Advisory Committee that developed a methodology for calculating Medicaid reimbursement rates based on facilities' direct-care staffing costs. The measure directs the Oklahoma Health Care Authority (OHCA) to adopt a case-mix-adjusted payment methodology instead. This type of payment methodology will include three cost components: direct care, indirect care and administrative, and capital and pass-through-costs. The OHCA is to review the funding levels annually and any increases in the reimbursement methodology after July 1, 2021 is not to exceed the Consumer Price Index for Medical Care plus 1%.

Prepared By: Marcia Goff

**Fiscal Analysis**

HB 2958 directs the Oklahoma Health Care Authority to adopt a mixed-case payment methodology for nursing facilities. Under this new methodology, the average cost for Regular Long Term Care facilities would increase from \$145.39 per patient per day to an estimated \$164.00. In addition, the new methodology calls for the Direct Care rate to be based on the level of average acuity and to include food, supplements, prescriptions and medical supplies *as direct care costs*. The methodology would also include the cost of employing Medical Directors *as direct care cost* and would change the capital component from the costs of rent, interest and depreciation to a fair market value based upon independent appraisal.

Prepared By: Stacy Johnson

**Other Considerations**

None.