

BILL SUMMARY
2nd Session of the 56th Legislature

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| Bill No.: | HB3714 |
| Version: | FULLPCS1 |
| Request Number: | 15178 |
| Author: | Wallace |
| Date: | 4/27/2018 |
| Impact: | Initial RFP, initialization costs; potential Long term savings |

Research Analysis

The proposed committee substitute directs the Oklahoma Health Care Authority to contact with licensed dental health plans for dental care services on a statewide basis. Compensation will be provided on a prepaid or fixed full-risk basis for participating dental plans. Contracts must contain certain provisions including:

- quarterly reporting requirements of Medicaid utilization and encounter data;
- elements designed to reduce emergency room utilization for dental purposes;
- requirements that no less than eighty-five percent of all contracting fees be utilized to directly offset the cost of providing direct patient care;
- a three-year contract term with two one-year renewal options for the licensed dental health plan; and
- stipulating that the authority and state will bear no responsibility for costs associated with the general transition from the existing fee-for-service reimbursement model to the directed dental care model.

The authority will verify that savings estimated by every dental plan seeking to enter into a contract with the authority is actuarially sound prior to entering into a contract. The authority may establish minimum standards for adequacy and size of provider networks, but may not require a dental plan to have fully contracted with network providers prior to the award of a contract. During the first year of implementation of the program the authority will assign eligible persons at an even distribution among contracted dental plans, with the option to change plans after sixty days. After the first year they may choose the plan they wish to be assigned to. The authority is authorized to set provider rates, promulgate rules and seek any state plan amendments or federal waivers necessary to implement the program. Initial contracts must be awarded to no less than two dental plans no later than March 1, 2019 and will become effective by July 1, 2019.

Prepared By: Scott Tohlen

Fiscal Analysis

The Oklahoma Health Care Authority anticipates initial implementation costs due to RFP processing and initialization, but expects long term savings.

Prepared By: Stacy Johnson

Other Considerations

None.

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