

COMMITTEE AMENDMENT
HOUSE OF REPRESENTATIVES
State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB4064 _____
Of the printed Bill
Page _____ Section _____ Lines _____
Of the Engrossed Bill

By striking the Title, the Enacting Clause, the entire bill, and by
inserting in lieu thereof the following language:

AMEND TITLE TO CONFORM TO AMENDMENTS

Amendment submitted by: Charles McCall

Adopted: _____

Reading Clerk

STATE OF OKLAHOMA

2nd Session of the 57th Legislature (2020)

PROPOSED COMMITTEE
SUBSTITUTE
FOR
HOUSE BILL NO. 4064

By: McCall

PROPOSED COMMITTEE SUBSTITUTE

An Act relating to state government; creating the State Government Health Care Administrative Reform and Reorganization Act of 2020; amending 63 O.S. 2011, Section 5006, which relates to the Oklahoma Health Care Authority; creating divisions within the Oklahoma Health Care Authority; providing for consolidation of certain agency; providing time frame for consolidation; requiring Administrator of the Oklahoma Health Care Authority to provide recommendations to Legislature; authorizing delivery of certain records and property; providing for transfer of duties and obligation; providing for transfer of rules; amending 63 O.S. 2011, Section 5008, as amended by Section 2, Chapter 9, O.S.L. 2019 (63 O.S. Supp. 2019, Section 5008), which relates to the Administrator of the Oklahoma Health Care Authority; providing for transfer of responsibilities; repealing 43A O.S. 2011, Section 2-103, as last amended by Section 2, Chapter 4, O.S.L. 2019 (43A O.S. Supp. 2019, Section 2-103), which relates to the Board of Mental Health and Substance Abuse Services; providing for codification; providing for noncodification; and declaring an emergency.

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

SECTION 1. NEW LAW A new section of law not to be codified in the Oklahoma Statutes reads as follows:

1 This act shall be known and may be cited as the "State
2 Government Health Care Administrative Reform and Reorganization Act
3 of 2020".

4 SECTION 2. AMENDATORY 63 O.S. 2011, Section 5006, is
5 amended to read as follows:

6 Section 5006. A. There is hereby created the Oklahoma Health
7 Care Authority. The Oklahoma Health Care Authority shall include a
8 Division of Medicaid Services and a Division of Mental Health and
9 Substance Abuse Services, all under the administrative control of
10 the Administrator of the Oklahoma Health Care Authority and directly
11 responsible to the Administrator.

12 1. Whenever the term "Department of Mental Health and Substance
13 Abuse Services", "Mental Health Authority" or "Department", when
14 used in reference to the Oklahoma Department of Mental Health and
15 Substance Abuse Services, appears in the Oklahoma Statutes, it shall
16 mean the Division of Mental Health and Substance Abuse Services of
17 the Oklahoma Health Care Authority.

18 2. Whenever the term "Commissioner of the Department of Mental
19 Health and Substance Abuse Services", "Commissioner of Mental
20 Health" or "Commissioner", when used in reference to the
21 Commissioner of Mental Health and Substance Abuse Services, appears
22 in the Oklahoma Statutes, it shall mean the Administrator of the
23 Oklahoma Health Care Authority.

1 3. Whenever the term "Board of Mental Health and Substance
2 Abuse Services", "Board of Mental Health", or "Board", when used in
3 reference to the Board of the Oklahoma Department of Mental Health
4 and Substance Abuse Services, appears in the Oklahoma Statutes, it
5 shall mean the Board of the Oklahoma Health Care Authority.

6 B. The Authority shall have the power and duty to:

7 1. Purchase health care benefits for Medicaid recipients, and
8 others who are dependent on the state for necessary medical care, as
9 specifically authorized by law;

10 2. Enter into contracts for the delivery of state-purchased
11 health care, including mental health and substance abuse treatment
12 services, and establish standards and criteria which must be met by
13 entities to be eligible to contract with the Authority for the
14 delivery of state-purchased health care;

15 3. Develop a proposed standard basic health care benefits
16 package or packages to be offered by health services providers, for
17 Medicaid recipients;

18 4. Study all matters connected with the provision of state-
19 purchased and state-subsidized health care coverage;

20 5. Develop and submit plans, reports and proposals, provide
21 information and analyze areas of public and private health care
22 interaction pursuant to the provisions of the Oklahoma Health Care
23 Authority Act;

1 6. Serve as a resource for information on state-purchased and
2 state-subsidized health care access, cost containment and related
3 health issues;

4 7. Administer programs and enforce laws placed under the
5 jurisdiction of the Authority pursuant to the Oklahoma Health Care
6 Authority Act and the Mental Health Law of 1986, pursuant to Section
7 1-101 et seq. of Title 43A of the Oklahoma Statutes, and such other
8 duties prescribed by law;

9 8. Collaborate with and assist the Insurance Commissioner in
10 the development of a Uniform Claim Processing System for use by
11 third-party payors and health care providers;

12 9. Collaborate with and assist the State Department of Health
13 with the development of licensure standards and criteria for pre-
14 paid health plans; and

15 10. Exercise all incidental powers which are necessary and
16 proper to carry out the purposes of the Oklahoma Health Care
17 Authority Act and the Mental Health Law of 1986, pursuant to Section
18 1-101 et seq. of Title 43A of the Oklahoma Statutes.

19 ~~B. C.~~ C. All positions within the Authority, including positions
20 transferred from the consolidated agency as referenced in Section 3
21 of this act, shall be unclassified ~~until approval of the annual~~
22 ~~business and personnel plan submitted by January 1, 1995, by the~~
23 ~~Governor and the Legislature. In the annual business plan submitted~~
24 ~~January 1, 1995, the Board shall include a personnel plan which~~

1 ~~shall list, describe and justify all unclassified positions within~~
2 ~~the Authority and their compensation. All other employees and~~
3 ~~positions shall be classified and subject to the provisions of the~~
4 ~~Merit System of Personnel Administration as provided in the Oklahoma~~
5 ~~Personnel Act.~~

6 SECTION 3. NEW LAW A new section of law to be codified
7 in the Oklahoma Statutes as Section 5006.1 of Title 63, unless there
8 is created a duplication in numbering, reads as follows:

9 A. The Oklahoma Department of Mental Health and Substance Abuse
10 Services is consolidated into the Oklahoma Health Care Authority.
11 The Administrator of the Oklahoma Health Care Authority shall assume
12 all executive-level responsibilities for the consolidated agency and
13 shall function as and possess the powers of the Commissioner of
14 Mental Health and Substance Abuse Services for the consolidated
15 agency as enumerated by existing statute. For the purposes of this
16 section, the term "consolidated agency" shall mean the Oklahoma
17 Department of Mental Health and Substance Abuse Services.

18 B. Not later than June 30, 2020, the Administrator of the
19 Oklahoma Health Care Authority shall cause the administrative
20 functions of the consolidated agency to be consolidated.

21 C. Not later than June 30, 2020, the Administrator of the
22 Oklahoma Health Care Authority shall provide recommendations to the
23 Legislature for the streamlining, reduction or elimination of the
24 governance structures and statutorily established positions of the

1 consolidated agency. Until otherwise provided for by law, the
2 governance structures and statutorily established positions of each
3 of the consolidated agency shall be maintained. Any funds
4 appropriated to, in the possession of or allocated to the
5 consolidated agency shall be deemed to be funds of the Oklahoma
6 Health Care Authority.

7 D. Upon request of the Administrator of the Oklahoma Health
8 Care Authority, the personnel of the consolidated agency shall
9 deliver to the Oklahoma Health Care Authority all books, papers,
10 records and property of the consolidated agency.

11 E. All functions, powers, duties and obligations previously
12 assigned to the consolidated agency are hereby transferred to the
13 Oklahoma Health Care Authority.

14 F. All rules, regulations, acts, orders, determinations and
15 decisions of the consolidated agency pertaining to the functions and
16 powers herein transferred and assigned to the Oklahoma Health Care
17 Authority, in force at the time of such transfer, assignment,
18 assumption or devolution, shall continue in force and effect as
19 rules, regulations, acts, orders, determinations and decisions of
20 the consolidated agency until duly modified or abrogated by the
21 appropriate body or until otherwise provided by law.

22 SECTION 4. AMENDATORY 63 O.S. 2011, Section 5008, as
23 amended by Section 2, Chapter 9, O.S.L. 2019 (63 O.S. Supp. 2019,
24 Section 5008), is amended to read as follows:

1 Section 5008. A. The Administrator of the Oklahoma Health Care
2 Authority shall have the training and experience necessary for the
3 administration of the Authority. The Administrator shall be
4 appointed by the Governor with the advice and consent of the Senate
5 and shall serve at the pleasure of the Governor and may be removed
6 or replaced without cause. Compensation for the Administrator shall
7 be determined by the Governor. The Administrator may be removed
8 from office by a two-thirds (2/3) vote of the members elected to and
9 constituting each chamber of the Legislature.

10 B. The Administrator of the Oklahoma Health Care Authority
11 shall be the chief executive officer of the Authority and shall act
12 for the Authority in all matters except as may be otherwise provided
13 by law. The powers and duties of the Administrator shall include
14 but not be limited to:

15 1. Supervision of the activities of the Authority;

16 2. Formulation and recommendation of rules for approval or
17 rejection by the Oklahoma Health Care Authority Board and
18 enforcement of rules and standards promulgated by the Board;

19 3. Preparation of the plans, reports and proposals required by
20 the Oklahoma Health Care Authority Act, Section 5003 et seq. of this
21 title, other reports as necessary and appropriate, and an annual
22 budget for the review and approval of the Board;

23 4. Employment of such staff as may be necessary to perform the
24 duties of the Authority including but not limited to an attorney to

1 provide legal assistance to the Authority for the state Medicaid
2 program; ~~and~~

3 5. Establishment of a contract bidding process which:

- 4 a. encourages competition among entities contracting with
5 the Authority for state-purchased and state-subsidized
6 health care; provided, however, the Authority may make
7 patient volume adjustments to any managed care plan
8 whose prime contractor is a state-sponsored,
9 nationally accredited medical school. The Authority
10 may also make education or research supplemental
11 payments to state-sponsored, nationally accredited
12 medical schools based on the level of participation in
13 any managed care plan by managed care plan
14 participants,
15 b. coincides with the state budgetary process, and
16 c. specifies conditions for awarding contracts to any
17 insuring entity-, and

18 6. Assumption of the responsibilities of the Commissioner of
19 the Oklahoma Department of Mental Health and Substance Abuse
20 Services.

21 C. The Administrator may appoint advisory committees as
22 necessary to assist the Authority with the performance of its duties
23 or to provide the Authority with expertise in technical matters.
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1 SECTION 5. REPEALER 43A O.S. 2011, Section 2-103, as
2 last amended by Section 2, Chapter 4, O.S.L. 2019 (43A O.S. Supp.
3 2019, Section 2-103), is hereby repealed.

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

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