

1                   **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2                               STATE OF OKLAHOMA

3                               2nd Session of the 57th Legislature (2020)

4 COMMITTEE SUBSTITUTE  
5 FOR  
6 HOUSE BILL NO. 3386

By: Meredith of the House

and

7                               **Pemberton** of the Senate

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10                               COMMITTEE SUBSTITUTE

11           An Act relating to insurance; amending 63 O.S. 2011,  
12           Section 1-713.1, which relates to Federally Qualified  
13           Health Centers; providing legislative finding;  
14           modifying reimbursement; requiring the Oklahoma  
15           Health Care Authority to ensure reimbursement rates  
16           pursuant to the cost-based prospective payment system  
17           regardless of Medicaid expansion; and providing an  
18           effective date.

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

19           SECTION 1.           AMENDATORY           63 O.S. 2011, Section 1-713.1, is  
20 amended to read as follows:

21           Section 1-713.1   A.   The Legislature finds that:

22           1.   As providers of health care to medically underserved  
23 populations, Federally Qualified Health Centers are extremely  
24 beneficial to the citizens of Oklahoma;

1       2. Federally Qualified Health Centers are essential community  
2 health care providers, providing high-quality, cost-effective, and  
3 comprehensive integrated primary care services to underserved  
4 communities;

5       3. The primary source of funding for Federally Qualified Health  
6 Centers is through grants of funds by the Bureau of Primary Health  
7 Care (BPHC) under Section 330 of the Public Health Service Act as  
8 amended by the Health Centers Consolidation Act of 1996;

9       ~~3.~~ 4. The receipt of federal grants is dependent upon  
10 compliance with federal statutes, regulations and policies regarding  
11 the mission, programs, governance, management and financial  
12 responsibilities of such entities; and

13       ~~4.~~ 5. In addition to federal grant monies, Federally Qualified  
14 Health Centers in Oklahoma receive additional monies through the  
15 appropriation of state funds.

16       B. In an effort to maintain the presence of Federally Qualified  
17 Health Centers in Oklahoma and minimize the possibility of  
18 jeopardizing federal funding for such entities, all Federally  
19 Qualified Health Centers in Oklahoma that receive grants under  
20 Section 330 of the Public Health Service Act shall:

21       1. Remain in compliance at all times with the federal statutes,  
22 regulations and ~~policies~~ policies governing their existence at 42  
23 U.S.C., 254b, 42 CFR, 51c.303, 51c.304 and 51c.305, and BPHC Policy  
24 Information Notice 98-23; and

1        2. Adhere to bylaws adopted in compliance with the federal  
2 statutes, regulations and ~~polices~~ policies including, but not  
3 limited to, provisions regarding the composition, functions and  
4 responsibilities of boards of directors of Federally Qualified  
5 Health Centers.

6        C. Further, the board of directors of a Federally Qualified  
7 Health Center shall be considered a public body for purposes of the  
8 Oklahoma Open Meeting Act and shall be subject to the provisions of  
9 that act, including criminal penalties provided therein for  
10 violations of that act.

11        D. Any Federally Qualified Health Center in Oklahoma that fails  
12 to comply with federal statutes, regulations and policies governing  
13 its existence shall be ineligible for state reimbursement ~~for~~  
14 ~~uncompensated care~~. Further, the entity shall be ineligible to  
15 receive such state reimbursement if the board of directors fails to  
16 remove, for cause, any board member ~~convicted of a misdemeanor for~~  
17 ~~violating the provisions of the Oklahoma Open Meeting Act, or any~~  
18 ~~board member~~ against whom a civil judgment is rendered relating to  
19 that member's service on the board.

20        E. The State Department of Health shall investigate reported  
21 violations of this act and, notwithstanding any other provision,  
22 shall enforce this act by not contracting to reimburse the  
23 uncompensated care costs of any Federally Qualified Health Center  
24 found to be in violation of the provisions of this act. The

1 Department shall further report any violations of federal statutes,  
2 regulations and policies related to this act to the Bureau of  
3 Primary Health Care or other appropriate federal funding agency, and  
4 shall report violations of the Oklahoma Open Meeting Act to the  
5 district attorney in the jurisdiction where the entity is located.

6 F. The Oklahoma Health Care Authority shall, at all times,  
7 ensure that Federally Qualified Health Centers receive at minimum  
8 their cost-based prospective payment system per visit rates  
9 calculated in accordance with 42 U.S.C., Section 1396a(bb).

10 G. In order to ensure that Federally Qualified Health Centers  
11 in Oklahoma remain eligible to receive state reimbursement for  
12 uncompensated care under the provisions of this act, the State Board  
13 of Health shall adopt rules, as it deems necessary and appropriate,  
14 requiring board members of such entities to receive board member  
15 training and establishing certification for entities to provide such  
16 training.

17 SECTION 2. This act shall become effective November 1, 2020.

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19 COMMITTEE REPORT BY: COMMITTEE ON PUBLIC HEALTH, dated 02/26/2020 -  
20 DO PASS, As Amended and Coauthored.