**Bill Summary** 1<sup>st</sup> Session of the 57<sup>th</sup> Legislature

Bill No.:SB 280Version:CCSRequest No.:2294Author:Sen. SimpsonDate:05/17/2019

## **Bill Analysis**

The CCS on SB 280 removes various requirements for the incentive reimbursement rate plan for nursing facilities developed by the Oklahoma Health Care Authority (OHCA). The measure authorizes the OHCA to reserve \$5.00 per resident day to determine funding for quality assurance at long-term care facilities. Two dollars will be deducted from each facility's per diem, and matched with \$3.00 per by the OHCA.

Facilities that meet metrics established by an advisory group created by this measure will receive \$5.00 quality incentive payments. Payments to facilities may be made quarterly. Should the state receive federal approval, funds will be pooled and distributed to facilities that meet the metrics established by the advisory group. Without federal approval, the state will deposit the remaining funds in the Nursing Facility Quality of Care fee fund. Quality measures are subject to annual review and change every three years.

The measure also authorizes the Department of Human Services to increase the number of ombudsmen from ten to fifteen. The measure increases the required amount of direct-care service per resident per day at care facilities to 2.9 hours and applies this standard to staff subject to twenty-four hour service. SB 280 requires facilities to maintain a 15:1 resident to staff ratio as well. Current law requires a 16:1 ratio. Administrators will not be counted as staff as it pertains to calculating the ratio of residents to staff at a facility.

Additionally, the measure requires the OHCA to establish a new rate for nursing facilities statewide average cost as derived from audited cost reports for the fiscal year, ending June 30, 2018, after adjustment for inflation. The rate increase may not exceed the upper payment limit established by the Medicare rate equivalent. After January 1, 2021, the rate will increase based on a similar methodology on an annual basis.

## **Conference Committee Report**

The CCS on SB 280 amends language authorizing the OHCA to change agency rules related to quality review of incentive payments and strikes language related to restoring rates if they fall below certain thresholds. The CCS also restores the Title on the measure.

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