

OKLAHOMA STATE SENATE
JOINT
COMMITTEE REPORT

May 4, 2020

JOINT COMMITTEE ON APPROPRIATIONS AND BUDGET

SB 1046

By: Thompson of the Senate and Wallace of the House

Title: Appropriations; making an appropriation to the Department of Human Services. Effective date. Emergency.

Recommendation: **DO PASS AS AMENDED**

Aye: Bice, Brooks, Dossett, Dugger, Floyd, Hall, Ikley-Freeman, Jech, Kidd, Matthews, Montgomery, Pemberton, Rosino, Shaw, Simpson, Stanislawski, Rader, Thompson

Nay: Daniels, Pugh, Scott

Constitutional Privilege:

Senator Roger Thompson, Chair

Committee Substitute, motion by Senator AUTHOR - Adopted (Request No: 4094)

OKLAHOMA HOUSE OF REPRESENTATIVES
COMMITTEE REPORT

JOINT COMMITTEE ON APPROPRIATIONS AND BUDGET COMMITTEE

SB1046

By: Wallace et al of the House

Thompson et al of the Senate

Title: Appropriations; making an appropriation to the Department of Human Services. Effective date. Emergency.

Coauthored By:

Recommendation: **DO PASS AS AMENDED BY CS**

Amendments:

1. Committee Substitute Attached

 Chr.
Representative Kevin Wallace

YEAS: 23

Baker, Bennett, Echols, Fetgatter, Ford, Hilbert, McBride, McEntire, Meredith, Munson, Nichols, O'Donnell, Ortega, Osburn, Pfeiffer, Roberts (D), Russ, Sanders, Virgin, Walke, Wallace, West (J), Worthen

NAYS: 5

Lepak, Martinez, Newton, Taylor, West (K)

CONSTITUTIONAL PRIVILEGE: 0

1 STATE OF OKLAHOMA

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

3 COMMITTEE SUBSTITUTE
4 FOR

5 SENATE BILL NO. 1046

By: Thompson and Rader of the
Senate

6 and

7 Wallace and Hilbert of the
8 House

9
10 COMMITTEE SUBSTITUTE

11 An Act relating to the Supplemental Hospital Offset
12 Payment Program; amending 63 O.S. 2011, Section
13 3241.2, as last amended by Section 1, Chapter 56,
14 O.S.L. 2019 (63 O.S. Supp. 2019, Section 3241.2),
15 which relates to definitions; adding definition;
16 amending 63 O.S. 2011, Section 3241.3, as last
17 amended by Section 2, Chapter 56, O.S.L. 2019 (63
18 O.S. Supp. 2019, Section 3241.3), which relates to
19 supplemental hospital offset payment program fee;
20 modifying assessment methodology; fixing certain rate
21 for specified fiscal year; clarifying rate for
22 subsequent fiscal years; directing certain
23 redetermination; amending 63 O.S. 2011, Section
24 3241.4, as last amended by Section 3, Chapter 345,
O.S.L. 2016 (63 O.S. Supp. 2019, Section 3241.4),
which relates to the Supplemental Hospital Offset
Payment Program Fund; modifying certain transfer
authority; prohibiting certain use of monies;
directing certain notices to be sent; modifying
allowable expenses; providing conditional effective
date; providing an effective date; and declaring an
emergency.

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

2 SECTION 1. AMENDATORY 63 O.S. 2011, Section 3241.2, as
3 last amended by Section 1, Chapter 56, O.S.L. 2019 (63 O.S. Supp.
4 2019, Section 3241.2), is amended to read as follows:

5 Section 3241.2. As used in the Supplemental Hospital Offset
6 Payment Program Act:

7 1. "Authority" means the Oklahoma Health Care Authority;

8 2. "Base year" means a hospital's fiscal year as reported in
9 the Medicare Cost Report or as determined by the Authority if the
10 hospital's data is not included in the Medicare Cost Report. The
11 base year data will be used in all assessment calculations;

12 3. "Net hospital patient revenue" means the gross hospital
13 revenue as reported on Worksheet G-2 (Columns 1 and 2, Lines "Total
14 inpatient routine care services", "Ancillary services", and
15 "Outpatient services") of the Medicare Cost Report, multiplied by
16 the hospital's ratio of total net to gross revenue, as reported on
17 Worksheet G-3 (Column 1, Line "Net patient revenues") and Worksheet
18 G-2 (Part I, Column 3, Line "Total patient revenues");

19 4. "Hospital" means an institution licensed by the State
20 Department of Health as a hospital pursuant to Section 1-701 of this
21 title maintained primarily for the diagnosis, treatment, or care of
22 patients;

23 5. "Hospital Advisory Committee" means the Committee
24 established for the purposes of advising the Oklahoma Health Care

1 Authority and recommending provisions within and approval of any
2 state plan amendment or waiver affecting hospital reimbursement made
3 necessary or advisable by the Supplemental Hospital Offset Payment
4 Program Act. In order to expedite the submission of the state plan
5 amendment required by Section 3241.6 of this title, the Committee
6 shall initially be appointed by the Executive Director of the
7 Authority from recommendations submitted by a statewide association
8 representing rural and urban hospitals. The permanent Committee
9 shall be appointed no later than thirty (30) days after November 1,
10 2011, and shall be composed of five (5) members to serve until
11 December 31, 2025, from lists of names submitted by a statewide
12 association representing rural and urban hospitals, as follows:

- 13 a. one member, appointed by the Governor, who shall serve
14 as chairman, and
- 15 b. two members appointed each by the President Pro
16 Tempore of the Oklahoma State Senate and the Speaker
17 of the Oklahoma House of Representatives.

18 Membership shall be extended until December 31, 2025, for those
19 members who are serving as of December 31, 2019;

20 6. "Medicaid" means the medical assistance program established
21 in Title XIX of the federal Social Security Act and administered in
22 this state by the Oklahoma Health Care Authority;

23 7. "Medicare Cost Report" means the Hospital Cost Report, Form
24 CMS-2552-96 or subsequent versions;

1 8. "Upper payment limit" means the maximum ceiling imposed by
2 42 C.F.R., Sections 447.272 and 447.321 on hospital Medicaid
3 reimbursement for inpatient and outpatient services, other than to
4 hospitals owned or operated by state government; ~~and~~

5 9. "Upper payment limit gap" means the difference between the
6 upper payment limit and Medicaid payments not financed using
7 hospital assessments made to all hospitals other than hospitals
8 owned or operated by state government; and

9 10. "Newly eligible Medicaid population" means those
10 individuals over age eighteen (18) and under age sixty-five (65)
11 whose income does not exceed one hundred thirty-three percent (133%)
12 of the Federal Poverty Level guidelines, as described by and using
13 the income methodology provided in 42 U.S.C. Section 1396 et seq.,
14 whose coverage is eligible for enhanced federal financial
15 participation.

16 SECTION 2. AMENDATORY 63 O.S. 2011, Section 3241.3, as
17 last amended by Section 2, Chapter 56, O.S.L. 2019 (63 O.S. Supp.
18 2019, Section 3241.3), is amended to read as follows:

19 Section 3241.3. A. For the purpose of assuring access to
20 quality care for Oklahoma Medicaid consumers, the Oklahoma Health
21 Care Authority, after considering input and recommendations from the
22 Hospital Advisory Committee, shall assess hospitals licensed in
23 Oklahoma, unless exempt under subsection B of this section, a
24 supplemental hospital offset payment program fee.

1 B. The following hospitals shall be exempt from the
2 supplemental hospital offset payment program fee:

3 1. A hospital that is owned or operated by the state or a state
4 agency, the federal government, a federally recognized Indian tribe,
5 or the Indian Health Service;

6 2. A hospital that provides more than fifty percent (50%) of
7 its inpatient days under a contract with a state agency other than
8 the Authority;

9 3. A hospital for which the majority of its inpatient days are
10 for any one of the following services, as determined by the
11 Authority using the Inpatient Discharge Data File published by the
12 Oklahoma State Department of Health, or in the case of a hospital
13 not included in the Inpatient Discharge Data File, using
14 substantially equivalent data provided by the hospital:

- 15 a. treatment of a neurological injury,
- 16 b. treatment of cancer,
- 17 c. treatment of cardiovascular disease,
- 18 d. obstetrical or childbirth services,
- 19 e. surgical care, except that this exemption shall not
20 apply to any hospital located in a city of less than
21 five hundred thousand (500,000) population and for
22 which the majority of inpatient days are for back,
23 neck, or spine surgery;

24

1 4. A hospital that is certified by the federal Centers for
2 Medicaid and Medicare Services as a long-term acute care hospital or
3 as a children's hospital; and

4 5. A hospital that is certified by the federal Centers for
5 Medicaid and Medicare Services as a critical access hospital.

6 C. The supplemental hospital offset payment program fee shall
7 be an assessment imposed on each hospital, except those exempted
8 under subsection B of this section, for each calendar year in an
9 amount calculated as a percentage of each hospital's net patient
10 revenue.

11 1. The assessment rate shall be determined annually based upon
12 the percentage of net hospital patient revenue needed to generate an
13 amount up to the sum of:

14 a. the nonfederal portion of the upper payment limit gap,
15 plus

16 b. the annual fee to be paid to the Authority under
17 subparagraph c of paragraph 1 of subsection G of
18 Section 3241.4 of this title, plus

19 c. the amount to be transferred by the Authority to the
20 Medical Payments Cash Management Improvement Act
21 Programs Disbursing Fund under subsection C of Section
22 3241.4 of this title, plus

23 d. an amount fixed at one and seven-tenths percent (1.7%)
24 for the state fiscal year ending June 30, 2021, to

1 fund the nonfederal portion of the newly eligible
2 Medicaid population.

3 2. The assessment rate until December 31, 2012, shall be fixed
4 at two and one-half percent (2.5%). For the state fiscal year
5 ending June 30, 2021, the assessment rate shall be fixed at four
6 percent (4%). At no time in subsequent years shall the annual
7 effective assessment rate exceed four percent (4%).

8 3. Net hospital patient revenue shall be determined using the
9 data from each hospital's Medicare Cost Report contained in the
10 Centers for Medicare and Medicaid Services' Healthcare Cost Report
11 Information System file.

12 a. Through 2013, the base year for assessment shall be
13 the hospital's fiscal year that ended in 2009, as
14 contained in the Healthcare Cost Report Information
15 System file dated December 31, 2010.

16 b. For years after 2013, the base year for assessment
17 shall be determined by rules established by the
18 Authority.

19 4. If a hospital's applicable Medicare Cost Report is not
20 contained in the Centers for Medicare and Medicaid Services'
21 Healthcare Cost Report Information System file, the hospital shall
22 submit a copy of the hospital's applicable Medicare Cost Report to
23 the Authority in order to allow the Authority to determine the
24 hospital's net hospital patient revenue for the base year.

1 5. If a hospital commenced operations after the due date for a
2 Medicare Cost Report, the hospital shall submit its initial Medicare
3 Cost Report to the Authority in order to allow the Authority to
4 determine the hospital's net patient revenue for the base year.

5 6. Partial year reports may be prorated for an annual basis.

6 7. In the event that a hospital does not file a uniform cost
7 report under 42 U.S.C., Section 1396a(a)(40), the Authority shall
8 establish a uniform cost report for such facility subject to the
9 Supplemental Hospital Offset Payment Program provided for in this
10 section.

11 8. The Authority shall review what hospitals are included in
12 the Supplemental Hospital Offset Payment Program provided for in
13 this subsection and what hospitals are exempted from the
14 Supplemental Hospital Offset Payment Program pursuant to subsection
15 B of this section. Such review shall occur at a fixed period of
16 time. This review and decision shall occur within twenty (20) days
17 of the time of federal approval and annually thereafter in November
18 of each year.

19 9. The Authority shall review and determine the amount of the
20 annual assessment. Such review and determination shall occur within
21 the twenty (20) days of federal approval and annually thereafter in
22 November of each year. Within sixty (60) days of the effective date
23 of this act, the Authority shall redetermine the assessment amount
24

1 to include the nonfederal portion of the newly eligible Medicaid
2 population for the state fiscal year ending June 30, 2021 only.

3 D. A hospital may not charge any patient for any portion of the
4 supplemental hospital offset payment program fee.

5 E. Closure, merger and new hospitals.

6 1. If a hospital ceases to operate as a hospital or for any
7 reason ceases to be subject to the fee imposed under the
8 Supplemental Hospital Offset Payment Program Act, the assessment for
9 the year in which the cessation occurs shall be adjusted by
10 multiplying the annual assessment by a fraction, the numerator of
11 which is the number of days in the year during which the hospital is
12 subject to the assessment and the denominator of which is 365.
13 Immediately upon ceasing to operate as a hospital, or otherwise
14 ceasing to be subject to the supplemental hospital offset payment
15 program fee, the hospital shall pay the assessment for the year as
16 so adjusted, to the extent not previously paid.

17 2. In the case of a hospital that did not operate as a hospital
18 throughout the base year, its assessment and any potential receipt
19 of a hospital access payment will commence in accordance with rules
20 for implementation and enforcement promulgated by the Authority,
21 after consideration of the input and recommendations of the Hospital
22 Advisory Committee.

23 F. 1. In the event that federal financial participation
24 pursuant to Title XIX of the Social Security Act is not available to

1 the Oklahoma Medicaid program for purposes of matching expenditures
2 from the Supplemental Hospital Offset Payment Program Fund at the
3 approved federal medical assistance percentage for the applicable
4 year, the supplemental hospital offset payment program fee shall be
5 null and void as of the date of the nonavailability of such federal
6 funding through and during any period of nonavailability.

7 2. In the event of an invalidation of the Supplemental Hospital
8 Offset Payment Program Act by any court of last resort, the
9 supplemental hospital offset payment program fee shall be null and
10 void as of the effective date of that invalidation.

11 3. In the event that the supplemental hospital offset payment
12 program fee is determined to be null and void for any of the reasons
13 enumerated in this subsection, any supplemental hospital offset
14 payment program fee assessed and collected for any period after such
15 invalidation shall be returned in full within twenty (20) days by
16 the Authority to the hospital from which it was collected.

17 G. The Authority, after considering the input and
18 recommendations of the Hospital Advisory Committee, shall promulgate
19 rules for the implementation and enforcement of the supplemental
20 hospital offset payment program fee. Unless otherwise provided, the
21 rules adopted under this subsection shall not grant any exceptions
22 to or exemptions from the hospital assessment imposed under this
23 section.

24

1 H. The Authority shall provide for administrative penalties in
2 the event a hospital fails to:

- 3 1. Submit the supplemental hospital offset payment program fee;
- 4 2. Submit the fee in a timely manner;
- 5 3. Submit reports as required by this section; or
- 6 4. Submit reports timely.

7 I. The supplemental hospital offset payment program fee shall
8 terminate effective December 31, 2025.

9 J. The Authority shall have the power to promulgate emergency
10 rules to enact the provisions of this act.

11 SECTION 3. AMENDATORY 63 O.S. 2011, Section 3241.4, as
12 last amended by Section 3, Chapter 345, O.S.L. 2016 (63 O.S. Supp.
13 2019, Section 3241.4), is amended to read as follows:

14 Section 3241.4. A. There is hereby created in the State
15 Treasury a revolving fund to be designated the "Supplemental
16 Hospital Offset Payment Program Fund".

17 B. The fund shall be a continuing fund, not subject to fiscal
18 year limitations, be interest bearing and consisting of:

19 1. All monies received by the Oklahoma Health Care Authority
20 from hospitals pursuant to the Supplemental Hospital Offset Payment
21 Program Act and otherwise specified or authorized by law;

22 2. Any interest or penalties levied and collected in
23 conjunction with the administration of this section; and
24

1 3. All interest attributable to investment of money in the
2 fund.

3 C. Notwithstanding any other provisions of law, each fiscal
4 quarter, the Oklahoma Health Care Authority is authorized to
5 transfer:

6 1. Seven Million Five Hundred Thousand Dollars (\$7,500,000.00)
7 each fiscal quarter to fund the nonfederal portion of the existing
8 Medicaid population; and

9 2. Thirty-three Million Five Hundred Thousand Dollars
10 (\$33,500,000.00) to fund the nonfederal portion of the newly
11 eligible Medicaid population enrolled on or after July 1, 2020, from
12 the Supplemental Hospital Offset Payment Program Fund to the
13 Authority's Medical Payments Cash Management Improvement Act
14 Programs Disbursing Fund. The Authority shall not assess or use
15 Supplemental Hospital Offset Payment Program monies to enter into
16 contracts with private managed care organizations in a capitated
17 arrangement to administer benefits and delivery of services so long
18 as Oklahoma State Plan Amendments 20-0023, 20-0024 and 20-0025 are
19 in effect.

20 D. Notice of Assessment.

21 1. The Authority shall send a notice of assessment to each
22 hospital informing the hospital of the assessment rate, the
23 hospital's net patient revenue calculation, and the assessment
24 amount owed by the hospital for the applicable year.

1 2. Annual notices of assessment shall be sent at least thirty
2 (30) days before the due date for the first quarterly assessment
3 payment of each year. Within sixty (60) days of the effective date
4 of this act, the Authority shall send notices of the redetermined
5 assessment amount including the nonfederal portion of the newly
6 eligible Medicaid population for the state fiscal year ending June
7 30, 2021 only.

8 3. The first notice of assessment shall be sent within forty-
9 five (45) days after receipt by the Authority of notification from
10 the Centers for Medicare and Medicaid Services that the assessments
11 and payments required under the Supplemental Hospital Offset Payment
12 Program Act and, if necessary, the waiver granted under 42 C.F.R.,
13 Section 433.68 have been approved.

14 4. The hospital shall have thirty (30) days from the date of
15 its receipt of a notice of assessment to review and verify the
16 assessment rate, the hospital's net patient revenue calculation, and
17 the assessment amount.

18 5. A hospital subject to an assessment under the Supplemental
19 Hospital Offset Payment Program Act that has not been previously
20 licensed as a hospital in Oklahoma and that commences hospital
21 operations during a year shall pay the required assessment computed
22 under subsection E of Section 3241.3 of this title and shall be
23 eligible for hospital access payments under subsection E of this
24 section on the date specified in rules promulgated by the Authority

1 after consideration of input and recommendations of the Hospital
2 Advisory Committee.

3 E. Quarterly Notice and Collection.

4 1. The annual assessment imposed under subsection A of Section
5 3241.3 of this title shall be due and payable on a quarterly basis.
6 However, the first installment payment of an assessment imposed by
7 the Supplemental Hospital Offset Payment Program Act shall not be
8 due and payable until:

- 9 a. the Authority issues written notice stating that the
10 assessment and payment methodologies required under
11 the Supplemental Hospital Offset Payment Program Act
12 have been approved by the Centers for Medicare and
13 Medicaid Services and the waiver under 42 C.F.R.,
14 Section 433.68, if necessary, has been granted by the
15 Centers for Medicare and Medicaid Services,
16 b. the thirty-day verification period required by
17 paragraph 4 of subsection D of this section has
18 expired, and
19 c. the Authority issues a notice giving a due date for
20 the first payment.

21 2. After the initial installment of an annual assessment has
22 been paid under this section, each subsequent quarterly installment
23 payment shall be due and payable by the fifteenth day of the first
24 month of the applicable quarter.

1 3. If a hospital fails to timely pay the full amount of a
2 quarterly assessment, the Authority shall add to the assessment:

3 a. a penalty assessment equal to five percent (5%) of the
4 quarterly amount not paid on or before the due date,
5 and

6 b. on the last day of each quarter after the due date
7 until the assessed amount and the penalty imposed
8 under subparagraph a of this paragraph are paid in
9 full, an additional five-percent penalty assessment on
10 any unpaid quarterly and unpaid penalty assessment
11 amounts.

12 4. The quarterly assessment including applicable penalties and
13 interest must be paid regardless of any appeals action requested by
14 the facility. If a provider fails to pay the Authority the
15 assessment within the time frames noted on the invoice to the
16 provider, the assessment, applicable penalty, and interest will be
17 deducted from the facility's payment. Any change in payment amount
18 resulting from an appeals decision will be adjusted in future
19 payments.

20 F. Medicaid Hospital Access Payments.

21 1. To preserve the quality and improve access to hospital
22 services for hospital inpatient and outpatient services rendered on
23 or after the effective date of this act, the Authority shall make
24 hospital access payments as set forth in this section.

1 2. The Authority shall pay all quarterly hospital access
2 payments within ten (10) calendar days of the due date for quarterly
3 assessment payments established in subsection E of this section.

4 3. The Authority shall calculate the hospital access payment
5 amount up to but not to exceed the upper payment limit gap for
6 inpatient and outpatient services.

7 4. All hospitals shall be eligible for inpatient and outpatient
8 hospital access payments each year as set forth in this subsection
9 except hospitals described in paragraph 1, 2, 3 or 4 of subsection B
10 of Section 3241.3 of this title.

11 5. A portion of the hospital access payment amount, not to
12 exceed the upper payment limit gap for inpatient services, shall be
13 designated as the inpatient hospital access payment pool.

14 a. In addition to any other funds paid to hospitals for
15 inpatient hospital services to Medicaid patients, each
16 eligible hospital shall receive inpatient hospital
17 access payments each year equal to the hospital's pro
18 rata share of the inpatient hospital access payment
19 pool based upon the hospital's Medicaid payments for
20 inpatient services divided by the total Medicaid
21 payments for inpatient services of all eligible.

22 b. Inpatient hospital access payments shall be made on a
23 quarterly basis.

24

1 6. A portion of the hospital access payment amount, not to
2 exceed the upper payment limit gap for outpatient services, shall be
3 designated as the outpatient hospital access payment pool.

4 a. In addition to any other funds paid to hospitals for
5 outpatient hospital services to Medicaid patients,
6 each eligible hospital shall receive outpatient
7 hospital access payments each year equal to the
8 hospital's pro rata share of the outpatient hospital
9 access payment pool based upon the hospital's Medicaid
10 payments for outpatient services divided by the total
11 Medicaid payments for outpatient services of all
12 eligible.

13 b. Outpatient hospital access payments shall be made on a
14 quarterly basis.

15 7. A portion of the inpatient hospital access payment pool and
16 of the outpatient hospital access payment pool shall be designated
17 as the critical access hospital payment pool.

18 a. In addition to any other funds paid to critical access
19 hospitals for inpatient and outpatient hospital
20 services to Medicaid patients, each critical access
21 hospital shall receive hospital access payments equal
22 to the amount by which the payment for these services
23 was less than one hundred one percent (101%) of the
24

1 hospital's cost of providing these services, as
2 determined using the Medicare Cost Report.

3 b. The Authority shall calculate hospital access payments
4 for critical access hospitals and deduct these
5 payments from the inpatient hospital access payment
6 pool and the outpatient hospital access payment pool
7 before allocating the remaining balance in each pool
8 as provided in subparagraph a of paragraph 5 and
9 subparagraph a of paragraph 6 of this subsection.

10 c. Critical access hospital payments shall be made on a
11 quarterly basis.

12 8. A hospital access payment shall not be used to offset any
13 other payment by Medicaid for hospital inpatient or outpatient
14 services to Medicaid beneficiaries, including without limitation any
15 fee-for-service, per diem, private hospital inpatient adjustment, or
16 cost-settlement payment.

17 9. If the Centers for Medicare and Medicaid Services finds that
18 the Authority has made payments to hospitals that exceed the upper
19 payment limits determined in accordance with 42 C.F.R. 447.272 and
20 42 C.F.R. 447.321, hospitals shall refund to the Authority a share
21 of the recouped federal funds that is proportionate to the
22 hospitals' positive contribution to the upper payment limit.

23 G. All monies accruing to the credit of the Supplemental
24 Hospital Offset Payment Program Fund are hereby appropriated and

1 shall be budgeted and expended by the Authority after consideration
2 of the input and recommendation of the Hospital Advisory Committee.

3 1. Monies in the Supplemental Hospital Offset Payment Program
4 Fund shall be used only for:

5 a. transfers to the Medical Payments Cash Management
6 Improvement Act Programs Disbursing Fund (Fund 340)
7 for the state share of supplemental payments for
8 Medicaid and SCHIP inpatient and outpatient services
9 to hospitals that participate in the assessment,

10 b. transfers to the Medical Payments Cash Management
11 Improvement Act Programs Disbursing Fund (Fund 340)
12 for the state share of supplemental payments for
13 Critical Access Hospitals,

14 c. transfers to the Administrative Revolving Fund (Fund
15 200) for the state share of payment of administrative
16 expenses incurred by the Authority or its agents and
17 employees in performing the activities authorized by
18 the Supplemental Hospital Offset Payment Program Act
19 but not more than Two Hundred Thousand Dollars
20 (\$200,000.00) each year,

21 d. transfers to the Medical Payments Cash Management
22 Improvement Act Programs Disbursing Fund (Fund 340) in
23 an amount not to exceed Seven Million Five Hundred
24 Thousand Dollars (\$7,500,000.00) each fiscal quarter

1 and to fund the nonfederal portion of the existing
2 Medicaid population,

3 e. transfers to the Medical Payments Cash Management
4 Improvement Act Programs Disbursing Fund (Fund 340) in
5 an amount not to exceed Thirty-three Million Five
6 Hundred Thousand Dollars (\$33,500,000.00) each fiscal
7 quarter to fund the nonfederal portion of the newly
8 eligible Medicaid population enrolled on or after July
9 1, 2020, and

10 f. the reimbursement of monies collected by the Authority
11 from hospitals through error or mistake in performing
12 the activities authorized under the Supplemental
13 Hospital Offset Payment Program Act.

14 2. The Authority shall pay from the Supplemental Hospital
15 Offset Payment Program Fund quarterly installment payments to
16 hospitals of amounts available for supplemental inpatient and
17 outpatient payments, and supplemental payments for Critical Access
18 Hospitals.

19 3. Except for the transfers described in subsection C of this
20 section, monies in the Supplemental Hospital Offset Payment Program
21 Fund shall not be used to replace other general revenues
22 appropriated and funded by the Legislature or other revenues used to
23 support Medicaid.

1 4. The Supplemental Hospital Offset Payment Program Fund and
2 the program specified in the Supplemental Hospital Offset Payment
3 Program Act are exempt from budgetary reductions or eliminations
4 caused by the lack of general revenue funds or other funds
5 designated for or appropriated to the Authority.

6 5. No hospital shall be guaranteed, expressly or otherwise,
7 that any additional costs reimbursed to the facility will equal or
8 exceed the amount of the supplemental hospital offset payment
9 program fee paid by the hospital.

10 H. After considering input and recommendations from the
11 Hospital Advisory Committee, the Authority shall promulgate
12 regulations that:

13 1. Allow for an appeal of the annual assessment of the
14 Supplemental Hospital Offset Payment Program payable under this act;
15 and

16 2. Allow for an appeal of an assessment of any fees or
17 penalties determined.

18 SECTION 4. The provisions of this act shall not become
19 effective as law unless Enrolled Senate Bill No. 1935 of the 2nd
20 Session of the 57th Oklahoma Legislature becomes effective as law.

21 SECTION 5. This act shall become effective July 1, 2020.

22 SECTION 6. It being immediately necessary for the preservation
23 of the public peace, health or safety, an emergency is hereby
24

1 declared to exist, by reason whereof this act shall take effect and
2 be in full force from and after its passage and approval.

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