

STATE OF OKLAHOMA

2nd Session of the 58th Legislature (2022)

HOUSE BILL 2971

By: Nichols

AS INTRODUCED

An Act relating to public health; amending 63 O.S. 2021, Section 5007, which relates to the Oklahoma Health Care Authority Board; modifying member qualifications; modifying members' terms of service; amending 63 O.S. 2021, Section 5008, which relates to the Administrator of the Oklahoma Health Care Authority; modifying Administrator's qualifications, selection process, and term of service; and providing an effective date.

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

SECTION 1. AMENDATORY 63 O.S. 2021, Section 5007, is amended to read as follows:

Section 5007. A. There is hereby created the Oklahoma Health Care Authority Board which shall consist of the following nine (9) members:

1. Five members appointed by the Governor. Two of the members appointed by the Governor shall be consumers and one shall be a physician licensed to practice medicine in the State of Oklahoma;

2. Two members appointed by the Speaker of the House of Representatives; and

1 3. Two members appointed by the President Pro Tempore of the
2 Senate.

3 B. Members appointed pursuant to subsection A of this section,
4 with the exception of the consumer members, shall include persons
5 having experience in medical care, health care services, health care
6 delivery, health care finance, health insurance, or managed health
7 care. Consumer members shall have no financial or professional
8 interest in medical care, health care services, health care
9 delivery, health care finance, health insurance, or managed health
10 care. In making the appointments, the appointing authority shall
11 also give consideration to urban, rural, gender, and minority
12 representation.

13 C. Each member shall serve ~~at the pleasure of~~ until the end of
14 the term of his or her appointing authority and may be removed or
15 replaced ~~without~~ with cause. Any member of the Board shall be
16 prohibited from voting on any issue in which the member has a direct
17 financial interest. The Administrator of the Oklahoma Health Care
18 Authority shall be an ex officio member of the Board, but shall be
19 entitled to vote only in case of a tie vote.

20 ~~C.~~ D. The Board shall have the power and duty to:

21 1. Establish the policies of the Oklahoma Health Care
22 Authority;
23
24

1 2. Adopt and promulgate rules as necessary and appropriate to
2 carry out the duties and responsibilities of the Authority. The
3 Board shall be the rulemaking body for the Authority; and

4 3. Adopt, publish and submit by January 1 of each year to the
5 Governor, the President Pro Tempore of the Senate, and the Speaker
6 of the House of Representatives appropriate administrative policies
7 and the business plan for that year. All actions governed by the
8 administrative policies and annual business plan shall be examined
9 annually in an independent audit.

10 ~~D.~~ E. A majority of the members of the Board shall constitute a
11 quorum for the transaction of business and for taking any official
12 action. Official action of the Board must have a favorable vote by
13 a majority of the members present.

14 ~~E.~~ F. Members appointed pursuant to subsection A of this
15 section shall serve without compensation but shall be reimbursed for
16 expenses incurred in the performance of their duties in accordance
17 with the State Travel Reimbursement Act.

18 ~~F.~~ G. The Board and the Authority shall act in accordance with
19 the provisions of the Oklahoma Open Meeting Act, the Oklahoma Open
20 Records Act and the Administrative Procedures Act.

21 SECTION 2. AMENDATORY 63 O.S. 2021, Section 5008, is
22 amended to read as follows:

23 Section 5008. A. The Administrator of the Oklahoma Health Care
24 Authority shall have the training and experience necessary for the

1 administration of the Authority, as determined by the Oklahoma
2 Health Care Authority Board, including, but not limited to, prior
3 experience in the administration of managed health care. The
4 Administrator shall be appointed by the Governor ~~with the advice and~~
5 ~~consent of the Senate and~~ from among three candidates whom the Board
6 shall select. The Administrator shall serve at the pleasure of the
7 ~~Governor Board~~ and may be removed or replaced ~~without~~ with cause.
8 Compensation for the Administrator shall be determined by the
9 ~~Governor Board.~~ ~~The Administrator may be removed from office by a~~
10 ~~two-thirds (2/3) vote of the members elected to and constituting~~
11 ~~each chamber of the Legislature.~~

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

- 17 1. Supervision of the activities of the Authority;
- 18 2. Formulation and recommendation of rules for approval or
19 rejection by the Oklahoma Health Care Authority Board and
20 enforcement of rules and standards promulgated by the Board;
- 21 3. Preparation of the plans, reports and proposals required by
22 the Oklahoma Health Care Authority Act, Section 5003 et seq. of this
23 title, other reports as necessary and appropriate, and an annual
24 budget for the review and approval of the Board;

1 4. Employment of such staff as may be necessary to perform the
2 duties of the Authority including but not limited to an attorney to
3 provide legal assistance to the Authority for the state Medicaid
4 program; and

5 5. Establishment of a contract bidding process which:

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

20 C. The Administrator may appoint advisory committees as
21 necessary to assist the Authority with the performance of its duties
22 or to provide the Authority with expertise in technical matters.
23
24

SECTION 3. This act shall become effective November 1, 2022.

58-2-8441 AB 09/13/21