

**BILL SUMMARY**  
2<sup>nd</sup> Session of the 59<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>SB 1675</b>
<b>Version:</b>	<b>SUBREC</b>
<b>Request Number:</b>	<b>10885</b>
<b>Author:</b>	<b>Rep. McEntire</b>
<b>Date:</b>	<b>4/15/2024</b>
<b>Impact:</b>	<b>See Analysis Below</b>

**Research Analysis**

The subcommittee recommendation to Senate Bill 1675 extends the deadline for the Oklahoma Health Care Authority to enact provisions regarding capitated contracts from October 1, 2023, to April 1, 2024. Additionally, the measure mandates that all contracted entities complete provider credentialing or re-credentialing within 60 calendar days of receiving a completed application. It adjusts the timeframe for contracted entities to submit service requests for hospitalized members from 1 business day to 24 hours. It requires peer-to-peer conversations within 24 hours following an adverse determination. Moreover, the measure imposes a 3% cap on claims subject to post-payment audits and expands coverage to include downgraded claims in the denial provisions. Furthermore, it specifies that reimbursement under a value-based agreement must exceed the minimum rate or reach 100% of the minimum rate floor, whichever is higher.

Prepared By: Matthew Brenchley

**Fiscal Analysis**

SB 1675 outlines specific obligations for contracted entities, including imposing a three percent (3%) cap on the number of post payment claims that can be audited per year. Currently, OHCA and contracted entities are not capped on the percentage of claims that can be audited to control waste, fraud, and abuse. Officials from OHCA stated "the ability to audit for the misuse of funds is factored into the contracted entities' capitation rates, therefore, those rates may be insufficient if the contracted entities cannot ensure taxpayer funds are being used appropriately. Last year, \$8,433,144 was identified and sent for collection for recoupment of funds." In addition, SB 1675 extends the rate floor for all providers. OHCA stated "this limits the contracted entities' ability to manage rates, cost trend, and diminishes cost predictability for the state." Though no direct impact is calculated, OHCA foresees increased difficulty limiting cost growth as a result of the measure's provisions.

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**Other Considerations**

None.