

1 ENGROSSED HOUSE
2 BILL NO. 2784

By: Caldwell (Trey) and Kane of
the House

3 and

4 Hall and Haste of the
5 Senate

6
7 An Act relating to public health; amending 63 O.S.
8 2021, Section 3274, which relates to Oklahoma State
9 University Medical Authority; relating to Medicaid
10 supplemental payments; authorizing venture
11 cooperative for certain training; requiring annual
12 certification; amending 63 O.S. 2021, Section 3278,
13 which relates to Oklahoma State University Medical
14 Authority; providing for certain agreements and
15 contract; allowing for certain benefits; providing
16 for certain persons to serve in specific positions;
17 providing for the use of certain services or goods;
18 amending Section 17, Chapter 395, O.S.L. 2022 (56
19 O.S. Supp. 2024, Section 4002.12b), which relates to
20 Medicaid state plan amendments; allowing for
21 participation in certain waivers by specific
22 entities; creating the Emergency Medicine Revolving
23 Fund; establishing revolving fund characteristics;
24 declaring funds to be appropriated; providing for
codification; and providing an effective date.

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

SECTION 1. AMENDATORY 63 O.S. 2021, Section 3274, is
amended to read as follows:

Section 3274. A. Any hospital or hospitals purchased, leased
or constructed by the Oklahoma State University Medical Authority
shall be operated as general hospitals and shall be licensed by the

1 State Commissioner of Health, and shall, as far as possible, meet
2 the standards, requirements and essentials of the Joint Commission
3 on Accreditation of Health Care Organizations and the American
4 Osteopathic Association or, alternatively, meet Medicare
5 certification by the Center for Medicare and Medicaid Services.
6 Provided, the State Commissioner of Health may waive any such
7 standards, requirements and essentials as the Commissioner deems
8 necessary.

9 B. Any such hospitals may provide services and receive payments
10 under Titles XVIII and XIX of the federal Social Security Act, and
11 may participate in other federal medical programs.

12 C. Any such hospitals shall be available as teaching and
13 training hospitals for the colleges of the Oklahoma State University
14 Center for Health Sciences, for other health and educational
15 facilities and shall provide indigent patient care.

16 D. For the purpose of Medicaid supplemental payments, the
17 Oklahoma State University Medical Trust shall be authorized to enter
18 into a cooperative venture for the purpose of training students
19 within an American College of Surgeons Level I Trauma Center or
20 centers operated by the Oklahoma State University Medical Trust or
21 an affiliated entity approved by the Trust. The Oklahoma State
22 University Medical Authority shall annually certify to the Oklahoma
23 Health Care Authority that the Level I trauma center meets such
24 standards and requirements with respect to any Medicaid supplemental

1 payments to be received from the Oklahoma Health Care Authority for
2 the Level I Trauma Center.

3 SECTION 2. AMENDATORY 63 O.S. 2021, Section 3278, is
4 amended to read as follows:

5 Section 3278. A. The Oklahoma State University Medical
6 Authority shall have the authority to:

7 1. Enter into agreements and cooperative ventures with other
8 health care providers to share services or to provide a benefit to
9 the hospitals;

10 2. Make and enter into all contracts and agreements necessary
11 or incidental to the performance of its duties and execution of its
12 powers pursuant to the Oklahoma State University Medical Authority
13 Act;

14 3. Join or sponsor organizations or associations intended to
15 benefit the hospitals;

16 4. Have members of its governing body or its officers or
17 administrators serve without pay as directors or officers of any
18 organization, association, or cooperative ventures authorized
19 pursuant to the Oklahoma State University Medical Authority Act; and

20 5. Offer, directly or indirectly, products and services of the
21 hospitals, any cooperative venture, or organization to the general
22 public.

23 B. All agreements and obligations undertaken, as permitted
24 under this section, by the Oklahoma State University Medical

1 Authority shall be for a public purpose. In addition to any other
2 limitations, conditions or restrictions provided by law, the
3 following conditions shall apply to contractual agreements entered
4 into pursuant to this section:

5 1. Private and public funds shall be accounted for separately;
6 and

7 2. The state shall not assume any liability for private
8 entities.

9 SECTION 3. AMENDATORY Section 17, Chapter 395, O.S.L.
10 2022 (56 O.S. Supp. 2024, Section 4002.12b), is amended to read as
11 follows:

12 Section 4002.12b. A. The Oklahoma Health Care Authority shall
13 ensure the sustainability of the transformed Medicaid delivery
14 system.

15 B. The Authority shall ensure that existing revenue sources
16 designated for the state share of Medicaid expenses are designed to
17 maximize federal matching funds for the benefit of providers and the
18 state.

19 C. The Authority shall develop a plan, utilizing waivers or
20 Medicaid state plan amendments as necessary, to preserve or increase
21 supplemental payments available to providers with existing revenue
22 sources as provided in the Oklahoma Statutes including, but not
23 limited to:
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1 1. Hospitals that participate in the supplemental hospital
2 offset payment program as provided by Section 3241.3 of Title 63 of
3 the Oklahoma Statutes;

4 2. Hospitals in this state that have Level I trauma centers, as
5 defined by the American College of Surgeons, that provide inpatient
6 and outpatient services, along with comprehensive pediatric
7 services, and are owned ~~or,~~ operated ~~by,~~ or in partnership with the
8 University Hospitals Trust or the Oklahoma State University Medical
9 Trust, or affiliates or locations of those hospitals designated by
10 the University Hospitals Trust or the Oklahoma State University
11 Medical Trust as part of the hospital trauma system. The qualified
12 entities in the Oklahoma City metropolitan area shall be a hospital
13 owned, operated, or in partnership with the University Hospitals
14 Authority or University Hospitals Trust. The qualified entities in
15 the Tulsa metropolitan area shall be a hospital owned, operated, or
16 in partnership with the Oklahoma State University Medical Authority,
17 or Oklahoma State University Medical Trust; and

18 3. Providers employed by or contracted with, or otherwise a
19 member of the faculty practice plan of:

20 a. a public, accredited Oklahoma medical school, or

21 b. a hospital or health care entity directly or
22 indirectly owned or operated by the University
23 Hospitals Trust or the Oklahoma State University
24 Medical Trust.

1 D. Subject to approval by the Centers for Medicare and Medicaid
2 Services, the Authority shall preserve and, to the maximum extent
3 permissible under federal law, improve existing levels of funding
4 through directed payments or other mechanisms outside the capitated
5 rate to contracted entities, including, where applicable, the use of
6 a directed payment program with an average commercial rate
7 methodology under the Supplemental Hospital Payment Program Act.

8 E. On or before January 31, 2023, the Authority shall submit a
9 report to the Oklahoma Health Care Authority Board, the Chair of the
10 Appropriations Committee of the Oklahoma State Senate, and the Chair
11 of the Appropriations and Budget Committee of the Oklahoma House of
12 Representatives that includes the Authority's plans to continue
13 supplemental payment programs and implement a managed care directed
14 payment program for hospital services that complies with the reforms
15 required by this act. If Medicaid-specific funding cannot be
16 maintained as currently implemented and authorized by state law, the
17 Authority shall propose to the Legislature any modifications
18 necessary to preserve supplemental payments and managed care
19 directed payments to prevent budgetary disruptions to providers.

20 F. The Authority shall submit a report to the Governor, the
21 President Pro Tempore of the Oklahoma State Senate and the Speaker
22 of the Oklahoma House of Representatives that includes at a minimum:

23 1. A description of the selection process of the contracted
24 entities;

2. Plans for enrollment of Medicaid members in health plans of contracted entities;
3. Medicaid member network access standards;
4. Performance and quality metrics;
5. Maintenance of existing funding mechanisms described in this section;
6. A description of the requirements and other provisions included in capitated contracts; and
7. A full and complete copy of each executed capitated contract.

G. 1. Each contracted entity shall report to the Authority in time intervals determined by the Authority and through a process determined by the Authority all claims data, expenditures, and such other financial reporting information as may be required by the Authority.

2. The Authority shall compile and analyze the information described in paragraph 1 of this subsection and annually submit a report summarizing such information, devoid of any personally identifying information, to the President Pro Tempore of the Senate, the Speaker of the House of Representatives, and the Oklahoma Health Care Authority Board.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3294 of Title 63, unless there is created a duplication in numbering, reads as follows:

1 There is hereby created in the State Treasury a revolving fund
2 for the Oklahoma State University Medical Trust to be designated the
3 "Emergency Medicine Revolving Fund". The fund shall be a continuing
4 fund, not subject to fiscal year limitations, and shall consist of
5 all monies received by the Oklahoma State University Medical Trust
6 from appropriations. All monies accruing to the credit of said fund
7 are hereby appropriated and may be budgeted and expended by the
8 Oklahoma State University Medical Trust for the purpose of training
9 students within an American College of Surgeons Level I Trauma
10 Center or centers operated by the Oklahoma State University Medical
11 Trust or an affiliated entity approved by the Trust. Expenditures
12 from said fund shall be made upon warrants issued by the State
13 Treasurer against claims filed as prescribed by law with the
14 Director of the Office of Management and Enterprise Services for
15 approval and payment.

16 SECTION 5. This act shall become effective September 1, 2025.

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1 Passed the House of Representatives the 20th day of May, 2025.

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4 Presiding Officer of the House
of Representatives

5 Passed the Senate the ____ day of _____, 2025.

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8 Presiding Officer of the Senate