

1 STATE OF OKLAHOMA

2 2nd Session of the 60th Legislature (2026)

3 SENATE BILL 1504

By: Hicks

6 AS INTRODUCED

7 An Act relating to the Oklahoma Health Care
8 Authority; amending 63 O.S. 2021, Sections 5007 and
9 5008, which relate to governance of the Authority;
10 providing certain power and duty to the Oklahoma
11 Health Care Authority Board; requiring electronic
12 submission of certain report; modifying appointing
13 authority of the Administrator; conforming language;
14 and providing an effective date.

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

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

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

21 1. Five members appointed by the Governor;
22 2. Two members appointed by the Speaker of the House of
23 Representatives; and
24 3. Two members appointed by the President Pro Tempore of the
Senate.

1 B. Each member shall serve at the pleasure of his or her
2 appointing authority and may be removed or replaced without cause.
3 Any member of the Board shall be prohibited from voting on any issue
4 in which the member has a direct financial interest. The
5 Administrator of the Oklahoma Health Care Authority shall be an ex
6 officio member of the Board, but shall be entitled to vote only in
7 case of a tie vote.

8 C. The Board shall have the power and duty to:

9 1. Establish the policies of the Oklahoma Health Care
10 Authority;

11 2. Appoint and fix the compensation of the Administrator of the
12 Authority;

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

16 3. 4. Adopt, publish, and submit electronically by January 1 of
17 each year to the Governor, the President Pro Tempore of the Senate,
18 and the Speaker of the House of Representatives appropriate
19 administrative policies and the business plan for that year. All
20 actions governed by the administrative policies and annual business
21 plan shall be examined annually in an independent audit.

22 D. A majority of the members of the Board shall constitute a
23 quorum for the transaction of business and for taking any official

1 action. Official action of the Board must have a favorable vote by
2 a majority of the members present.

3 E. Members appointed pursuant to subsection A of this section
4 shall serve without compensation but shall be reimbursed for
5 expenses incurred in the performance of their duties in accordance
6 with the State Travel Reimbursement Act.

7 F. The Board and the Authority shall act in accordance with the
8 provisions of the Oklahoma Open Meeting Act, the Oklahoma Open
9 Records Act, and the Administrative Procedures Act.

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

12 Section 5008. A. The Administrator of the Oklahoma Health Care
13 Authority shall have the training and experience necessary for the
14 administration of the Authority, as determined by the Oklahoma
15 Health Care Authority Board. The Administrator shall ~~be appointed~~
16 ~~by the Governor with the advice and consent of the Senate and shall~~
17 serve at the pleasure of the ~~Governor~~ Board and may be removed or
18 replaced without cause. ~~Compensation for the Administrator shall be~~
19 ~~determined by the Governor. The Administrator may be removed from~~
20 ~~office by a two-thirds (2/3) vote of the members elected to and~~
21 ~~constituting each chamber of the Legislature.~~

22 B. The Administrator of the Oklahoma Health Care Authority
23 shall be the chief executive officer of the Authority and shall act
24 for the Authority in all matters except as may be otherwise provided

1 by law. The powers and duties of the Administrator shall include
2 but not be limited to:

- 3 1. Supervision of the activities of the Authority;
- 4 2. Formulation and recommendation of rules for approval or
5 rejection by the Oklahoma Health Care Authority Board and
6 enforcement of rules and standards promulgated by the Board;
- 7 3. Preparation of the plans, reports, and proposals required by
8 the Oklahoma Health Care Authority Act, Section 5003 et seq. of this
9 title, other reports as necessary and appropriate, and an annual
10 budget for the review and approval of the Board;
- 11 4. Employment of such staff as may be necessary to perform the
12 duties of the Authority including, but not limited to, an attorney
13 to provide legal assistance to the Authority for the state Medicaid
14 program; and

15 5. Establishment of a contract bidding process which:

- 16 a. encourages competition among entities contracting with
17 the Authority for state-purchased and state-subsidized
18 health care; provided, however, the Authority may make
19 patient volume adjustments to any managed care plan
20 whose prime contractor is a state-sponsored,
21 nationally accredited medical school. The Authority
22 may also make education or research supplemental
23 payments to state-sponsored, nationally accredited
24 medical schools based on the level of participation in

any managed care plan by managed care plan participants,

- b. coincides with the state budgetary process, and
- c. specifies conditions for awarding contracts to any insuring entity.

C. The Administrator may appoint advisory committees as

necessary to assist the Authority with the performance of its duties or to provide the Authority with expertise in technical matters.

SECTION 3. This act shall become effective November 1, 2026.

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