

**BILL SUMMARY**  
2<sup>nd</sup> Session of the 58<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>SB1337</b>
<b>Version:</b>	<b>CCS(B)</b>
<b>Request Number:</b>	<b>3942</b>
<b>Author:</b>	<b>Rep. McEntire &amp; Sen. McCortney</b>
<b>Date:</b>	<b>5/18/2022</b>
<b>Impact:</b>	<b>Please see previous summary of this measure</b>

**Research Analysis**

The Conference Committee Substitute (CCS) for SB 1337 provides that the legislative intent of this bill is to transform the state's current Medicaid program to provide budget predictability for the taxpayers of this state while ensuring quality care to those in need. The measure provides specified goals of the state Medicaid program. The measure modifies, strikes and adds certain definitions to the bill.

The CCS requires the Oklahoma Health Care Authority (OHCA) to enter into capitated contracts with capitated entities for the delivery of Medicaid services to transform the delivery system of the state Medicaid program for the Medicaid populations specified in the bill. The measure prohibits OHCA to issue any requests for proposals or enter into any contract to transform the delivery system for the aged, blind, and disabled populations eligible for SoonerCare.

OHCA is required to issue a request for proposals for all Medicaid services other than dental services for the following Medicaid populations:

- pregnant women
- children
- deemed newborns
- parents and caretaker relatives and;
- the expansion population

OHCA is required to specify services covered and services not covered in requests for proposals (RFPs) and to implement the program no later than October 1, 2023 subject to approval from the Centers for Medicare and Medicaid Services (CMS).

OHCA is directed to issue requests for proposals for dental services for the following populations:

- pregnant women
- children
- parents and caretaker relatives
- the expansion population, and;
- members of the Children's Specialty Plan

OHCA is required to specify the services to be covered in the RFPs for dental services and to implement the program no later than October 1, 2023 subject to approval from the Centers for Medicare and Medicaid Services (CMS).

The CCS requires OHCA to issue a request for proposals with one contracted entity to administer a Children's Specialty Plan and to specify the services to be covered in the RFP.

The CCS prohibits OHCA from implementing the transformation of the Medicaid delivery system until it receives written confirmation from CMS that a managed care directed payment program has been approved for Year 1 of the transformation.

All capitated contracts will be the result of requests for proposals issued by OHCA. OHCA is also directed to award no less than three statewide capitated contracts to provide comprehensive integrated health services including but not limited to medical, behavioral health, and pharmacy services and no less than two statewide capitated contracts to provide dental coverage to Medicaid members.

At least one of the awarded contracts must be provided to a provider-led entity unless no provider-led entity submits a responsive reply to fulfill the contract requirements. The CCS provides the requirements for provider-led entities. Contracts will be awarded based on scoring criteria outlined in the measure. OHCA is required to develop network adequacy standards for all contracted entities that at a minimum meet the requirements of this act. The measure specifies that the Authority will develop and implement a process for assignment of Medicaid members to contracted entities. The CCS provides that the Authority will comply with all Indian provisions associated with Medicaid managed care in federal law.

The CCS provides the rights of every Medicaid member enrolled in a contracted entity.

The measure also directs OHCA to establish such requirements as may be necessary to prohibit contracted entities from excluding essential community providers, providers who receive directed payments, and other providers as OHCA may specify from contracts with contracted entities. Each contracted entity is required to contract with at least one local Oklahoma provider organization for a model of care containing; care coordination, care management, utilization management, disease management, network management, or another model of care as approved by the Authority. OHCA will develop standard contract terms for contracted entities as well as oversee, monitor, and enforce the terms of capitated contracts specified in the bill.

The CCS provides all of the functions contracted entities will be responsible for and all the requirements established by OHCA. The measure also provides all the requirements directed to OHCA to implement the Ensuring Access to Medicaid Act. The CCS provides the requirements of the Medicaid Delivery System Quality Advisory Committee. The measure provides the requirements of every insurance company, copartnership, insurance association, interinsurance exchange, person, insurer, nonprofit hospital service and medical indemnity organization, or health maintenance organization doing business in this state.

The provisions of this act will not become effective as law unless Enrolled Senate Bill 1396 of the 2nd Session of the 58th Legislature becomes effective as law. The measure modifies, strikes, adds, and updates statutory language. The CCS declares an emergency.

**REPEALER:**

The CCS repeals:

**56 O.S. 2021, Sections 1010.2, 1010.3, 1010.4, 1010.5, and 1010.8**

[§ 1010.2. Definitions](#)

[§ 1010.3. Establishment of Oklahoma Medicaid Healthcare Options System - Administration - Development of Managed Care Plans - Applications for Federal Medicaid Waivers](#)

[§ 1010.4. Implementation of System](#)

[§ 1010.5. Required Contract Provisions](#)

[§ 1010.8. Creation of Medicaid Contingency Revolving Fund](#)

**63 O.S. 2021, Sections 5009.5, 5011, and 5028**

[§ 5009.5. Actuarial Certification - Medicaid](#)

[§ 5011. State and Education Employee Health Care Benefit Plans - Duties of Authority](#)

[§ 5028. Request for Proposals for Care Coordination Models for Aged, Blind and Disabled Persons](#)

Prepared By: Dan Brooks

**Fiscal Analysis**

The measure is currently under review and impact information will be completed.

Prepared By: Mark Tygret

**Other Considerations**

None.