

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 2nd Session of the 57th Legislature (2020)

4 ENGROSSED SENATE
5 BILL NO. 1046

By: Thompson and Rader of the
Senate

6 and

7 Wallace and Hilbert of the
8 House

9
10 An Act relating to the Supplemental Hospital Offset
11 Payment Program; amending 63 O.S. 2011, Section
12 3241.2, as last amended by Section 1, Chapter 56,
13 O.S.L. 2019 (63 O.S. Supp. 2019, Section 3241.2),
14 which relates to definitions; adding definitions;
15 amending 63 O.S. 2011, Section 3241.3, as last
16 amended by Section 2, Chapter 56, O.S.L. 2019 (63
17 O.S. Supp. 2019, Section 3241.3), which relates to
18 supplemental hospital offset payment program fee;
19 modifying assessment methodology; fixing certain
20 rates for specified fiscal year; clarifying rate for
21 subsequent fiscal years; directing certain
22 redetermination; granting the Oklahoma Health Care
23 Authority certain temporary discretion; amending 63
24 O.S. 2011, Section 3241.4, as last amended by Section
3, Chapter 345, O.S.L. 2016 (63 O.S. Supp. 2019,
Section 3241.4), which relates to the Supplemental
Hospital Offset Payment Program Fund; modifying
certain transfer authority; prohibiting certain use
of monies; providing for termination of certain
prohibition; directing certain notices to be sent;
providing certain exception; modifying allowable
expenses; making language gender neutral; providing
conditional effective date; providing an effective
date; and declaring an emergency.

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

1 SECTION 1. AMENDATORY 63 O.S. 2011, Section 3241.2, as
2 last amended by Section 1, Chapter 56, O.S.L. 2019 (63 O.S. Supp.
3 2019, Section 3241.2), is amended to read as follows:

4 Section 3241.2. As used in the Supplemental Hospital Offset
5 Payment Program Act:

6 1. "Authority" means the Oklahoma Health Care Authority;

7 2. "Base year" means a hospital's fiscal year as reported in
8 the Medicare Cost Report or as determined by the Authority if the
9 hospital's data is not included in the Medicare Cost Report. The
10 base year data will be used in all assessment calculations;

11 3. "Net hospital patient revenue" means the gross hospital
12 revenue as reported on Worksheet G-2 (Columns 1 and 2, Lines "Total
13 inpatient routine care services", "Ancillary services", and
14 "Outpatient services") of the Medicare Cost Report, multiplied by
15 the hospital's ratio of total net to gross revenue, as reported on
16 Worksheet G-3 (Column 1, Line "Net patient revenues") and Worksheet
17 G-2 (Part I, Column 3, Line "Total patient revenues");

18 4. "Hospital" means an institution licensed by the State
19 Department of Health as a hospital pursuant to Section 1-701 of this
20 title maintained primarily for the diagnosis, treatment, or care of
21 patients;

22 5. "Hospital Advisory Committee" means the Committee
23 established for the purposes of advising the Oklahoma Health Care
24 Authority and recommending provisions within and approval of any

1 state plan amendment or waiver affecting hospital reimbursement made
2 necessary or advisable by the Supplemental Hospital Offset Payment
3 Program Act. In order to expedite the submission of the state plan
4 amendment required by Section 3241.6 of this title, the Committee
5 shall initially be appointed by the Executive Director of the
6 Authority from recommendations submitted by a statewide association
7 representing rural and urban hospitals. The permanent Committee
8 shall be appointed no later than thirty (30) days after November 1,
9 2011, and shall be composed of five (5) members to serve until
10 December 31, 2025, from lists of names submitted by a statewide
11 association representing rural and urban hospitals, as follows:

- 12 a. one member, appointed by the Governor, who shall serve
13 as ~~chairman~~ chair, and
14 b. two members appointed each by the President Pro
15 Tempore of the Oklahoma State Senate and the Speaker
16 of the Oklahoma House of Representatives.

17 Membership shall be extended until December 31, 2025, for those
18 members who are serving as of December 31, 2019;

19 6. "Medicaid" means the medical assistance program established
20 in Title XIX of the federal Social Security Act and administered in
21 this state by the Oklahoma Health Care Authority;

22 7. "Medicare Cost Report" means the Hospital Cost Report, Form
23 CMS-2552-96 or subsequent versions;

24

1 8. "Upper payment limit" means the maximum ceiling imposed by
2 42 C.F.R., Sections 447.272 and 447.321 on hospital Medicaid
3 reimbursement for inpatient and outpatient services, other than to
4 hospitals owned or operated by state government; ~~and~~

5 9. "Upper payment limit gap" means the difference between the
6 upper payment limit and Medicaid payments not financed using
7 hospital assessments made to all hospitals other than hospitals
8 owned or operated by state government;

9 10. "Medicaid expansion" may include enrollment of the newly
10 eligible Medicaid population, increases in enrollment from those
11 currently eligible but not enrolled, and increased administrative
12 costs; and

13 11. "Newly eligible Medicaid population" means those
14 individuals over age eighteen (18) and under age sixty-five (65)
15 whose income does not exceed one hundred thirty-three percent (133%)
16 of the Federal Poverty Level guidelines, as described by and using
17 the income methodology provided in 42 U.S.C. Section 1396 et seq.,
18 whose coverage is eligible for enhanced federal financial
19 participation.

20 SECTION 2. AMENDATORY 63 O.S. 2011, Section 3241.3, as
21 last amended by Section 2, Chapter 56, O.S.L. 2019 (63 O.S. Supp.
22 2019, Section 3241.3), is amended to read as follows:

23 Section 3241.3. A. For the purpose of assuring access to
24 quality care for Oklahoma Medicaid consumers, the Oklahoma Health

1 Care Authority, after considering input and recommendations from the
2 Hospital Advisory Committee, shall assess hospitals licensed in
3 Oklahoma, unless exempt under subsection B of this section, a
4 supplemental hospital offset payment program fee.

5 B. The following hospitals shall be exempt from the
6 supplemental hospital offset payment program fee:

7 1. A hospital that is owned or operated by the state or a state
8 agency, the federal government, a federally recognized Indian tribe,
9 or the Indian Health Service;

10 2. A hospital that provides more than fifty percent (50%) of
11 its inpatient days under a contract with a state agency other than
12 the Authority;

13 3. A hospital for which the majority of its inpatient days are
14 for any one of the following services, as determined by the
15 Authority using the Inpatient Discharge Data File published by the
16 Oklahoma State Department of Health, or in the case of a hospital
17 not included in the Inpatient Discharge Data File, using
18 substantially equivalent data provided by the hospital:

- 19 a. treatment of a neurological injury,
- 20 b. treatment of cancer,
- 21 c. treatment of cardiovascular disease,
- 22 d. obstetrical or childbirth services,
- 23 e. surgical care, except that this exemption shall not
24 apply to any hospital located in a city of less than

1 five hundred thousand (500,000) population and for
2 which the majority of inpatient days are for back,
3 neck, or spine surgery;

4 4. A hospital that is certified by the federal Centers for
5 Medicaid and Medicare Services as a long-term acute care hospital or
6 as a children's hospital; and

7 5. A hospital that is certified by the federal Centers for
8 Medicaid and Medicare Services as a critical access hospital.

9 C. The supplemental hospital offset payment program fee shall
10 be an assessment imposed on each hospital, except those exempted
11 under subsection B of this section, for each calendar year in an
12 amount calculated as a percentage of each hospital's net patient
13 revenue.

14 1. The assessment rate shall be determined annually based upon
15 the percentage of net hospital patient revenue needed to generate an
16 amount up to the sum of:

- 17 a. the nonfederal portion of the upper payment limit gap,
18 plus
- 19 b. the annual fee to be paid to the Authority under
20 subparagraph c of paragraph 1 of subsection G of
21 Section 3241.4 of this title, plus
- 22 c. the amount to be transferred by the Authority to the
23 Medical Payments Cash Management Improvement Act

1 Programs Disbursing Fund under subsection C of Section
2 3241.4 of this title, plus

3 d. an amount fixed at one and seven-tenths percent (1.7%)
4 for the state fiscal year ending June 30, 2021, to
5 fund the nonfederal portion of Medicaid expansion.

6 2. The assessment rate until December 31, 2012, shall be fixed
7 at two and one-half percent (2.5%). For the state fiscal year
8 ending June 30, 2021, the assessment rate shall be fixed at four
9 percent (4%). Funds shall be disbursed with priority given to the
10 supplemental payment provided by subsection F of Section 3241.4 of
11 this title. At no time in subsequent years shall the annual
12 effective assessment rate exceed four percent (4%).

13 3. Net hospital patient revenue shall be determined using the
14 data from each hospital's Medicare Cost Report contained in the
15 Centers for Medicare and Medicaid Services' Healthcare Cost Report
16 Information System file.

17 a. Through 2013, the base year for assessment shall be
18 the hospital's fiscal year that ended in 2009, as
19 contained in the Healthcare Cost Report Information
20 System file dated December 31, 2010.

21 b. For years after 2013, the base year for assessment
22 shall be determined by rules established by the
23 Authority.

1 4. If a hospital's applicable Medicare Cost Report is not
2 contained in the Centers for Medicare and Medicaid Services'
3 Healthcare Cost Report Information System file, the hospital shall
4 submit a copy of the hospital's applicable Medicare Cost Report to
5 the Authority in order to allow the Authority to determine the
6 hospital's net hospital patient revenue for the base year.

7 5. If a hospital commenced operations after the due date for a
8 Medicare Cost Report, the hospital shall submit its initial Medicare
9 Cost Report to the Authority in order to allow the Authority to
10 determine the hospital's net patient revenue for the base year.

11 6. Partial year reports may be prorated for an annual basis.

12 7. In the event that a hospital does not file a uniform cost
13 report under 42 U.S.C., Section 1396a(a)(40), the Authority shall
14 establish a uniform cost report for such facility subject to the
15 Supplemental Hospital Offset Payment Program provided for in this
16 section.

17 8. The Authority shall review what hospitals are included in
18 the Supplemental Hospital Offset Payment Program provided for in
19 this subsection and what hospitals are exempted from the
20 Supplemental Hospital Offset Payment Program pursuant to subsection
21 B of this section. Such review shall occur at a fixed period of
22 time. This review and decision shall occur within twenty (20) days
23 of the time of federal approval and annually thereafter in November
24 of each year.

1 9. The Authority shall review and determine the amount of the
2 annual assessment. Such review and determination shall occur within
3 the twenty (20) days of federal approval and annually thereafter in
4 November of each year. Within sixty (60) days of the effective date
5 of this act, the Authority shall redetermine the assessment amount
6 to include the nonfederal portion of Medicaid expansion for the
7 state fiscal year ending June 30, 2021, only.

8 D. A hospital may not charge any patient for any portion of the
9 supplemental hospital offset payment program fee.

10 E. Closure, merger and new hospitals.

11 1. If a hospital ceases to operate as a hospital or for any
12 reason ceases to be subject to the fee imposed under the
13 Supplemental Hospital Offset Payment Program Act, the assessment for
14 the year in which the cessation occurs shall be adjusted by
15 multiplying the annual assessment by a fraction, the numerator of
16 which is the number of days in the year during which the hospital is
17 subject to the assessment and the denominator of which is 365.
18 Immediately upon ceasing to operate as a hospital, or otherwise
19 ceasing to be subject to the supplemental hospital offset payment
20 program fee, the hospital shall pay the assessment for the year as
21 so adjusted, to the extent not previously paid.

22 2. In the case of a hospital that did not operate as a hospital
23 throughout the base year, its assessment and any potential receipt
24 of a hospital access payment will commence in accordance with rules

1 for implementation and enforcement promulgated by the Authority,
2 after consideration of the input and recommendations of the Hospital
3 Advisory Committee.

4 F. 1. In the event that federal financial participation
5 pursuant to Title XIX of the Social Security Act is not available to
6 the Oklahoma Medicaid program for purposes of matching expenditures
7 from the Supplemental Hospital Offset Payment Program Fund at the
8 approved federal medical assistance percentage for the applicable
9 year, the supplemental hospital offset payment program fee shall be
10 null and void as of the date of the nonavailability of such federal
11 funding through and during any period of nonavailability.

12 2. In the event of an invalidation of the Supplemental Hospital
13 Offset Payment Program Act by any court of last resort, the
14 supplemental hospital offset payment program fee shall be null and
15 void as of the effective date of that invalidation.

16 3. In the event that the supplemental hospital offset payment
17 program fee is determined to be null and void for any of the reasons
18 enumerated in this subsection, any supplemental hospital offset
19 payment program fee assessed and collected for any period after such
20 invalidation shall be returned in full within twenty (20) days by
21 the Authority to the hospital from which it was collected.

22 G. The Authority, after considering the input and
23 recommendations of the Hospital Advisory Committee, shall promulgate
24 rules for the implementation and enforcement of the supplemental

1 hospital offset payment program fee. Unless otherwise provided, the
2 rules adopted under this subsection shall not grant any exceptions
3 to or exemptions from the hospital assessment imposed under this
4 section.

5 H. The Authority shall provide for administrative penalties in
6 the event a hospital fails to:

- 7 1. Submit the supplemental hospital offset payment program fee;
- 8 2. Submit the fee in a timely manner;
- 9 3. Submit reports as required by this section; or
- 10 4. Submit reports timely.

11 I. Until March 31, 2021, the Authority shall have the
12 discretion in hardship cases to assist hospitals in compliance with
13 this section due to the inability of a hospital to submit a timely
14 payment.

15 J. The supplemental hospital offset payment program fee shall
16 terminate effective December 31, 2025.

17 ~~J.~~ K. The Authority shall have the power to promulgate
18 emergency rules to enact the provisions of this act.

19 SECTION 3. AMENDATORY 63 O.S. 2011, Section 3241.4, as
20 last amended by Section 3, Chapter 345, O.S.L. 2016 (63 O.S. Supp.
21 2019, Section 3241.4), is amended to read as follows:

22 Section 3241.4. A. There is hereby created in the State
23 Treasury a revolving fund to be designated the "Supplemental
24 Hospital Offset Payment Program Fund".

1 B. The fund shall be a continuing fund, not subject to fiscal
2 year limitations, be interest bearing and consisting of:

3 1. All monies received by the Oklahoma Health Care Authority
4 from hospitals pursuant to the Supplemental Hospital Offset Payment
5 Program Act and otherwise specified or authorized by law;

6 2. Any interest or penalties levied and collected in
7 conjunction with the administration of this section; and

8 3. All interest attributable to investment of money in the
9 fund.

10 C. 1. Notwithstanding any other provisions of law, each fiscal
11 quarter the Oklahoma Health Care Authority is authorized to
12 transfer:

13 a. Seven Million Five Hundred Thousand Dollars
14 (\$7,500,000.00) ~~each fiscal quarter~~ to fund the
15 nonfederal portion of the existing Medicaid
16 population, and

17 b. Thirty-three Million Five Hundred Thousand Dollars
18 (\$33,500,000.00) to fund the nonfederal portion of
19 Medicaid expansion for enrollees receiving services on
20 or after July 1, 2020, from the Supplemental Hospital
21 Offset Payment Program Fund to the Authority's Medical
22 Payments Cash Management Improvement Act Programs
23 Disbursing Fund.
24

1 2. The Authority shall not assess or use Supplemental Hospital
2 Offset Payment Program monies to enter into contracts with private
3 managed care organizations in a capitated arrangement to administer
4 benefits and delivery of services as long as the state plan
5 amendments submitted to the Centers for Medicare and Medicaid
6 Services in March of 2020 are in effect. However, the provisions of
7 this paragraph shall cease to have effect upon certification of
8 election returns favoring passage of State Question No. 802,
9 Initiative Petition No. 419.

10 D. Notice of Assessment.

11 1. The Authority shall send a notice of assessment to each
12 hospital informing the hospital of the assessment rate, the
13 hospital's net patient revenue calculation, and the assessment
14 amount owed by the hospital for the applicable year.

15 2. Annual notices of assessment shall be sent at least thirty
16 (30) days before the due date for the first quarterly assessment
17 payment of each year. Within sixty (60) days of the effective date
18 of this act, the Authority shall send notices of the redetermined
19 assessment amount including the nonfederal portion of Medicaid
20 expansion for the state fiscal year ending June 30, 2021, only.

21 3. The first notice of assessment shall be sent within forty-
22 five (45) days after receipt by the Authority of notification from
23 the Centers for Medicare and Medicaid Services that the assessments
24 and payments required under the Supplemental Hospital Offset Payment

1 Program Act and, if necessary, the waiver granted under 42 C.F.R.,
2 Section 433.68 have been approved.

3 4. The hospital shall have thirty (30) days from the date of
4 its receipt of a notice of assessment to review and verify the
5 assessment rate, the hospital's net patient revenue calculation, and
6 the assessment amount.

7 5. A hospital subject to an assessment under the Supplemental
8 Hospital Offset Payment Program Act that has not been previously
9 licensed as a hospital in Oklahoma and that commences hospital
10 operations during a year shall pay the required assessment computed
11 under subsection E of Section 3241.3 of this title and shall be
12 eligible for hospital access payments under subsection E of this
13 section on the date specified in rules promulgated by the Authority
14 after consideration of input and recommendations of the Hospital
15 Advisory Committee.

16 E. Quarterly Notice and Collection.

17 1. The annual assessment imposed under subsection A of Section
18 3241.3 of this title shall be due and payable on a quarterly basis.
19 However, the first installment payment of an assessment imposed by
20 the Supplemental Hospital Offset Payment Program Act shall not be
21 due and payable until:

22 a. the Authority issues written notice stating that the
23 assessment and payment methodologies required under
24 the Supplemental Hospital Offset Payment Program Act

1 have been approved by the Centers for Medicare and
2 Medicaid Services and the waiver under 42 C.F.R.,
3 Section 433.68, if necessary, has been granted by the
4 Centers for Medicare and Medicaid Services,

5 b. the thirty-day verification period required by
6 paragraph 4 of subsection D of this section has
7 expired, and

8 c. the Authority issues a notice giving a due date for
9 the first payment.

10 2. After the initial installment of an annual assessment has
11 been paid under this section, each subsequent quarterly installment
12 payment shall be due and payable by the fifteenth day of the first
13 month of the applicable quarter.

14 3. If a hospital fails to timely pay the full amount of a
15 quarterly assessment, the Authority shall add to the assessment,
16 except in circumstances described in subsection I of Section 3241.3
17 of this title:

18 a. a penalty assessment equal to five percent (5%) of the
19 quarterly amount not paid on or before the due date,
20 and

21 b. on the last day of each quarter after the due date
22 until the assessed amount and the penalty imposed
23 under subparagraph a of this paragraph are paid in
24 full, an additional five-percent penalty assessment on

1 any unpaid quarterly and unpaid penalty assessment
2 amounts.

3 4. The quarterly assessment including applicable penalties and
4 interest must be paid regardless of any appeals action requested by
5 the facility. If a provider fails to pay the Authority the
6 assessment within the time frames noted on the invoice to the
7 provider, the assessment, applicable penalty, and interest will be
8 deducted from the facility's payment. Any change in payment amount
9 resulting from an appeals decision will be adjusted in future
10 payments.

11 F. Medicaid Hospital Access Payments.

12 1. To preserve the quality and improve access to hospital
13 services for hospital inpatient and outpatient services rendered on
14 or after the effective date of this act, the Authority shall make
15 hospital access payments as set forth in this section.

16 2. The Authority shall pay all quarterly hospital access
17 payments within ten (10) calendar days of the due date for quarterly
18 assessment payments established in subsection E of this section.

19 3. The Authority shall calculate the hospital access payment
20 amount up to but not to exceed the upper payment limit gap for
21 inpatient and outpatient services.

22 4. All hospitals shall be eligible for inpatient and outpatient
23 hospital access payments each year as set forth in this subsection
24

1 except hospitals described in paragraph 1, 2, 3 or 4 of subsection B
2 of Section 3241.3 of this title.

3 5. A portion of the hospital access payment amount, not to
4 exceed the upper payment limit gap for inpatient services, shall be
5 designated as the inpatient hospital access payment pool.

6 a. In addition to any other funds paid to hospitals for
7 inpatient hospital services to Medicaid patients, each
8 eligible hospital shall receive inpatient hospital
9 access payments each year equal to the hospital's pro
10 rata share of the inpatient hospital access payment
11 pool based upon the hospital's Medicaid payments for
12 inpatient services divided by the total Medicaid
13 payments for inpatient services of all eligible.

14 b. Inpatient hospital access payments shall be made on a
15 quarterly basis.

16 6. A portion of the hospital access payment amount, not to
17 exceed the upper payment limit gap for outpatient services, shall be
18 designated as the outpatient hospital access payment pool.

19 a. In addition to any other funds paid to hospitals for
20 outpatient hospital services to Medicaid patients,
21 each eligible hospital shall receive outpatient
22 hospital access payments each year equal to the
23 hospital's pro rata share of the outpatient hospital
24 access payment pool based upon the hospital's Medicaid

1 payments for outpatient services divided by the total
2 Medicaid payments for outpatient services of all
3 eligible.

4 b. Outpatient hospital access payments shall be made on a
5 quarterly basis.

6 7. A portion of the inpatient hospital access payment pool and
7 of the outpatient hospital access payment pool shall be designated
8 as the critical access hospital payment pool.

9 a. In addition to any other funds paid to critical access
10 hospitals for inpatient and outpatient hospital
11 services to Medicaid patients, each critical access
12 hospital shall receive hospital access payments equal
13 to the amount by which the payment for these services
14 was less than one hundred one percent (101%) of the
15 hospital's cost of providing these services, as
16 determined using the Medicare Cost Report.

17 b. The Authority shall calculate hospital access payments
18 for critical access hospitals and deduct these
19 payments from the inpatient hospital access payment
20 pool and the outpatient hospital access payment pool
21 before allocating the remaining balance in each pool
22 as provided in subparagraph a of paragraph 5 and
23 subparagraph a of paragraph 6 of this subsection.
24

1 c. Critical access hospital payments shall be made on a
2 quarterly basis.

3 8. A hospital access payment shall not be used to offset any
4 other payment by Medicaid for hospital inpatient or outpatient
5 services to Medicaid beneficiaries, including without limitation any
6 fee-for-service, per diem, private hospital inpatient adjustment, or
7 cost-settlement payment.

8 9. If the Centers for Medicare and Medicaid Services finds that
9 the Authority has made payments to hospitals that exceed the upper
10 payment limits determined in accordance with 42 C.F.R. 447.272 and
11 42 C.F.R. 447.321, hospitals shall refund to the Authority a share
12 of the recouped federal funds that is proportionate to the
13 hospitals' positive contribution to the upper payment limit.

14 G. All monies accruing to the credit of the Supplemental
15 Hospital Offset Payment Program Fund are hereby appropriated and
16 shall be budgeted and expended by the Authority after consideration
17 of the input and recommendation of the Hospital Advisory Committee.

18 1. Monies in the Supplemental Hospital Offset Payment Program
19 Fund shall be used only for:

20 a. transfers to the Medical Payments Cash Management
21 Improvement Act Programs Disbursing Fund (Fund 340)
22 for the state share of supplemental payments for
23 Medicaid and SCHIP inpatient and outpatient services
24 to hospitals that participate in the assessment,

- 1 b. transfers to the Medical Payments Cash Management
2 Improvement Act Programs Disbursing Fund (Fund 340)
3 for the state share of supplemental payments for
4 Critical Access Hospitals,
- 5 c. transfers to the Administrative Revolving Fund (Fund
6 200) for the state share of payment of administrative
7 expenses incurred by the Authority or its agents and
8 employees in performing the activities authorized by
9 the Supplemental Hospital Offset Payment Program Act
10 but not more than Two Hundred Thousand Dollars
11 (\$200,000.00) each year,
- 12 d. transfers to the Medical Payments Cash Management
13 Improvement Act Programs Disbursing Fund (Fund 340) in
14 an amount not to exceed Seven Million Five Hundred
15 Thousand Dollars (\$7,500,000.00) each fiscal quarter,
16 ~~and~~ to fund the nonfederal portion of the existing
17 Medicaid population,
- 18 e. transfers to the Medical Payments Cash Management
19 Improvement Act Programs Disbursing Fund (Fund 340) in
20 an amount not to exceed Thirty-three Million Five
21 Hundred Thousand Dollars (\$33,500,000.00) each fiscal
22 quarter to fund the nonfederal portion of Medicaid
23 expansion for enrollees receiving services on or after
24 July 1, 2020, and

1 f. the reimbursement of monies collected by the Authority
2 from hospitals through error or mistake in performing
3 the activities authorized under the Supplemental
4 Hospital Offset Payment Program Act.

5 2. The Authority shall pay from the Supplemental Hospital
6 Offset Payment Program Fund quarterly installment payments to
7 hospitals of amounts available for supplemental inpatient and
8 outpatient payments, and supplemental payments for Critical Access
9 Hospitals.

10 3. Except for the transfers described in subsection C of this
11 section, monies in the Supplemental Hospital Offset Payment Program
12 Fund shall not be used to replace other general revenues
13 appropriated and funded by the Legislature or other revenues used to
14 support Medicaid.

15 4. The Supplemental Hospital Offset Payment Program Fund and
16 the program specified in the Supplemental Hospital Offset Payment
17 Program Act are exempt from budgetary reductions or eliminations
18 caused by the lack of general revenue funds or other funds
19 designated for or appropriated to the Authority.

20 5. No hospital shall be guaranteed, expressly or otherwise,
21 that any additional costs reimbursed to the facility will equal or
22 exceed the amount of the supplemental hospital offset payment
23 program fee paid by the hospital.

1 H. After considering input and recommendations from the
2 Hospital Advisory Committee, the Authority shall promulgate
3 regulations that:

4 1. Allow for an appeal of the annual assessment of the
5 Supplemental Hospital Offset Payment Program payable under this act;
6 and

7 2. Allow for an appeal of an assessment of any fees or
8 penalties determined.

9 SECTION 4. The provisions of this act shall not become
10 effective as law unless Enrolled Senate Bill No. 1935 of the 2nd
11 Session of the 57th Oklahoma Legislature becomes effective as law.

12 SECTION 5. This act shall become effective July 1, 2020.

13 SECTION 6. It being immediately necessary for the preservation
14 of the public peace, health or safety, an emergency is hereby
15 declared to exist, by reason whereof this act shall take effect and
16 be in full force from and after its passage and approval.

17
18 DIRECT TO CALENDAR.

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