Bill Summary
1st Session of the 60th Legislature

Bill No.:	**SB 904**
Version:	**INT**
Request No.	**599**
Author:	**Sen. Rosino**
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Bill Analysis

SB 904 modifies and establishes criteria for incentive payments to contracted Medicaid long-term care providers. The measure provides that facilities may earn payment from the Oklahoma Health Care Authority's incentive reimbursement rate plan by achieving a 2-star long-stay quality measures rating. The measure directs such funding to be allocated in the following manner:

1) facilities with a 2-star rating shall receive 40% of the per-day amount reserved for the quality assurance component per Medicaid patient day,
2) facilities with a 3-star rating shall receive 60% of the per-day amount reserved for the quality assurance component per Medicaid patient day,
3) facilities with a 4-star rating shall receive 80% of the per-day amount reserved for the quality assurance component per Medicaid patient day, and
4) facilities with a 5-star rating shall receive 100% of the per-day amount reserved for the quality assurance component per Medicaid patient day

The measure creates a nursing facility staff retention initiative. It provides that such facilities may earn up to $3.00, allocated at $1.50 per patient day based on the rating system outlined above at benchmarks based on percentage of Registered Nurses and Certified Nurse Aides retained for 12 months. The measure combines an advisory group with the Oklahoma Nursing Facility Funding Advisory Committee. The measure directs the Health Care Authority to include a supplemental item reflecting the new state and federal funding necessary to meet the additional costs associated with reimbursing nursing facilities and intermediate care facilities pursuant to the provisions of this measure. The measure directs the Authority to incorporate a case-mix component into the payment rate methodology from the Nursing Facility Quality of Care Fund for nursing facilities. The measure directs 50% of the prospective direct care rate component to such funding and the other 50% to the base rate component.

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