



1           2. Under the current rate methodology, the Authority shall  
2 reserve Five Dollars (\$5.00) per patient day designated for the  
3 quality assurance component that nursing facilities can earn for  
4 improvement or performance achievement of resident-centered outcomes  
5 metrics. To fund the quality assurance component, Two Dollars  
6 (\$2.00) shall be deducted from each nursing facility's per diem  
7 rate, and matched with Three Dollars (\$3.00) per day funded by the  
8 Authority. Payments to nursing facilities that achieve specific  
9 metrics shall be treated as an "add back" to their net reimbursement  
10 per diem. Dollar values assigned to each metric shall be determined  
11 so that an average of the five-dollar-quality incentive is made to  
12 qualifying nursing facilities.

13           3. Pay-for-performance payments may be earned quarterly and  
14 based on facility-specific performance achievement of four equally-  
15 weighted, Long-Stay Quality Measures as defined by the Centers for  
16 Medicare and Medicaid Services (CMS).

17           4. Contracted Medicaid long-term care providers may earn  
18 payment by achieving either five percent (5%) relative improvement  
19 each quarter from baseline or by achieving the National Average  
20 Benchmark or better for each individual quality metric.

21           5. Pursuant to federal Medicaid approval, any funds that remain  
22 as a result of providers failing to meet the quality assurance  
23 metrics shall be pooled and redistributed to those who achieve the  
24 quality assurance metrics each quarter. If federal approval is not

1 received, any remaining funds shall be deposited in the Nursing  
2 Facility Quality of Care Fund authorized in Section 2002 of this  
3 title.

4 6. The Authority shall establish an advisory group with  
5 consumer, provider and state agency representation to recommend  
6 quality measures to be included in the pay-for-performance program  
7 and to provide feedback on program performance and recommendations  
8 for improvement. The quality measures shall be reviewed annually  
9 and shall be subject to change every three (3) years through the  
10 agency's promulgation of rules. The Authority shall insure  
11 adherence to the following criteria in determining the quality  
12 measures:

- 13 a. provides direct benefit to resident care outcomes,
- 14 b. applies to long-stay residents, and
- 15 c. addresses a need for quality improvement using the  
16 Centers for Medicare and Medicaid Services (CMS)  
17 ranking for Oklahoma.

18 7. The Authority shall begin the pay-for-performance program  
19 focusing on improving the following CMS nursing home quality  
20 measures:

- 21 a. percentage of long-stay, high-risk residents with  
22 pressure ulcers,
- 23 b. percentage of long-stay residents who lose too much  
24 weight,

1 c. percentage of long-stay residents with a urinary tract  
2 infection, and

3 d. percentage of long-stay residents who got an  
4 antipsychotic medication.

5 B. The Oklahoma Health Care Authority shall negotiate with the  
6 Centers for Medicare and Medicaid Services to include the authority  
7 to base provider reimbursement rates for nursing facilities on the  
8 criteria specified in subsection A of this section.

9 C. To ensure continued quality, the Oklahoma Health Care  
10 Authority shall allocate to participating nursing facilities  
11 enhanced Federal Medical Assistance Percentage (FMAP) payments from  
12 funds made available to the state by the federal government during  
13 periods of public health emergencies. The Authority may not reduce  
14 other components of the nursing facility rate to offset increased  
15 revenue from temporarily enhanced FMAP payments.

16 D. The Oklahoma Health Care Authority shall audit the program  
17 to ensure transparency and integrity.

18 ~~D.~~ E. The Oklahoma Health Care Authority shall provide an  
19 annual report of the incentive reimbursement rate plan to the  
20 Governor, the Speaker of the House of Representatives, and the  
21 President Pro Tempore of the Senate by December 31 of each year.  
22 The report shall include, but not be limited to, an analysis of the  
23 previous fiscal year including incentive payments, ratings, and  
24 notable trends.

1 SECTION 2. This act shall become effective November 1, 2021.

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3 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated  
4 02/08/2021 - DO PASS, As Coauthored.  
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