

# Legislative Brief

August 2004

# EMERGENCY HEALTH CARE SERVICES EXPANDED HEALTH CARE ACCESS PRESCRIPTION DRUG ACCESS HEALTH CARE DELIVERY

# **Issue Background**

Nationally, post-9/11 legislative responses indicate growing concern about the adequacy of emergency health care service delivery systems. Health facility closures, increasing uncompensated care, declines in providers, liability issues, increasing regulatory standards, and funding are only a few of the factors affecting such systems. Of these factors, funding tends to be the driving consideration in forging out solutions.

Recognizing that the availability and delivery of hospital emergency and trauma care services by community hospitals is crucial, the Oklahoma Legislature enacted several significant pieces of legislation resulting from the work of a 2003 Task Force on Hospital Emergency Services and Trauma Care that studied and assessed data on the availability and delivery of hospital emergency services and trauma care in this state. The study covered:

- emergency health care system development and organization,
- the cost of providing emergency health care services to specific categories of patients, including uninsured and traumatically injured patients,
- the effect of new facilities on the staffing, operational, and financial capacities of existing facilities,
- geographical distribution of facilities and the number of people requiring twenty-four-hour emergency or trauma care services, and
- sources of funding.

The task force findings and recommendations included adjustments to existing programs and services, and basic infrastructure enhancements to improve service delivery. A similar task force studied issues related to homeland security.

#### **Summary of Actions**

The Legislature addressed needed changes in the emergency health care delivery system, and other health-related issues such as expansion of access to coverage, strengthening the indigent health care safety net, prescription drug access and affordability, health disparities, cancer screening and treatment, and pain management. In addition to a major focus on Tort Reform in 2004, Legislators also addressed ways to potentially minimize liability actions through improvements in patient safety.

Although the session saw improved revenue collections, the Legislature is looking to a vote of the people [SQ 713/The Tobacco Tax (HB 2660)] for an additional \$149.3 Million for health care services, including:

# **Summary of Actions (Cont'd)**

- A \$50 Million Medicaid expansion for coverage of approximately 100,000 uninsured Oklahomans through an employer-based private insurance premium assistance program.
- \$2 Million for increased Medicaid reimbursements to emergency room physicians.
- \$17 Million of an estimated additional \$42 Million needed to pay for uncompensated trauma care. This amount would also generate additional federal matching funds.
- \$7 Million for establishment of a comprehensive cancer center in Oklahoma City, \$7 Million for establishment of a telemedicine center in Tulsa, and \$1 Million additional for funding breast and cervical cancer treatment for uninsured women.
- \$1.5 Million for smoking cessation programs. Introduced during the 1<sup>st</sup> Session of the 49<sup>th</sup> Legislature, SB 677 (2003) by Monson would have required insurance coverage of comprehensive tobacco cessation programs but was defeated in the Senate.

# **Trauma Care Legislative Measures**

**SB 1554** (Robinson/Hilliard) creates the Oklahoma Trauma Systems Improvement and Development Act to enable hospitals and emergency medical service providers to provide an organized system of trauma care. The Act:

- Requires the State Board of Health to promulgate rules that specify provisions for trauma care according to location, capacity and capability;
- Creates the Oklahoma Trauma Systems Improvement and Development Advisory Council to make recommendations about the State Health Department's (OSDH) role under the Act;
- Provides for OSDH recognition of trauma systems by geographic region;
- Establishes regional trauma advisory boards by hospital and ambulance service providers, whose purpose shall be to provide regional representation and continuous quality improvement. Allows funding of such activity as funds become available;
- Provides for review of and reporting on trauma patient care and continuous quality improvement activities by the Medical Audit Committee, an appointed committee of licensed physicians, and requires OSDH to provide funding and administrative support. Information pursuant to such review is confidential and shall only be used for trauma patient care improvement;
- Establishes trauma transfer and referral centers in certain geographic areas, based on population, to manage emergency medical care needs. Allows operator reimbursement of such centers as funds become available;
- Makes ambulance service providers and physicians eligible for reimbursement for uncompensated trauma care; and
- ♦ Allows transfer of Trauma Care Assistance Revolving fund monies to the Oklahoma Health Care Authority in order to maximize Medicaid reimbursement for trauma care and, in combination with federal matching funds, to reimburse hospitals, ambulance service providers and physicians for trauma care to severely injured Medicaid participants. Effective 6-4-04.

**HB 2600** (Hilliard/Monson) assesses special trauma care fees ranging from \$100 to \$200 for certain traffic, controlled dangerous substance and drug trafficking violations for deposit into the Trauma Care Assistance Revolving Fund. Effective 11-1-04.

# Trauma Care Legislative Measures (Cont'd)

**HB 2250** (Paulk/Robinson) imposes an additional \$100 fine, increases certain fees by \$10 and \$100, and apportions certain amounts of existing fines for various traffic-related infractions for deposit to the Trauma Care Assistance Revolving Fund. Requires annual reports detailing fund disbursements. Effective 6-3-04.

# **Trauma Care Appropriation Measures**

**SB 982** (Morgan/Mitchell) appropriates \$39,029,342.00 to the University Hospital Authority, \$3,065,639.00 of which is for continuation of Level 1 trauma services at the OU Health Sciences Center. These funds will also be used to reimburse OUHSC for indigent care and to provide state matching funds for Medicaid programs that benefit other teaching hospitals in the state.

# **Service Referral System Legislative Measures**

**SB 1405** (Williams/Lindley) designates the Oklahoma 2-1-1 Advisory Collaborative as the state coordinating entity for 2-1-1 Call Centers, the vehicle to develop an integrated service map, and the certifying body for information and referral providers. Effective 6-3-04.

**HB 2280** (Paulk/Wilkerson) enacts the Oklahoma Homeland Security Act, including creation of the Oklahoma Office of Homeland Security, and regional planning and coordination advisory councils for homeland security. A gubernatorially appointed director will establish strategic security objectives and a plan for a statewide emergency all-hazards response system.

#### **Service Referral System Appropriation Measures**

**HB 2042** (Mitchell/Morgan) appropriates \$600,000.00 to operate a trauma referral call center within the State Health Department's budget of \$57,563,226.00.

#### **Prescription Drug Legislative Measures**

HB 1866 (Gilbert/Cain) creates the Utilization of Unused Prescription Medications Act and expands the scope of a pilot program statewide, effective January 1, 2005. Under the program, unused prescription drugs, other than controlled dangerous substances, may be transferred from nursing facilities, assisted living centers or pharmaceutical manufacturers to specified pharmacies for distribution to medically indigent Oklahoma residents. Specifies criteria to be used in accepting and dispensing unused prescription drugs, including a provision that such items dispensed for purposes of a medical assistance program or drug product donation program may also be accepted. Participation by sending entities is voluntary. Exempts specified persons and entities from criminal or civil liability in relation to the program, and specifies contents of rules to be promulgated by the Board of Pharmacy. Amends the Oklahoma Pharmacy Act to exempt program donated drugs from prohibitions related to the selling, offering for sale or bartering of professional samples, and to provide that it is unlawful to possess dangerous drugs without a valid prescription or a valid license to possess such drugs. Effective 6-3-04.

#### **Prescription Drug Legislative Measures**

**HB 2321** (Wilson/Corn) requires prescription labels to include the purpose or symptom for which a drug is being prescribed, if a patient so requests, but allows a pharmacist to fill the prescription even if the information is not provided. Includes non-laser surgery procedures in the definition of the practice of Optometry. Effective 4-28-04.

#### Prescription Drug Legislative Measures (Cont'd)

SB 369 (Shurden/Stanley) amends Enrolled House Bill No. 2321 by making placement of the symptom or purpose for which a prescription is written permissive rather than mandatory. Also updates obsolete references in the Oklahoma Pharmacy Act. Other amendments to the Oklahoma Pharmacy Act include other definition updates to comply with federal law; conducting of pharmacy/pharmacist surveys by pharmacy compliance officers; clarification of language related to establishment of and maximum amounts for fees for training components, score transfers, late filings, permits and reinstatement; and clarification of procedures for licensure, regulation and permits. It addresses various provisions in the Allopathic Medical and Surgical Licensure and Supervision Act, the Medical Licensure and Supervision Act, the Osteopathic Examiners Act and the Orthotics and Prosthetics Practice Act. Establishes term ending dates for the Oklahoma Licensed Behavioral Practitioners Advisory Board and extends by three years the time period for completion of education requirements for licensure. Provides that a doctor who renders medical care on a voluntary basis at a free medical clinic or an educational sporting event is not liable for any civil damages with certain exception. Effective 6-9-04.

**SB 1372** (Monson/Nations) requires the Oklahoma Health Care Authority to annually report savings realized and costs incurred in the implementation of any drug cost containment programs. Effective 11-1-04.

# **Prescription Drug Appropriation Measures**

**SB 978** appropriates \$18.7 Million for prescription drugs for FY 05 in the Oklahoma Health Care Authority (OHCA) base appropriation bill. OHCA, administrator for the state's Medicaid program, received \$482,256,505.00, a 9.9% increase over its FY 04 appropriation that compensates for cuts in funding that year.

# **Safety Net Assurance Legislative Measures**

HB 2667 (Askins/Monson) addresses the impact of increased uncompensated care on the state's indigent care facilities by creating the Uncompensated Care Equalization Committee. This committee is to develop and recommend by February 1, 2006, a formula to equalize the burden of uncompensated care that takes specific factors into account. The Act requires health care facilities that have not received approval to construct a new facility by July 1, 2006, to provide documentation that at least 30% of net revenues are from Medicare and/or Medicaid, with allowances for uncompensated care, and state corporate tax contributions. Facilities that fail to meet the 30% threshold shall be assessed a fee, provided the fee shall not be calculated prior to the effective date of the Act and shall be prospective. Fees collected shall be deposited into the Uncompensated Care Equalization Revolving Fund established in the Act. Effective 6-4-04.

**HB 1835** (Lindley/Cain) expands the scope and membership of the Task Force to Eliminate Health Disparities to include representation for mental health and substance abuse. Effective 5-4-04.

**HB 2548** (Sullivan/Aldridge) creates a Task Force on Men's Health and provides for membership. The Act creates the Oklahoma Anatomical Organ Donor Identification Act to provide procedures for individuals wishing to remove the organ donor designation from a driver license or identification card. It establishes an Oklahoma organ, eye and tissue donor registry within the State Department of Health. Effective 7-1-04.

#### Safety Net Assurance Legislative Measures (Cont'd)

SB 1490 (Morgan/Roberts) addresses environmentally based health disparities. The Lead-Impacted Communities Relocation Assistance Act will relocate young children living in the Tar Creek Superfund Site in far northeastern Oklahoma. Families with a child six years old or younger may voluntarily apply to a local trust authority to purchase their home or, if the family rents, to be eligible for 12 months, comparable rental payments. Additionally, such families are eligible for a small stipend to assist with moving expenses. The Act prohibits use of houses or rental properties affected by the buyouts for occupancy by young children until deemed safe by the State Commissioner of Health. Companion bill SB 2060 appropriated \$3 Million to fund the activities of the trust authority. Effective 9-1-04.

SB 1546 (Robinson/Hilliard) authorizes the Oklahoma Health Care Authority to conduct a pilot premium assistance plan to assist small businesses and/or their eligible employees to purchase employer-sponsored health coverage, or to buy-in to a state-sponsored plan. This state law coincides with a new optional federal waiver program called the Health Insurance Flexibility Act (HIFA). HIFA allows matching federal dollars to be used as premium assistance for employer-sponsored insurance and offers new opportunities to cover more low income working people. Funding for this health insurance expansion is dependent on the approval of State Question 713, the increased tobacco tax proposal slated for a November 2004 vote.

#### **Safety Net Assurance Appropriation Measures**

**HB 2042** (Mitchell/Morgan) appropriates \$100,000.00 to the state's community health center network.

#### **Pain Management Legislative Measures**

**HB 2305** (Hamilton/Shurden) requires nursing facilities to include and chart pain as part of a nursing home resident's vital signs assessment. It also creates the Advisory Council on Pain Management to provide advice and recommendations to the Legislature on pain management policy in this state. The Council is to submit an interim report by November 30, 2004, and the final report by April 1, 2005, at which time the Council expires. Effective 6-3-04.

#### **Cancer Screening/Treatment Legislative Measures**

**SB 1609** (Monson/Winchester) adds cervical cancer to all references in the renamed Oklahoma Breast and Cervical Cancer Prevention and Treatment Advisory Committee. The Act contains and clarifies various provisions related to appointments, membership and terms of the advisory committee members, and meeting schedules and frequency. The Act clarifies certain dates for income tax checkoff purposes to the Breast and Cervical Cancer Act Revolving Fund. Effective 5-4-04.

**HB 2552** (Hilliard/Leftwich) creates the Belle Maxine Hilliard Breast and Cervical Cancer Treatment Revolving Fund, to be budgeted and expended by the Oklahoma Health Care Authority pursuant to the provisions of the Oklahoma Breast Cancer Act, to provide screening, diagnosis and treatment of breast and cervical cancer for uninsured, Medicaid eligible women in Oklahoma. Effective 11-1-04.

**SB 587** (Cain/Hamilton) adds routine annual obstetrical/gynecological exams to mandated health insurance coverage. It further provides that such coverage shall not diminish or limit any other diagnostic benefits of a plan. The Act specifies that coverage is not contingent upon the examination's performance by an obstetrician, gynecologist or an obstetrician/gynecologist. It defines the term "health benefit plan," and makes the Act's provisions inapplicable to group coverage for fewer than 50 employees. Effective 11-1-04.

# **Cancer Screening/Treatment Appropriation Measures**

**SB** 978 appropriates \$2.5 Million to the Oklahoma Health Care Authority for breast and cervical cancer screening, diagnosis and treatment. This amount will qualify for 4-to-1 federal matching funds, resulting in a total of \$12.5 Million in funding to provide services for an estimated 88 breast, 8 cervical and 35 pre-cancer cases.

**HB 2660** sends State Question 713, the tobacco tax, to a November 2004 vote of the people. Passage could mean an additional \$1 Million in funding to further enhance breast and cervical cancer treatment to under- and uninsured, low income women in Oklahoma.

# **Patient Safety Legislative Measures**

**SB 1569** (Monson/Askins) creates until January 31, 2005, the Joint Legislative Task Force on Patient Safety to study the feasibility of legislative or regulatory efforts to improve patient safety. Adds the clinical practices of accredited allopathic and osteopathic state medical schools to the definition of a health care facility. Effective 6-9-04.

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