

1 STATE OF OKLAHOMA

2 2nd Session of the 55th Legislature (2016)

3 HOUSE BILL 2489

By: Cox

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6 AS INTRODUCED

7 An Act relating to state employee benefits; amending
8 74 O.S. 2011, Section 1329.1, as amended by Section
9 974, Chapter 304, O.S.L. 2012 (74 O.S. Supp. 2015,
10 Section 1329.1), which relates to the mutual
11 accountability incentive pilot program; specifying
12 division within certain office; providing for a
13 certain cohort study; modifying participants in
14 study; extending certain program; creating certain
15 oversight committee; providing committee membership;
16 providing certain powers of committee; requiring the
17 committee to submit certain final report; and
18 providing an effective date.

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

20 SECTION 1. AMENDATORY 74 O.S. 2011, Section 1329.1, as
21 amended by Section 974, Chapter 304, O.S.L. 2012 (74 O.S. Supp.
22 2015, Section 1329.1), is amended to read as follows:

23 Section 1329.1 A. The Employees Group Insurance Division
24 (EGID) of the Office of Management and Enterprise Services shall
contract for 2012 with a vendor that offers a Health Insurance
Portability and Accountability Act (HIPAA) compliant web-based,
doctor-patient mutual accountability incentive program. The purpose
of the contract is to conduct a pilot project to test the value

1 proposition of a program that offers financial incentives to both
2 the health care provider and the patient for each care encounter in
3 which the provider and patient incorporate evidence-based medicine
4 treatment guidelines, patient health education remedies and other
5 proven medical interventions made available and recorded through the
6 program in the rendering and utilization of health care.

7 B. The ~~Office~~ EGID shall use operating funds to underwrite the
8 cost of this pilot project and shall not pass these costs along to
9 the participating state agencies, or school boards or providers.
10 The ~~Office~~ EGID may retain or share with participating state
11 agencies or school boards any savings realized as a result of the
12 pilot program. The program will demonstrate a self-sustaining
13 financial model that, through the savings incurred by better
14 utilization of health care programs, will offset the costs of this
15 program with savings.

16 C. This program will offer the health care provider the
17 flexibility to use the health care provider's clinical judgment to
18 adhere to or deviate from the program's treatment guidelines and
19 still receive a financial incentive, as long as the health care
20 provider communicates care guidelines and patient health education
21 remedies to the patient that include an explanation of the
22 provider's adherence or reason for nonadherence to the guideline.
23 The vendor managing the pilot program shall offer a financial reward
24 to the patient for responding to the vendor's guidelines for care

1 and patient education remedies by demonstrating the patient's
2 understanding of the patient's health condition, by declaring or
3 demonstrating adherence to recommended care, by agreeing to allow
4 the patient's physician to view patient's responses and acknowledge
5 the patient's health accomplishments, and by judging the quality of
6 care given to the patient against these guidelines and recommended
7 care.

8 D. Any communications to patient and provider shall be in
9 compliance with all HIPAA regulations and standards. Participation
10 in the program shall be voluntary to both the provider and patient
11 on an encounter-by-encounter basis. The program shall be offered
12 and administered by the program vendor through an Internet
13 application that is HIPAA-compliant.

14 E. This pilot project shall involve a cohort study to include a
15 minimum of fifteen thousand beneficiaries of the ~~Office~~ EGID to be
16 covered by the program, designated as the intervention group, to
17 achieve a statistical significance, and collect and analyze data
18 concerning the intervention group's total per capita health care
19 costs, properly adjusted to appropriately compare to a population of
20 the EGID's beneficiaries not covered by the program, designated as
21 the control group, over a period of ~~three (3) years~~ five (5) years
22 in order to determine the program's effectiveness and ability to
23 become self-funded.

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1 F. In order to ensure the pilot project is administered and
2 evaluated in a fair and appropriate manner, an oversight committee
3 shall be formed with administrative authority over all matters
4 pertaining to the pilot project. The committee shall be dissolved
5 after the pilot's final report is accepted and approved by the
6 committee.

7 1. The committee shall consist of five (5) members to be
8 appointed as follows:

9 a. two members selected by the Speaker of the House of
10 Representatives,

11 b. two members selected by the President Pro Tempore of
12 the Senate, and

13 c. one member selected by the Governor.

14 2. The committee shall be empowered to rule on special requests
15 by the EGID and the vendor. The committee shall also be empowered
16 to:

17 a. arrange to provide to the vendor all data, to include
18 Protected Health Information (PHI), of both the pilot
19 program's intervention and control groups, in a HIPAA-
20 compliant manner and such other support as the vendor
21 may reasonably require at its sole discretion
22 pertinent to its role of program administrator
23 responsible for achieving the best possible cost-
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1 containment outcome relative to the goal of program
2 financial self-sustainment,

3 b. direct the EGID and the vendor, or their surrogates,
4 to conduct pilot data analyses, compare results,
5 reconcile variances, and reach consensus on the
6 performance of the program against the goal of self-
7 funding,

8 c. direct the EGID and the vendor, or their surrogates,
9 to submit a written report to the committee, on an
10 annual or more frequent basis, that presents findings
11 relative to the program's performance against the goal
12 of self-funding,

13 d. with assistance from the EGID and the vendor, select
14 an independent party with the requisite expertise and
15 experience in the appropriate methods to assess the
16 cost-containment capabilities of the program in a
17 cohort study, to be jointly engaged by the EGID and
18 the vendor as the pilot evaluator,

19 e. direct the pilot evaluator to confirm the analyses
20 conducted by the EGID and the vendor, or their
21 surrogates, or at the evaluator's discretion conduct a
22 separate analysis of the pilot project's data and
23 submit a final written report to the EGID and the
24 vendor within five (5) months after the pilot

1 project's conclusion that presents statistically valid
2 findings relative to the program's cost-containment
3 capabilities against the goal of self-funding,

4 f. direct the EGID and the vendor, or their surrogates,
5 to review the pilot evaluator's final report, and
6 offer critique and commentary prior to the submission
7 of the evaluator's final report as provided in
8 paragraph 3 of this subsection, and

9 g. direct the EGID to submit the pilot evaluator's final
10 report, including critiques and commentary by the EGID
11 and the vendor, to the committee for review and
12 approval.

13 3. Once approved, the committee shall submit the pilot
14 evaluator's final report with all critiques and commentary to the
15 Governor, the Speaker of the House of Representatives and the
16 President Pro Tempore of the Senate.

17 SECTION 2. This act shall become effective November 1, 2016.

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