

ENGROSSED HOUSE
BILL NO. 2042

BY: TAYLOR of the HOUSE

and

HOBSON of the SENATE

AN ACT RELATING TO INSURANCE; AMENDING 36 O.S. 1991,
SECTIONS 6054 AND 6055, WHICH RELATE TO
COMPENSATION FOR SERVICES AND PROCEDURES OF
PRACTITIONERS; PROVIDING A SHORT TITLE; MODIFYING
AND ADDING DEFINITION; MAKING COMPENSATION BASED ON
USUAL, CUSTOMARY AND REASONABLE CHARGES; PROVIDING
FOR CODIFICATION; AND PROVIDING AN EFFECTIVE DATE.

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

SECTION 1. NEW LAW A new section of law to be codified
in the Oklahoma Statutes as Section 6053 of Title 36, unless there
is created a duplication in numbering, reads as follows:

Sections 6053 through 6057 of Title 36 of the Oklahoma Statutes
shall be known and may be cited as the "Health Care Freedom of
Choice Act".

SECTION 2. AMENDATORY 36 O.S. 1991, Section 6054, is
amended to read as follows:

Section 6054. As used in ~~Sections 6055 through 6057 of Title 36~~
~~of the Oklahoma Statutes, "practitioner"~~ the Health Care Freedom of
Choice Act:

1. "Practitioner" means a person holding a valid license to practice medicine and surgery, osteopathy, chiropractic, podiatry, optometry or dentistry, pursuant to the state licensing provisions of Title 59 of the Oklahoma Statutes; and

2. "Usual, customary and reasonable (UCR) charge" means the charge for covered services and procedures that is prevailing in the same geographical area or in similar sized communities for similar services and procedures provided to similarly ill or injured persons regardless of the branch of the healing arts to which the practitioner providing same may belong.

SECTION 3. AMENDATORY 36 O.S. 1991, Section 6055, is amended to read as follows:

Section 6055. A. For any individual, group, blanket, or franchise policy, insurance trust, nonprofit contract or agreement whatever, providing accident or health benefits hereafter renewed or issued for delivery from out of Oklahoma or in Oklahoma by any insurer, whether a stock or mutual insurance company, medical service corporation or association, nonprofit hospital service and medical indemnity corporation, self-insured trust, nonprofit group, or any other type of insurer whatever, and covering an Oklahoma risk, the services and procedures may be performed by any practitioner selected by the insured, or his parent or guardian if the insured is a minor, provided that the practitioner is duly licensed under the laws of this state to perform such services or procedures approved by the appropriate board of examiners.

B. The practitioner, at the option of the insurer, may be compensated when benefits are assigned and on file and claims are processed on standard American Medical Association forms and a duplicate copy of the bill has been sent to the insured.

C. ~~The practitioner shall be equally compensated for such services and procedures on the basis of charges prevailing in the same community for similar services and procedures to similarly ill~~

~~or injured persons regardless of the branch of the healing arts to which the practitioner may belong, provided such profession or practitioner does not permit false and fraudulent advertising or such profession or practitioner does not aid or abet the insured to violate the terms of the contract or agreement~~ Practitioners shall be compensated for such covered services and procedures on the basis of usual, customary, and reasonable charges or on the basis of other payment formulas, schedules and mechanisms, including but not limited to fee schedules, formulas used by government entities, and other generally accepted third party payment mechanisms if those payment formulas further the public policy of containing health care costs, and if they do not discriminate among classes of practitioners.

~~B.~~ D. Nothing in this section shall prohibit a practitioner from contracting with a payor, payors or insurers for alternative levels or methods of payment.

SECTION 4. This act shall become effective September 1, 1992.

Passed the House of Representatives the 9th day of March, 1992.

Speaker of the House of
Representatives

Passed the Senate the ____ day of _____, 1992.

President of the Senate