

ENROLLED SENATE  
BILL NO. 874

BY: CAPPS of the SENATE

and

HUDSON of the HOUSE

AN ACT RELATING TO INSURANCE; DEFINING TERMS;  
REQUIRING INSURER USING SERVICES OF CERTAIN  
PARTY TO DETERMINE CERTAIN CHARGES TO FURNISH  
INFORMATION TO HEALTH CARE PROVIDER UPON  
REQUEST; REQUIRING PARTY TO FURNISH CERTAIN  
INFORMATION TO HEALTH CARE PROVIDER UPON  
REQUEST; ALLOWING REASONABLE FEE; REQUIRING  
INFORMATION INCLUDE CERTAIN PROVISIONS AND BE  
FURNISHED WITHIN CERTAIN TIME PERIOD;  
PROHIBITING INSURER FROM USING SERVICES OF PARTY  
IN NONCOMPLIANCE WITH CERTAIN PROVISIONS;  
REQUIRING REPORTING OF NONCOMPLIANCE TO  
INSURANCE COMMISSIONER AND COMPILATION OF LIST  
OF PARTIES IN NONCOMPLIANCE; 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 6571 of Title 36, unless there  
is created a duplication in numbering, reads as follows:

A. As used in this section:

1. "Health care provider" means any person, firm, corporation  
or other legal entity that is licensed, certified or otherwise  
authorized by the laws of this state to provide health care  
services, procedures or supplies in the ordinary course of business  
or practice of a profession; and

2. "Insurer" means any insurance company, not-for-profit  
hospital service and medical indemnity plan, health insurance  
service organization, preferred provider organization or other  
entity offering health insurance policies, contracts or benefits in  
this state.

B. Any insurer which:

1. Makes a determination or contracts with a third party who  
makes the determination of average area charges or customary and  
reasonable charges for health care services, procedures or supplies;  
and

2. Based on such determination, authorizes payment in an amount  
which is less than the amount charged by the health care provider  
for such services, procedures or supplies;  
shall, upon the request of a health care provider, furnish the name,  
mailing address and telephone number of the party making the  
determination to the health care provider.

C. Upon the request of the health care provider, the party  
shall furnish, for a reasonable charge, information used to  
determine the average area charges or customary and reasonable  
charges for the services, procedures or supplies provided by the

health care provider and authorized for payment pursuant to paragraph 2 of subsection B of this section. The information shall include the rationale and documentation of sources used in the determination of the average area charges or customary and reasonable charges for the services, procedures or supplies in question, including names, mailing addresses and telephone numbers of sources if available. Such information shall be furnished to the health care provider no later than ten (10) working days after the request for information by the health care provider.

D. 1. No insurer shall use the services of a party for the determination of average area charges or customary and reasonable charges which is not in compliance with the provisions of this section.

2. Noncompliance shall be reported to the Insurance Commissioner who, upon investigation of the complaint and determination that the party is in noncompliance and that no resolution of the complaint will be made within a reasonable time, shall compile and maintain a list of parties which are not in compliance with the provisions of this section.

SECTION 2. This act shall become effective September 1, 1992.  
Passed the Senate the 4th day of May, 1992.

President of the Senate

Passed the House of Representatives the 19th day of May, 1992.

Speaker of the House of Representatives