

STATE OF OKLAHOMA

1st Session of the 43rd Legislature (1991)

HOUSE BILL NO. 1429

BY: TAYLOR

AS INTRODUCED

AN ACT RELATING TO INSURANCE; AMENDING 36 O.S. 1981, SECTION 6055, AS LAST AMENDED BY SECTION 2, CHAPTER 37, O.S.L. 1989 (36 O.S. SUPP. 1990, SECTION 6055), WHICH RELATES TO ACCIDENT AND HEALTH INSURANCE BENEFITS; AUTHORIZING INSURERS TO ESTABLISH PREFERRED PROVIDER ORGANIZATION; REQUIRING SUCH ORGANIZATION TO ALLOW CERTAIN PRACTITIONERS TO BE A PARTICIPANT IN THE ORGANIZATION; AMENDING 74 O.S. 1981, SECTION 1307, AS LAST AMENDED BY SECTION 5, CHAPTER 244, O.S.L. 1990 (74 O.S. SUPP. 1990, SECTION 1307), WHICH RELATES TO THE STATE AND EDUCATION EMPLOYEES GROUP INSURANCE ACT; MAKING THE HEALTH INSURANCE PLAN COMPLY WITH CERTAIN STATUTORY PROVISIONS; PROVIDING AN EFFECTIVE DATE; AND DECLARING AN EMERGENCY.

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

SECTION 1. AMENDATORY 36 O.S. 1981, Section 6055, as last amended by Section 2, Chapter 37, O.S.L. 1989 (36 O.S. Supp. 1990, Section 6055), is amended to read as follows:

Section 6055. A. For any individual, group, blanket, 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. 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.

B. 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.

~~B.~~ Nothing in this ~~section~~ subsection shall prohibit a ~~practitioner from contracting with a payor, payors or insurers for~~ an insurer from establishing a preferred provider organization (PPO) and a standard provider contract therefor, specifying the terms and conditions, including alternative levels or methods of payment, that must be met by a practitioner in order to qualify for payment as a preferred provider. The terms and conditions shall not discriminate against or among the classes of practitioners specified in Section 6054 of this title. Any practitioner willing to meet the terms and

conditions of a standard provider contract, and willing to sign the contract, shall not be excluded from participating as a preferred provider in the preferred provider organization (PPO).

SECTION 2. AMENDATORY 74 O.S. 1981, Section 1307, as last amended by Section 5, Chapter 244, O.S.L. 1990 (74 O.S. Supp. 1990, Section 1307), is amended to read as follows:

Section 1307. The specifications drawn by the Board for the Health Insurance Plan shall provide for comprehensive hospital, medical and surgical benefits. The Health Insurance Plan shall be subject to and must comply with the provisions of Sections 6054 through 6057 of Title 36 of the Oklahoma Statutes. The Life Insurance Plan shall include Accidental Death and Dismemberment Benefits and additional optional life insurance coverage.

SECTION 3. This act shall become effective July 1, 1991.

SECTION 4. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

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