

STATE OF OKLAHOMA

2nd Session of the 44th Legislature (1994)

COMMITTEE SUBSTITUTE

FOR

HOUSE BILL NO. 2196

By: Gates

COMMITTEE SUBSTITUTE

An Act relating to insurance; amending 36 O.S. 1991, Section 6055, as amended by Section 2, Chapter 370, O.S.L. 1992 (36 O.S. Supp. 1993, Section 6055), which relates to choice of a practitioner; modifying certain exception; and declaring an emergency.

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

SECTION 1. AMENDATORY 36 O.S. 1991, Section 6055, as amended by Section 2, Chapter 370, O.S.L. 1992 (36 O.S. Supp. 1993, 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. A practitioner or hospital, as defined in Section 1-701 of Title 63 of the Oklahoma Statutes, shall be compensated directly by an insurer when benefits are assigned and on file and claims are processed on a uniform health insurance claim form prescribed

by the Insurance Commissioner pursuant to Section 4510 of this title and a duplicate copy of the bill has been sent to the insured. ~~The provisions of this subsection shall not apply to:~~

- ~~1. Any PPO contract, as defined by generally accepted industry standards; or~~
- ~~2. Any statewide provider network which:
  - ~~a. provides that a practitioner or hospital who joins the provider network shall be compensated directly by the insurer,~~
  - ~~b. does not have any terms or conditions which have the effect of discriminating against a particular class of practitioner, and~~
  - ~~c. allows any hospital or practitioner, except a practitioner who has a prior felony conviction, to become a network provider if said hospital or practitioner is willing to comply with the terms and conditions of a standard network provider contract.~~~~

C. A 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.

D. The provisions of subsections B and C of this section shall not apply to:

1. Any PPO contract, as defined by generally accepted industry standards; or
2. Any statewide provider network which:
  - a. provides that a practitioner or hospital who joins the provider network shall be compensated directly by the insurer,

- b. does not have any terms or conditions which have the effect of discriminating against a particular class of practitioner, and
- c. allows any hospital or practitioner, except a practitioner who has a prior felony conviction, to become a network provider if said hospital or practitioner is willing to comply with the terms and conditions of a standard network provider contract.

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

SECTION 2. 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.

44-2-8792

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