ENGROSSED HOUSE
BILL NO. 1210

By: Taylor of the House

and

Henry of the Senate

An Act relating to insurance; creating the Health Care Freedom of Choice Act; amending 36 O.S. 1991, Sections 6054 and 6055, as amended by Section 2, Chapter 370, O.S.L. 1992 (36 O.S. Supp. 1992, Section 6055), which relate to compensation to certain practitioners; modifying term; providing for certain assignments; specifying conditions; providing procedures; 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~~ the Health Care Freedom of Choice Act, "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.

SECTION 3. AMENDATORY 36 O.S. 1991, Section 6055, as amended by Section 2, Chapter 370, O.S.L. 1992 (36 O.S. Supp. 1992, 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~~ Benefits available under an accident and health insurance policy, at the insured's option, shall be assignable to a practitioner or hospital, as defined in Section 1-701 of Title 63 of the Oklahoma Statutes, who has provided services, procedures or supplies which are covered under such policy. A practitioner or hospital shall be compensated directly by an insurer for services, procedures or supplies which have been provided when ~~benefits are assigned and on file and claims are processed~~ the following conditions are met, namely:

1. Benefits available under an accident and health insurance policy have been assigned in writing by an insured to the practitioner or hospital;

2. A copy of the assignment has been provided by the practitioner or hospital to the insurer;

3. A claim has been submitted by the practitioner or hospital to the insurer on a uniform health insurance claim form prescribed by the Insurance Commissioner pursuant to Section 4510 of this title; and ~~a duplicate~~

4. A copy of the ~~bill~~ claim has been ~~sent~~ provided by the practitioner or hospital to the insured.

C. The provisions of ~~this~~ subsection B 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.~~ D. 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.~~ 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 4. This act shall become effective September 1, 1993.

Passed the House of Representatives the 9th day of February, 1993.

Speaker of the House of Representatives

Passed the Senate the ____ day of _____, 1993.

President of the Senate