

ENGROSSED HOUSE
BILL NO. 2502

By: Anthony, Seikel, Claunch
and Deutschendorf of the
House

and

Long (Ed) of the Senate

An Act relating to health care; requiring certain billing practices by insurers, hospitals and health care providers; providing an exception for certain services; making provisions applicable to certain health insurance plan; providing for an administrative penalty; providing for certain notice; requiring certain licensing entities to promulgate rules; allowing certain additional penalties under certain circumstances; providing a definition; 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 1-744 of Title 63, unless there is created a duplication in numbering, reads as follows:

A. Any insurer providing health insurance coverage or any hospital or licensed health care provider offering or providing health care services in this state and who bills for such services shall credit any discounted price for services to an individual's account. The credit shall reflect any discount which has been

contracted for with an insurer who is responsible for payment of the services under a health benefit plan. The payment obligation of the individual as indicated on the billing statement shall be based on the discounted price of the services. This section shall not apply for services rendered to an individual which are not a covered benefit or otherwise subject to coverage under the health benefit plan. This subsection shall apply to any health insurance plan offered through the State and Education Employees Group Insurance Act.

B. Any insurer, hospital or licensed health care provider determined to be in violation of subsection A of this section by the Insurance Commissioner, the State Board of Health or the appropriate health care professional licensing entity, after notice, shall be subject to an administrative penalty of not less than One Thousand Dollars (\$1,000.00) or more than Five Thousand Dollars (\$5,000.00) for each violation. Notice under this section shall include a statement of violations on which the penalty is based and notice of the opportunity for a hearing.

C. The Insurance Commissioner, the State Board of Health or the appropriate health care professional licensing entity shall promulgate rules providing for enforcement of this act. In addition, each entity may promulgate rules providing for suspension or revocation of a license for substantial failure to comply with this act. Such rules shall provide for notice and a hearing prior to the suspension or revocation of a license.

D. For purposes of this section, "discounted price" shall mean the price charged for health care services by a hospital or licensed health care provider offering or providing health care services in this state which is less than the regular price charged by the hospital or licensed health care provider for such services and which has been established pursuant to a contract or agreement with

an insurer providing health insurance coverage or the State and Education Employees Group Insurance Board.

SECTION 2. This act shall become effective November 1, 1996.

Passed the House of Representatives the 5th day of March, 1996.

Speaker of the House of Representatives

Passed the Senate the ____ day of _____, 1996.

President of the Senate