

ENGROSSED SENATE
BILL NO. 1290

By: Monson of the Senate

and

Anthony of the House

[public health and safety - State Board of Health -
provider service networks - codification -
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 2513 of Title 63, unless there is created a duplication in numbering, reads as follows:

A. The State Board of Health shall promulgate rules regarding the establishment of provider service networks (PSNs) which shall address, at a minimum, the following:

1. Procedures to allow health care providers within a service area to enter into voluntary agreements to improve access to and the quality or affordability of health care;

2. Procedures for reviewing the plan of operation of a provider service network and standards for approval or disapproval of such plan; and

3. Financial solvency and network capacity standards to ensure a provider service network's ability to deliver promised services.

B. Provider service networks shall be subject to the same quality assurance standards established by law or by rules promulgated by the Board for health maintenance organizations.

C. As used in this section, "provider service network" means a provider-based managed care entity, including physician-hospital organizations (PHOs), organized for the purpose of providing, financing, and managing the risk of health care services to subscribers.

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

Passed the Senate the 11th day of March, 1996.

President of the Senate

Passed the House of Representatives the ____ day of _____, 1996.

Speaker of the House of Representatives