

SHORT TITLE: Health care; requiring State Board of Health promulgate rules regarding establishment of provider service networks; codification; effective date.

STATE OF OKLAHOMA

2nd Session of the 45th Legislature (1996)

SENATE BILL NO. 1290

By: Monson

AS INTRODUCED

An Act relating to health care; requiring State Board of Health promulgate rules regarding establishment of provider service networks; requiring rules address certain procedures and standards; making provider service networks subject to certain quality assurance standards; defining term; 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 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 sanction voluntary agreements between competitors within a service area, upon a finding that the agreement between providers will improve the quality, access, or affordability of health care, which might be in violation of antitrust laws if undertaken without government direction and approval;

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

3. Solvency 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 rule of 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, and managing the risk of, health care services to subscribers.

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

45-2-1683

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