SHORT TITLE: Insurance; performance of services; health claim forms; repealer; effective date.

STATE OF OKLAHOMA

1st Session of the 45th Legislature (1995)

SENATE BILL NO. 475 By: Stipe

AS INTRODUCED

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. 1994, Section 6055), which relates to performance of services and procedures by practitioners; modifying statutory cite; amending Section 1, Chapter 304, O.S.L. 1993 (36 O.S. Supp. 1994, Section 6581), which relates to uniform health claim forms; removing certain statutory committee; repealing 36 O.S. 1991, Section 4510, which relates to health insurance claim forms; and providing an effective date.

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. 1994, 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~~ 6581 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. 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. AMENDATORY Section 1, Chapter 304, O.S.L. 1993 (36 O.S. Supp. 1994, Section 6581), is amended to read as follows:

Section 6581. A. On or before January 1, 1994, the Insurance Commissioner shall develop and adopt:

1. Uniform health care claim forms for use by all health care providers and carriers in the state; and

2. Uniform standards and procedures for processing such claim forms in electronic and hard-copy form.

The Commissioner shall direct all insurers licensed in the state to begin using the uniform claim forms by July 1, 1994.

B. The Commissioner shall adopt the health care financing administration (HCFA) 1500 form for outpatient billing and claim submission, or its successor, and the uniform billing (UB) 92 form for hospital billing and claim submission, or its successor as the uniform health care claim and billing form for appropriate hospital and medical expenses, and shall develop uniform forms for other health care provider services, including but not limited to pharmacy and dental services.

C. ~~The Commissioner shall appoint a committee for the purpose of assisting the Commissioner in the development of uniform forms for other health care providers and identifying uses for the state data fields in the HCFA 1500 and UB 92 forms, which includes collection of data necessary for the Oklahoma Health Care System. The committee shall be composed of not more than fifteen (15) members, which shall include representatives from each of the following:~~

~~1. The Insurance Commissioner;~~

~~2. The Division of Health Care Information of the State Department of Health;~~

~~3. The Medicaid Billing Division of the Department of Human Services;~~

~~4. The Oklahoma Medical Center;~~

~~5. Blue Cross and Blue Shield associations;~~

~~6. Hospitals licensed in the state which have less than one hundred beds;~~

~~7. Hospitals licensed in the state which have more than one hundred beds;~~

~~8. Organizations representing insurers;~~

~~9. Organizations representing health care providers, including but not limited to hospitals and physicians; and~~

~~10. The Civil Health and Medical Program of the Uniform Services (CHAMPUS).~~

~~D.~~ The Commissioner shall promulgate such rules as are necessary for developing, adopting and administering the uniform claim forms and processing system.

SECTION 3. REPEALER 36 O.S. 1991, Section 4510, is hereby repealed.

SECTION 4. This act shall become effective November 1, 1995.

45-1-0258 KSM