

SHORT TITLE: Managed care health plans; requiring State Board of Health promulgate certain rules; codification; effective date.

STATE OF OKLAHOMA

1st Session of the 46th Legislature (1997)

SENATE BILL NO. 642

By: Taylor

AS INTRODUCED

An Act relating to managed care health plans;

requiring State Board of Health promulgate certain rules; specifying rule include requirements for access to information, credentialing of physicians, standards for operation and administration of plans, quality assurance, utilization review, and grievance 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 2508.2 of Title 63, unless there is created a duplication in numbering, reads as follows:

Pursuant to its authority to regulate managed care entities, the State Board of Health shall promulgate rules which shall include, but not be limited to:

1. Requirements that ensure prospective enrollees or persons to be covered by the managed health care plans are provided adequate and appropriate information as to the terms and conditions of the plan so that they may make informed decisions about enrolling in or accepting coverage by the plan. Such information shall include, but not be limited to:

- a. information regarding coverage provisions, benefits, limitations, and any exclusions by category of

service, provider or physician, and, if applicable, by specific service,

- b. prior authorization or other utilization review requirements, and
- c. the financial responsibility of the enrollee or covered person with regard to coinsurance or noncovered or out-of-plan services, and, as applicable, other areas of financial responsibility of the enrollee or covered person;

2. Requirements for the utilization of objective criteria and standards of quality for the credentialing of physicians and other health care providers; and

3. Minimum standards for the administration and operation of managed health care plans. Said standards shall be in accordance with and substantially similar to nationally recognized standards for the administration and operation of managed health care plans and shall include, but not be limited to:

- a. requirements for the establishment of quality assurance programs and appropriate methods of internal quality and utilization review within the managed health care plan and appropriate arrangements for the external review of quality and utilization,
- b. minimum standards for quality assurance programs and for the internal and external review of quality and utilization, and
- c. grievance procedures for patients for the appeal of a decision of a managed health care plan denying access to a specific covered treatment or treatment modality or continuation of an existing treatment.

SECTION 2. This act shall become effective November 1, 1997.

