

SHORT TITLE: Health Care Freedom of Choice Act; expanding certain requirement; effective date.

STATE OF OKLAHOMA

1st Session of the 46th Legislature (1997)

SENATE BILL NO. 692

By: Campbell

AS INTRODUCED

An Act relating to insurance; amending 36 O.S. 1991, Section 6055, as last amended by Section 2, Chapter 76, O.S.L. 1996 (36 O.S. Supp. 1996, Section 6055), which relates to performance of services and procedures by practitioners; expanding certain requirement; 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 last amended by Section 2, Chapter 76, O.S.L. 1996 (36 O.S. Supp. 1996, Section 6055), is amended to read as follows:

Section 6055. A. Under any accident and health insurance policy, hereafter renewed or issued for delivery from out of Oklahoma or in Oklahoma by any insurer and covering an Oklahoma risk, the services and procedures may be performed by any practitioner selected by the insured or the insured's parent or guardian if the insured is a minor and if the services and procedures fall within the licensed scope of practice of the practitioner providing the service. Included in this requirement shall be a provision for female participants to have a choice of gynecologists for both wellness checks and any preventive or post operative care that is agreed to by the primary care physician.

B. An accident and health insurance policy may:

1. Exclude or limit coverage for a particular illness, disease, injury or condition; but, except for such exclusions or limits, shall not exclude or limit particular services or procedures that can be provided for the diagnosis and treatment of a covered illness, disease, injury or condition, if such exclusion or limitation has the effect of discriminating against a particular class of practitioner. However, such services and procedures, in order to be a covered medical expense, must:

- a. be medically necessary,
- b. be of proven efficacy, and
- c. fall within the licensed scope of practice of the practitioner providing same; and

2. Provide for the application of deductibles and copayment provisions, when equally applied to all covered charges for services and procedures that can be provided by any practitioner for the diagnosis and treatment of a covered illness, disease, injury or condition. This provision shall not be construed to prohibit differences in deductibles and copayment provisions between participating network practitioners and nonparticipating network practitioners.

C. Benefits available under an accident and health insurance policy, at the option of the insured, shall be assignable to a practitioner or hospital who has provided services and procedures which are covered under the policy. A practitioner or hospital shall be compensated directly by an insurer for services and procedures which have been provided when the following conditions are met:

1. Benefits available under a policy have been assigned in writing by an insured to the practitioner or hospital;
2. A copy of the assignment has been provided by the practitioner or hospital to the insurer;

3. A claim has been submitted by the practitioner or hospital to the insurer on a uniform health insurance claim form prescribed by the Insurance Commissioner pursuant to Section 6581 of this title; and

4. A copy of the claim has been provided by the practitioner or hospital to the insured.

D. The provisions of subsection C of this section shall not apply to:

1. Any preferred provider organization (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.

E. A practitioner shall be equally compensated for covered services and procedures provided to an insured on the basis of charges prevailing in the same geographical area or in similar sized communities for similar services and procedures provided to similarly ill or injured persons regardless of the branch of the healing arts to which the practitioner may belong, if:

1. The practitioner does not authorize or permit false and fraudulent advertising regarding the services and procedures provided by the practitioner; and

2. The practitioner does not aid or abet the insured to violate the terms of the policy.

F. Nothing in the Health Care Freedom of Choice Act shall prohibit a practitioner from contracting with an insurer for alternative levels or methods of payment.

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

46-1-1000

CJ