ENGROSSED HOUSE AMENDMENT
TO
ENGROSSED SENATE BILL NO. 1588 By: Monson of the Senate

and

Seikel of the House

An Act relating to public health and safety; amending Section 2, Chapter 289, O.S.L. 1997, as amended by Section 5, Chapter 361, O.S.L. 1999 and Section 1, Chapter 361, O.S.L. 1999 (63 O.S. Supp. 1999, Section 2525.3 and 2550.1), which relate to the Oklahoma Managed Care Act and managed care referrals; modifying definitions; and providing an effective date.

AMENDMENT NO. 1. Strike the title, enacting clause and entire bill and insert

"An Act relating to public health and safety; amending Section 2, Chapter 289, O.S.L. 1997, as amended by Section 5, Chapter 361, O.S.L. 1999 and Section 1, Chapter 361, O.S.L. 1999 (63 O.S. Supp. 1999, Sections 2525.3 and 2550.1), which relate to the Oklahoma Managed Care Act and managed care referrals; modifying definitions; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY Section 2, Chapter 289, O.S.L. 1997, as amended by Section 5, Chapter 361, O.S.L. 1999 (63 O.S. Supp. 1999, Section 2525.3), is amended to read as follows:

Section 2525.3 For purposes of the Oklahoma Managed Care Act:

1. “Emergency care” means emergency department screening and care to achieve stabilization as needed for conditions that reasonably appear to constitute a life- or limb-threatening emergency based on the presenting symptoms of the patient;

2. “Managed care contractor” means a person that:

a. establishes, operates or maintains a network of participating providers,

b. conducts or arranges for utilization review activities, and

c. contracts with an insurance company, a hospital or medical service plan, an employer, an employee organization, or any other entity providing coverage for health care services to operate a managed care plan;

3. "Managed care entity" includes a licensed insurance company, hospital or medical service plan, health maintenance organization, an employer or employee organization, or a managed care contractor;

4. "Managed care plan" means a plan operated by a managed care entity that provides for the financing and delivery of health care services to persons enrolled in the plan through:

a. arrangements with selected providers to furnish health care services,

b. standards for the selection of participating providers,

c. organizational arrangements for ongoing quality assurance, utilization review, and dispute resolution, ~~and~~

d. financial incentives for persons enrolled in the plan to use the participating providers and procedures provided for by the plan, and

e. a requirement that an enrollee initially seek services from a primary care provider as defined by the managed care plan;

provided, however, the term "managed care plan" shall not include a certified workplace medical plan as defined in Section 14.2 of Title 85 of the Oklahoma Statutes;

5. “Out-of-network” or “point-of-service” plan is a product issued by a managed care plan that provides additional coverage or access to services by a health care provider who is not a member of the plan's provider network;

6. “Participating provider” means a physician as defined in Section 725.2 of Title 59 of the Oklahoma Statutes, hospital, pharmacy, laboratory, or other appropriately state-licensed or otherwise state-recognized provider of health care services or supplies, that has entered into an agreement with a managed care entity to provide such services or supplies to a patient enrolled in a managed care plan;

7. “Provider network” means those providers who have entered into a contract or agreement with the plan under which such providers are obligated to provide items and services to eligible individuals enrolled in the plan;

8. “Qualified utilization review program” means a utilization review program that meets the requirements of the Oklahoma Managed Care Act; and

9. “Urgent care” means the treatment for an unexpected illness or injury which is severe or painful enough to require treatment within twenty-four (24) hours.

SECTION 2. AMENDATORY Section 1, Chapter 361, O.S.L. 1999 (63 O.S. Supp. 1999, Section 2550.1), is amended to read as follows:

Section 2550.1 As used in Sections 1 through 4 of this act:

1. “Covered person” means an individual who receives medical care and treatment through a managed care plan. In the case of a minor child, the term includes the parent or legal guardian of the child and, in the case of an incapacitated or partially incapacitated person, the legal guardian of that person;

2. “Degenerative and disabling condition or disease” means a condition or disease caused by a congenital or acquired injury or

illness that requires a specialized rehabilitation program or a high level of care, service, resources or continued coordination of care in the community;

3. "Designee of the covered person" means an individual designated by the covered person to represent the interests of the covered person, including the covered person's provider;

4. "Managed care plan" means a plan operated by a managed care entity, including the Oklahoma State and Education Employees Group Insurance Board, that provides for the financing and delivery of health care services to persons enrolled in such plan through:

a. arrangements with selected providers to furnish health care services,

b. standards for the selection of participating providers,

c. organizational arrangements for ongoing quality assurance, utilization review programs, and dispute resolution, ~~and~~

d. financial incentives for persons enrolled in the managed care plan to use the participating providers and procedures provided for by the managed care plan, and

e. a requirement that an enrollee initially seek services from a primary care provider as defined by the managed care plan;

provided, however, the term "managed care plan" shall not include a certified workplace medical plan as defined in Section 14.2 of Title 85 of the Oklahoma Statutes;

5. "Provider" shall have the same meaning as such term is defined by a health maintenance organization, an indemnity plan or a preferred provider organization; and

6. "Treatment plan" means a proposal developed for a covered person that is specifically tailored to the individual's treatment

needs for a specific illness or condition, and that includes, but is not limited to:

a. a statement of treatment goals or objectives, based upon and related to a medical evaluation,

b. treatment methods and procedures to be used to obtain these goals, and

c. identification of the types of professional personnel who will carry out the treatment procedures.

SECTION 3. This act shall become effective November 1, 2000."

Passed the House of Representatives the 13th day of April, 2000.

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Speaker of the House of Representatives

Passed the Senate the ____ day of _____, 2000.

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President of the Senate