EHB 1399

1 **THE STATE SENATE**
2 **Tuesday, March 30, 1999**

3 # ENGROSSED

4 # House Bill No. 1399

5 ## As Amended

6 ENGROSSED HOUSE BILL NO. 1399 - By: LINDLEY of the House and MONSON
7 of the Senate.

8 (public health and safety - Oklahoma Managed Care Consumer
9 Protection Act - codification -
10 effective date)

11 SECTION 1. NEW LAW A new section of law to be codified
12 in the Oklahoma Statutes as Section 2550.1 of Title 63, unless there
13 is created a duplication in numbering, reads as follows:

14 A. This act shall be known and may be cited as the "Oklahoma
15 Managed Care Consumer Protection Act".

16 B. The purpose of the Oklahoma Managed Care Consumer Protection
17 Act is to provide authority for this state to ensure that enrollees
18 receive adequate health care services under a managed care system.
19 Specifically, the intent of the Oklahoma Managed Care Consumer
20 Protection Act is to ensure that:

21 1. Enrollees have full and timely access to clinically
22 appropriate health care personnel and facilities;

23 2. Enrollees have adequate choice among health care
24 professionals who are accessible and qualified;

3. There is open communication between physicians and enrollees;

4. Enrollees have access to comprehensive pharmaceutical services;

5. Enrollees have access to information regarding limits on coverage of experimental treatments;

6. There is high quality of care within a managed care plan;

7. Medical decisions are made by the appropriate medical personnel;

8. Health care professionals within a plan are legally authorized and are practitioners in good standing in this state;

9. Managed care plan data is available as appropriate;

10. There is full public access to information regarding health care service delivery within plans;

11. This state has authority to oversee all managed care plans;

12. There is a fair vehicle for resolving enrollee complaints in a managed care system; and

13. There is timely resolution of enrollee grievances and appeals.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2550.2 of Title 63, unless there is created a duplication in numbering, reads as follows:

For purposes of the Oklahoma Managed Care Consumer Protection Act:

1. "Appeal" means a formal process whereby an enrollee, whose care has been reduced, denied, or terminated, or whereby the enrollee deems the care inappropriate, can contest an adverse grievance decision by the health care services plan;

2. "Emergency" means a medical condition, the onset of which is sudden and unexpected, that manifests itself by symptoms of sufficient severity that a prudent layperson, who possesses an average knowledge of health and medicine, could reasonably assume the condition requires immediate medical treatment at the nearest emergency care facility, and could expect that the absence of medical attention would result in serious impairment to bodily functions or place the person's health in serious jeopardy;

3. "Emergency care" means emergency department screening and care to achieve stabilization as needed for conditions that reasonably appear to constitute an emergency based on the presenting symptoms of the patient;

4. "Enrollee" means an individual who received health care services through a managed care entity;

5. "Expedited review" means a review process which takes no more than seventy-two (72) hours after the review is commenced;

1 6. “Experimental treatment” means treatment that, while not
2 commonly used for a particular condition or illness, nevertheless is
3 recognized for treatment of the particular condition or illness, and
4 there is no clearly superior, nonexperimental treatment alternative
5 available to the enrollee;
6 7. “Grievance” means a written complaint submitted by or on
7 behalf of the enrollee;
8 8. “Health care provider” means a clinic, hospital, health care
9 professional, physician organization, preferred provider
10 organization, independent practice association, or other
11 appropriately licensed provider of health care services or supplies;
12 9. “Health care professional” means a physician or other
13 licensed health care practitioner providing health care services;
14 10. “Health care services” means services for the diagnosis,
15 prevention or treatment of a health condition, illness, injury or
16 disease;
17 11. “Managed care contractor” means a person that:
18 a. establishes, operates or maintains a network of
19 participating providers,
20 b. conducts or arranges for utilization review
21 activities, and
22 c. contracts with an insurance company, a hospital or
23 medical service plan, an employer, an employee

1 organization, or any other entity providing coverage
2 for health care services to operate a managed care
3 plan;
4 12. "Managed care entity" includes a licensed insurance
5 company, hospital or medical service plan, health maintenance
6 organization, limited health services organization, preferred
7 provider organization, third-party administrator, an employer or
8 employee organization, a managed care contractor or any person or
9 entity that establishes, operates, or maintains a network of
10 participating providers;
11 13. "Managed care plan" means a plan operated by a managed care
12 entity that provides for the financing and delivery of health care
13 services to persons enrolled in such plan through:
14 a. arrangements with selected providers to furnish health
15 care services,
16 b. standards for the selection of participating
17 providers,
18 c. organizational arrangements for ongoing quality
19 assurance, utilization review programs, and dispute
20 resolution, and
21 d. financial incentives for persons enrolled in the plan
22 to use the participating providers and procedures
23 provided for by the plan;

14. “Out-of-network” or “point-of-service” plan is a product issued by a certified 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;

15. “Participating provider” means a health care provider, 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;

16. “Point of service option” means an option for the enrollee to choose to receive service from a nonparticipating health care professional or provider;

17. “Primary care practitioner” means a health care professional under contract with the managed care plan, who has been designated by the plan to coordinate, supervise, and/or provide ongoing care to the enrollee. “Primary care practitioner” shall include family practice and general practice physicians, internists, obstetrician/gynecologists and pediatricians;

18. “Prudent layperson” is a person without specific medical training for the illness or condition in question who acts as a reasonable person would under similar circumstances;

1 19. “Quality assurance” means the ongoing evaluation of the
2 quality of health care provided to enrollees; and
3 20. “Urgent care” means the treatment for an unexpected illness
4 or injury which is severe or painful enough to require treatment
5 within twenty-four (24) hours.
6 SECTION 3. This act shall become effective November 1, 1999.
7 COMMITTEE REPORT BY: COMMITTEE ON HUMAN RESOURCES, dated 3-25-99 -
8 DO PASS, As Amended.