

STATE OF OKLAHOMA

1st Session of the 49th Legislature (2003)

COMMITTEE SUBSTITUTE  
FOR  
HOUSE BILL NO. 1148

By: Covey

COMMITTEE SUBSTITUTE

An Act relating to motor vehicles; creating the Oklahoma Car Insurance Reform Act; providing short title; requiring owners of motor vehicles to maintain certain insurance; providing required levels of insurance; providing for implementation; requiring insurers to offer basic economic loss coverage; requiring waiver statements; requiring insurers to offer certain supplemental insurance and policy options; providing entitlement for collection of benefits; providing time requirements for payment of benefits; providing for payment of first-party benefits; excluding certain persons from coverage; providing for coverage in other states and Canada; prohibiting certain actions by insurers; providing for civil penalty; limiting damages and excluding certain damages from recovery; providing for wrongful death actions; defining terms; requiring the furnishing of certain information to insurers; providing for discovery; providing obligation of insurer for basic economic loss; providing penalties for certain acts; prohibiting stacking or combining of coverage; limiting medically-related charges; requiring promulgation of certain rules; providing right of recovery by insurers and compensation providers; providing for coverage when a vehicle is being operated in another state or Canada; providing for codification; and providing an effective date.

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

ARTICLE VII.

OKLAHOMA CAR INSURANCE REFORM ACT

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7-701 of Title 47, unless there is created a duplication in numbering, reads as follows:

Sections 1 through 21 of this act shall constitute Article VII of Chapter 7 of the Motor Vehicle Code and shall be known and may be cited as the "Oklahoma Car Insurance Reform Act".

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7-702 of Title 47, unless there is created a duplication in numbering, reads as follows:

A. Each owner of a motor vehicle required to be registered in this state or which is operated in this state shall maintain property damage liability insurance and standard limits or reduced limits basic economic loss coverage as provided in this act.

B. The property damage liability insurance required to be maintained shall cover an insured's tort liability for property damage arising from the ownership, operation, or use of such motor vehicle, up to at least Five Thousand Dollars (\$5,000.00) for any accident that occurs in this state.

C. The standard limits basic economic loss coverage required to be maintained by an insured for the protection of the members of their household and other covered persons shall provide Twenty-five Thousand Dollars (\$25,000.00) per covered person in medical, rehabilitation, wage-loss and such other eligible services to covered persons as provided in this act.

D. An owner of a motor vehicle may satisfy the standard limits basic economic loss coverage requirement of this act, by maintaining, as an alternative to standard limits coverage, reduced limits basic economic loss coverage for the members of the household of the owner of the motor vehicle in the amount of Ten Thousand Dollars (\$10,000.00) for each covered person, if the owner has signed the waiver-of-full-benefits statement required under Section 4 of this act.

E. The basic economic loss insurance which motorists are required to maintain pursuant to this act for the benefit of the named insured, the household of the named insured and other covered persons shall for all purposes satisfy the requirements of the financial responsibility laws of the State of Oklahoma.

F. The Insurance Commissioner and the Commissioner of Public Safety shall expeditiously implement this act, and may adopt regulations to interpret, administer, and implement this act. Prior to January 1, 2004, the Commissioner of Insurance shall recommend to the Legislature changes in existing statutes designed to conform existing regulations and statutes to this act.

G. In the event that the provisions of this act conflict with other laws, regulations, or ordinances of state or local government, such laws, regulations, or ordinances are preempted by this act, except that all laws regulating the business of automobile insurance, including laws regulating insurance rates, cancellation and nonrenewal of policies, and claims and sale practices, shall apply to the insurance established by this act.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7-703 of Title 47, unless there is created a duplication in numbering, reads as follows:

A. Every insurer transacting private passenger automobile insurance in this state shall offer to Oklahoma motorists basic economic loss coverage in the amount of Twenty-five Thousand Dollars (\$25,000.00) per covered person. This amount of basic economic loss coverage shall be referred to as standard limits basic economic loss coverage.

B. Every insurer transacting private passenger automobile insurance in this state shall also offer to Oklahoma motorists, as an alternative to standard limits basic economic loss coverage, reduced limits basic economic loss coverage. Reduced limits basic economic loss coverage refers to basic economic loss coverage in the amount of Ten Thousand Dollars (\$10,000.00) per covered person.

C. Basic economic loss coverage shall pay covered persons directly for their combined eligible loss items, as specified in Section 14 of this act, to the extent of the applicable policy limits.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7-704 of Title 47, unless there is created a duplication in numbering, reads as follows:

A. Prior to selling an Oklahoma motorist reduced limits basic economic loss coverage, an insurer shall obtain a signed waiver-of-full-benefits statement from the applicant for insurance or the named insured.

B. The coverage provided by a reduced limits basic economic loss insurance policy shall apply to all persons covered under such policy, except such reduced limits coverage shall not apply to:

1. Any pedestrian, bicyclist, or other person not occupying a motor vehicle who is injured or killed in this state as a result of being struck by the covered vehicle. A person "struck by" a motor vehicle, as that term is used in this act, means a person sustaining bodily injury as the direct and proximate result of the operation of a motor vehicle; or

2. Any person who is not the owner of a vehicle registered in this state or required to be registered in this state nor a resident relative of an owner of such a vehicle who is injured or killed as a result of an accident in this state while occupying a covered vehicle.

C. The required waiver-of-full-benefits statement shall be written in a plain language format approved by the Insurance Commissioner. It shall advise the recipient of the right to purchase standard limits basic economic loss coverage. The statement shall also inform recipients that by purchasing reduced limits basic economic loss coverage rather than standard limits basic economic loss coverage, the recipient increases the risk that in the event the recipient or any resident relatives are injured in an accident, the benefits provided to each covered person may not be enough to cover all of their economic losses. The Insurance Commissioner shall establish the wording of the statement.

SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7-705 of Title 47, unless there is created a duplication in numbering, reads as follows:

Every insurer transacting private passenger automobile insurance in this state shall also offer to Oklahoma motorists supplemental insurance as follows:

1. Policies providing for insurance of basic economic loss coverage in amounts in excess of standard limits. Such policies of basic economic loss coverage shall be referred to as added benefit basic economic loss coverage policies and shall be subject to the approval of the Insurance Commissioner; and

2. Residual liability insurance in the amount of not less than Ten Thousand Dollars (\$10,000.00) because of bodily injury to or death of one person in any one accident and, subject to said limit for one person, to a limit of not less than Twenty Thousand Dollars (\$20,000.00) because of bodily injury to or death of two or more persons in any one accident, and if the accident has resulted in injury to or destruction of property to a limit of not less than Ten Thousand Dollars (\$10,000.00) because of injury to or destruction of property of others in any one accident.

SECTION 6. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7-706 of Title 47, unless there is created a duplication in numbering, reads as follows:

A. Every insurer transacting private passenger automobile insurance in this state shall also offer to Oklahoma motorists, with appropriate premium reductions, the following policy options with respect to basic economic loss coverage, following prior approval by the Insurance Commissioner:

1. Policies that carry deductibles, provided that the deductible for medical benefits under reduced limits basic economic loss coverage shall not exceed One Thousand Dollars (\$1,000.00) per covered person; and

2. Policies that extend the one-week period between the date an injury is sustained and the date coverage of wage loss commences, provided that such period not exceed three (3) weeks under a reduced limits basic economic loss coverage insurance policy.

B. Deductible limitations authorized by paragraph 1 of subsection A of this section shall apply only to the named insured and resident relatives of the named insured.

SECTION 7. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7-707 of Title 47, unless there is created a duplication in numbering, reads as follows:

A. Persons who are covered persons for purposes of this act are entitled to collect benefits for their eligible losses arising from automobile accidents from insurers in the following order of priority, up to the applicable limits of coverage in the listed category:

1. First, the basic economic loss coverage covering a motor vehicle involved in the accident, if the person injured was an occupant of or was struck by such motor vehicle at the time of the accident; and

2. Second, the basic economic loss coverage under which the injured person is or was an insured.

B. If two or more insurers are obligated to pay personal protection benefits in accordance with the priorities set out in this section, the insurer against whom the claim is first made shall pay the claim as if wholly responsible, and may thereafter recover contribution pro rata from any other insurer at the same priority level for the cost of the payments and the processing of the claim. For purposes of this section, an unoccupied parked motor vehicle is not a motor vehicle involved in an accident unless it was parked in such a way as to cause unreasonable risk of injury.

SECTION 8. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7-708 of Title 47, unless there is created a duplication in numbering, reads as follows:

A. Payment of basic economic loss coverage benefits shall be made as the loss is incurred. Such benefits are overdue if not paid within thirty (30) days after the claimant supplies proof of the fact and amount of loss sustained. If proof is not supplied as to the entire claim, the amount which is supported by proof is overdue if not paid within thirty (30) days after such proof is supplied. All overdue payment shall bear interest at the rate of two percent (2%) per month.

B. Every insurer shall provide a claimant with the option of submitting any dispute involving the insurer's liability to pay basic economic loss coverage benefits, or additional benefits, the amount thereof, or any other matter which may arise pursuant to subsection A of this section to arbitration pursuant to simplified procedures promulgated or approved by the Insurance Commissioner.

SECTION 9. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7-709 of Title 47, unless there is created a duplication in numbering, reads as follows:

A. Every policy of basic economic loss coverage insurance issued in the State of Oklahoma to the owner of a motor vehicle required to be registered shall pay first-party benefits to:

1. Persons, other than occupants of another motor vehicle or a motorcycle, for loss arising out of the use or operation in this state of such motor vehicle;

2. The named insured and members of the household of the named insured, other than occupants of a motorcycle, for loss arising out of the use or operation of an uninsured motor vehicle or motorcycle within the United States, its territories or possessions, or Canada, and an insured motor vehicle or motorcycle outside of this state and within the United States, its territories or possessions, or Canada;

3. Any resident of this state who is neither the owner of a motor vehicle with respect to which coverage for first-party benefits is required by this act nor, as a member of a household, entitled to first-party benefits under paragraph 2 of this subsection, for loss arising out of the use or operation of the insured or self-insured motor vehicle outside of this state and within the United States, its territories or possessions, or Canada; and

4. The estate of any covered person, other than an occupant of another motor vehicle or a motorcycle, a death benefit in the amount of Two Thousand Dollars (\$2,000.00) for the death of such person arising out of the use or operation of such motor vehicle which is in addition to any first-party benefits for basic economic loss.

B. First-party benefits shall be paid as provided in this subsection to any person riding a motorcycle, except a motorcycle that is not insured as required by this act, for loss arising out of collision with the covered vehicle, if the covered vehicle is not also a motorcycle. A person who is injured or killed in a collision while riding a motorcycle that is insured as required by this act, shall, when the collision is with another motor vehicle other than a motorcycle, be provided benefits under the insurance policy applying to the motorcycle. However, the insurer issuing the policy to the motorcycle rider is entitled to reimbursement from the insurer of the covered vehicle involved in the collision with the motorcycle for those benefits it has provided which do not exceed the limits of reduced limits basic economic loss coverage.

C. Every insurer shall exclude from coverage required by subsection A of this section a person who:

1. Intentionally causes the person's own injury;
2. Is injured as a result of operating a motor vehicle while in violation of Section 11-902 of Title 47 of the Oklahoma Statutes

relating to driving under the influence of alcohol or other intoxicating substances; or

3. Is injured while:

- a. committing an act which would constitute a felony, or seeking to avoid lawful apprehension or arrest by a law enforcement officer,
- b. operating a motor vehicle in a race or speed test,
- c. operating or occupying a motor vehicle known to the injured person to be stolen,
- d. operating or occupying any motor vehicle owned by such injured person with respect to which the coverage required by subsection A of this section is not in effect,
- e. a pedestrian, through being struck by any motor vehicle owned by such injured pedestrian with respect to which the coverage required by subsection A of this section is not in effect, or
- f. repairing, servicing or otherwise maintaining a motor vehicle if such conduct is within the course of a business of repairing, servicing or otherwise maintaining a motor vehicle and the injury occurs on the business premises.

D. Every policy of basic economic loss coverage insurance issued in the State of Oklahoma to the owner of a motor vehicle required to be registered shall also provide, when a motor vehicle covered by such policy is used or operated in any other state or in any Canadian province, insurance coverage for such motor vehicle at least in the minimum amount required by the laws of that state or province.

SECTION 10. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7-710 of Title 47, unless there is created a duplication in numbering, reads as follows:

An insurer shall not cancel, fail to renew, or increase the premium of an insured solely because of a claim for basic economic loss coverage benefits or collision damage to the insured vehicle, unless that insured was fifty-one percent (51%) or more responsible for causing the accident. The Insurance Commissioner may impose a civil penalty of up to One Thousand Dollars (\$1,000.00) for each violation of this section.

SECTION 11. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7-711 of Title 47, unless there is created a duplication in numbering, reads as follows:

A. Notwithstanding any other law, in any action by or on behalf of a covered person against another covered person for personal injuries arising out of negligence in the use or operation of a motor vehicle in this state, there shall be no right of recovery for noneconomic loss, except in the case of a serious injury, or for basic economic loss.

B. In any action by or on behalf of a covered person, against a noncovered person, if damages for personal injuries arising out of the use or operation of a motor vehicle or a motorcycle may be recovered, an insurer which paid or is liable for first-party benefits on account of such injuries has a lien against any recovery to the extent of benefits paid or payable by it to the covered person. No such action may be compromised by the covered person except with the written consent of the insurer, or with the approval of the court, or where the amount of such settlement exceeds Fifty Thousand Dollars (\$50,000.00). The failure of such person to commence such action within two (2) years after accrual gives the insurer a cause of action for the amount of first-party benefits paid or payable against any person who may be liable to the covered person for personal injuries. The insurer's cause of action shall be in addition to the cause of action of the covered person except that in any action subsequently commenced by the covered person for

such injuries, the amount of the person's basic economic loss shall not be recoverable.

C. If there is no right of recovery for basic economic loss, such loss may nevertheless be pleaded and proved to the extent that it is relevant to the proof of noneconomic loss.

SECTION 12. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7-712 of Title 47, unless there is created a duplication in numbering, reads as follows:

An owner of a motor vehicle that is not insured for property damage liability, as required by this act, shall have no cause of action against any person for damage to that motor vehicle caused as a result of an accident, except with respect to damage caused by a person operating a vehicle without the permission of its owner.

SECTION 13. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7-713 of Title 47, unless there is created a duplication in numbering, reads as follows:

The provisions of this act shall not restrict the right of action to recover damages for injuries resulting in death.

SECTION 14. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7-714 of Title 47, unless there is created a duplication in numbering, reads as follows:

As used in this act:

1. "Basic economic loss coverage" means coverage, up to the applicable limit per person, of the following combined eligible loss items incurred due to automobile accidents, subject to the limitations of Section 19 of this act:

- a. all necessary expenses incurred for medical, hospital, surgical, nursing, dental, ambulance, x-ray, prescription drug and prosthetic services; psychiatric, physical and occupational therapy and rehabilitation; any nonmedical remedial care and treatment rendered in accordance with a religious

method of healing recognized by the laws of this state; and any other professional health services, all without limitation as to time, provided that within one (1) year after the date of the accident causing the injury it is ascertainable that further expenses may be incurred as a result of the injury. For the purpose of determining basic economic loss, the expenses incurred under this paragraph shall be in accordance with the limitations of Section 19 of this act,

- b. loss of earnings for time lost from work which the person would have performed if the person had not been injured, and reasonable and necessary expenses incurred by such person in obtaining services from others, not members of the injured person's household, in lieu of those that he or she would have performed for the benefit of the household, up to One Thousand Dollars (\$1,000.00) per month for not more than three (3) years from the date of the accident causing the injury. This benefit shall be payable for time lost from work commencing seven (7) days after the date of the injury and thereafter, to the extent of the available benefit. An employee who is entitled to receive monetary payments, pursuant to statute or contract with the employer, or who receives voluntary monetary benefits paid for by the employer, by reason of the employee's inability to work because of personal injury arising out of the use or operation of a motor vehicle, is not entitled to receive first-party benefits for "loss of earnings from work" to the extent that such monetary payments or benefits from the employer do not result in the employee suffering a

reduction in income or a reduction in the employee's level of future benefits arising from a subsequent illness or injury, and

- c. all other reasonable and necessary expenses actually incurred, up to Twenty-five Dollars (\$25.00) per day for not more than one (1) year from the date of the accident causing the injury.

"Basic economic loss coverage" shall not include any loss incurred on account of death, subject however to the provisions of paragraph 4 of subsection A of Section 9 of this act;

2. "First-party benefits" means payments to reimburse a person for basic economic loss on account of personal injury arising out of the use or operation of a motor vehicle, less:

- a. twenty percent (20%) of the lost earnings computed pursuant to subparagraph b of paragraph 1 of this section,
- b. amounts recovered or recoverable on account of such injury under state or federal laws providing Social Security disability benefits, or workers' compensation benefits, or disability benefits under Article 9 of the Workers' Compensation Law, or Medicare benefits, other than lifetime reserve days, and provided further that the Medicare benefits utilized herein do not result in a reduction of such person's Medicare benefits for a subsequent illness or injury, and
- c. amounts deductible under the applicable insurance policy;

3. "Noneconomic loss" means pain and suffering and similar nonmonetary detriment;

4. "Serious injury" means a personal injury which results in:

- a. death,
- b. permanent serious disfigurement, or

- c. permanent serious impairment of an important bodily function caused by an objectively determinable physical injury which is of a continuing nature.

In an action for loss or damage from bodily injury arising directly or indirectly from the use or operation of an automobile, a judge shall, on motion made before or at trial, determine if the injured person has, as a result of the accident, sustained a serious injury as described in subparagraph a, b or c of this paragraph;

5. "Owner" means an owner or lessee of a motor vehicle;

6. "Insurer" means the insurance company or self-insurer, as the case may be, which provides the financial security required by Chapter 7 of the Motor Vehicle Code;

7. "Member of the household" means a spouse, child or relative of the named insured who regularly resides in the household of the named insured;

8. "Motorcycle" means any motorcycle, as defined in Section 1-135 of Title 47 of the Oklahoma Statutes, and which is required to carry financial security pursuant to Chapter 7 of the Motor Vehicle Code;

9. "Motor vehicle" means a motor vehicle as defined in Section 1-134 of Title 47 of the Oklahoma Statutes and also includes fire and police vehicles. It shall not include any motor vehicle not required to carry financial security pursuant to Chapter 7 of the Motor Vehicle Code or a motorcycle, as defined in paragraph 8 of this section;

10. "Uninsured motor vehicle" means a motor vehicle, the owner of which does not carry the financial security required by Chapter 7 of the Motor Vehicle Code or is unknown and whose identity is unascertainable;

11. "Covered person" means any pedestrian injured through the use or operation of, or any owner, operator or occupant of, a motor vehicle which has in effect the financial security required by

Chapter 7 of the Motor Vehicle Code, or any other person entitled to first-party benefits; and

12. "Compensation provider" means the State Insurance Fund, or the person, association, corporation or insurance carrier liable under state or federal laws for the payment of workers' compensation benefits or disability benefits.

SECTION 15. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7-715 of Title 47, unless there is created a duplication in numbering, reads as follows:

A. Upon the request of an insurer, an employer shall furnish a statement of the work record and earning of an employee who has claimed wage-loss benefits. Each such statement shall cover the period specified by the insurer making the request, which may include a reasonable period before, and the entire period after, the injury was sustained. Each such statement shall also state what benefits that employee has received or is entitled to receive from that employer as a result of employment.

B. Every healthcare provider shall, if requested to do so by the applicable insurer, furnish a written report of the history, condition, treatment, and the dates and costs of the treatment of a covered person who has filed a claim for benefits under this act. Every such provider shall promptly produce and permit the inspection and copying of its records regarding such history, condition, treatment, and the dates and costs of treatment. Such written report shall be provided, together with a sworn statement under oath that the treatment was medically necessary and medically appropriate. The sworn statement required under this section shall read as follows: "I declare under penalty of perjury that I have examined this report and all statements contained herein, and to the best of my knowledge and belief, they are true, correct and complete."

No cause of action for violation of a physician-patient privilege or invasion of the right of privacy is allowed against any physician, hospital, clinic, or other medical institution complying with the provisions of this section. The person requesting records and a sworn statement under this subsection shall pay all reasonable costs connected therewith.

C. In the event of any dispute regarding the insurer's right to discovery of facts about an injured person, if the dispute is not referred to arbitration under Section 20 of this act, a court of record may enter an order for such discovery as justice requires.

SECTION 16. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7-716 of Title 47, unless there is created a duplication in numbering, reads as follows:

A. An insurer providing basic economic loss coverage has the primary obligation to indemnify an injured person except that the amount of all protection benefits an injured person recovers, or is entitled to recover, under a state-mandated disability coverage or any workers' compensation act or similar occupational injury act because of the same accidental bodily injury shall be subtracted from the basic economic loss benefits otherwise payable to the injured person. In order to avoid duplication of benefits, sources of coverage provided by other compensation providers of benefits for accidental bodily injury shall be secondary to or in excess of the benefits paid or payable by a basic economic loss insurer.

B. All added benefit basic economic loss coverage policies shall be excess of or secondary to all collateral sources but an insurer writing added benefit basic economic loss coverage policies may write such coverage as primary to, or duplicative of, or as coinsurance with, such collateral sources, if it does so in specific language clearly manifesting an intent not to be excess of collateral sources.

SECTION 17. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7-717 of Title 47, unless there is created a duplication in numbering, reads as follows:

Any person, including an insurer, who, with intent to injure, defraud, or deceive any other person in connection with a claim for payment or other benefit pursuant to an insurance policy providing benefits under this act, does or attempts to do either of the following, knowing that such statement contains any false, incomplete, or misleading information concerning any fact or thing material to such claim:

1. Presents or causes to be presented, or conspires to present or cause to be presented, any written or oral statements in connection with a claim for payment or other benefit; or

2. Prepares or makes any written or oral statement that is intended to be presented to any person in connection with or in support of any claim for payment or other benefit, shall be guilty of a felony punishable by a fine of not more than Ten Thousand Dollars (\$10,000.00).

SECTION 18. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7-718 of Title 47, unless there is created a duplication in numbering, reads as follows:

Regardless of the number of motor vehicles involved, persons covered, claims made, motor vehicles or premiums shown on the policy or premiums paid, in no event shall the limits of liability under a motor vehicle insurance policy for any one coverage be added to, combined with, or otherwise stacked upon any other coverage limit to determine the maximum limit of coverage available to an injured person for any one accident. Unless the contract clearly provides otherwise, policies or plans may also provide that if two or more policies, plans, or coverages apply equally to the same accident, the highest limit of liability applicable shall be the maximum amount available to an injured person under any one of such

policies. Each such policy, plan, or coverage shall bear its proportionate share of the loss.

SECTION 19. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7-719 of Title 47, unless there is created a duplication in numbering, reads as follows:

A. The medically related charges for eligible loss items of basic economic loss coverage pursuant to Section 14 of this act and any further health service charges which are insured as a result of the injury and which are in excess of basic economic loss, shall not exceed the charges permissible under the schedules prepared and established by the Administrator of the Workers' Compensation Court in accordance with subsection E of Section 14 of Title 85 of the Oklahoma Statutes, unless the insurer or arbitrator determines that unusual procedures or unique circumstances justify the excess charge.

B. The Insurance Commissioner, after consulting with the Administrator of the Workers' Compensation Court and the Commissioner of Health, shall promulgate rules implementing and coordinating the provisions of this act and the Workers' Compensation Law with respect to charges for the professional health services specified in subparagraph a of paragraph 1 of Section 14 of this act.

SECTION 20. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7-720 of Title 47, unless there is created a duplication in numbering, reads as follows:

A. Any insurer liable for the payment of first-party benefits to or on behalf of a covered person and any compensation provider paying benefits in lieu of first-party benefits which another insurer would otherwise be obligated to pay has the right to recover the amount paid from the insurer or any other covered person to the extent that such other covered person would have been liable, but for the provisions of this act, to pay damages in an action at law.

B. The sole remedy of any insurer or compensation provider to recover on a claim arising pursuant to subsection A of this section, shall be the submission of the controversy to mandatory arbitration pursuant to procedures promulgated or approved by the Insurance Commissioner. Such procedures shall also be utilized to resolve all disputes arising between insurers concerning their responsibility for the payment of first-party benefits.

SECTION 21. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7-721 of Title 47, unless there is created a duplication in numbering, reads as follows:

A. Every insurer authorized to transact or transacting business in this state, or controlling or controlled by or under common control by or with such an insurer, which sells a policy providing motor vehicle liability insurance coverage or any similar coverage in any state or Canadian province, shall include in each such policy coverage to satisfy the financial security requirements of this act when a motor vehicle covered by such policy is used or operated in this state.

B. Every policy described in subsection A of this section shall be construed as having the coverage required by this act.

SECTION 22. This act shall become effective January 1, 2004.

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