

FLOOR AMENDMENT
HOUSE OF REPRESENTATIVES
State of Oklahoma

SPEAKER:

CHAIR:

I move to amend SB1640
Page 2 Section 2 Lines 4 1/2
Of the printed Bill
Of the Engrossed Bill

By inserting a new Section 2 to read as follows and by renumbering the subsequent section:

(See attached pages)

AMEND TITLE TO CONFORM TO AMENDMENTS

Amendment submitted by: Doug Cox

Adopted: _____

Reading Clerk

1 "SECTION 2. AMENDATORY 36 O.S. 2001, Section 6055, as
2 amended by Section 2, Chapter 288, O.S.L. 2003 (36 O.S. Supp. 2007,
3 Section 6055), is amended to read as follows:

4 Section 6055. A. Under any accident and health insurance
5 policy, hereafter renewed or issued for delivery from out of
6 Oklahoma or in Oklahoma by any insurer and covering an Oklahoma
7 risk, the services and procedures may be performed by any
8 practitioner selected by the insured, or the parent or guardian of
9 the insured if the insured is a minor, if the services and
10 procedures fall within the licensed scope of practice of the
11 practitioner providing the same.

12 B. An accident and health insurance policy may:

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

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

1 2. Provide for the application of deductibles and copayment
2 provisions, when equally applied to all covered charges for services
3 and procedures that can be provided by any practitioner for the
4 diagnosis and treatment of a covered illness, disease, injury or
5 condition. This provision shall not be construed to prohibit
6 differences in deductibles and copayment provisions between
7 practitioners, hospitals and ambulatory surgical centers who are
8 participating preferred provider organization providers and
9 practitioners, hospitals and ambulatory surgical centers who are not
10 participating in the preferred provider organization, subject to the
11 following limitations:

12 a. the amount of any annual deductible per covered person
13 or per family for treatment in a hospital or
14 ambulatory surgical center that is not a preferred
15 provider shall not exceed three times the amount of a
16 corresponding annual deductible for treatment in a
17 hospital or ambulatory surgical center that is a
18 preferred provider,

19 b. if the policy has no deductible for treatment in a
20 preferred provider hospital or ambulatory surgical
21 center, the deductible for treatment in a hospital or
22 ambulatory surgical center that is not a preferred
23 provider shall not exceed One Thousand Dollars
24 (\$1,000.00) per covered-person visit,

- 1 c. the amount of any annual deductible per covered person
2 or per family treatment, other than inpatient
3 treatment, by a practitioner that is not a preferred
4 practitioner shall not exceed three times the amount
5 of a corresponding annual deductible for treatment,
6 other than inpatient treatment, by a preferred
7 practitioner,
8 d. if the policy has no deductible for treatment by a
9 preferred practitioner, the annual deductible for
10 treatment received from a practitioner that is not a
11 preferred practitioner shall not exceed Five Hundred
12 Dollars (\$500.00) per covered person,
13 e. the percentage amount of any coinsurance to be paid by
14 an insured to a practitioner, hospital or ambulatory
15 surgical center that is not a preferred provider shall
16 not exceed by more than thirty (30) percentage points
17 the percentage amount of any coinsurance payment to be
18 paid to a preferred provider,
19 f. a practitioner, hospital or ambulatory surgical center
20 that is not a preferred provider shall disclose to the
21 insured, in writing, that the insured may be
22 responsible for:
23 (1) higher coinsurance and deductibles, and
24

1 (2) practitioner, hospital or ambulatory surgical
2 center charges which exceed the allowable charges
3 of a preferred provider, and

4 g. when a referral is made to a nonparticipating hospital
5 or ambulatory surgical center, the referring
6 practitioner must disclose in writing to the insured,
7 any ownership interest in the nonparticipating
8 hospital or ambulatory surgical center.

9 C. Upon submission of a claim by a practitioner, hospital, home
10 care agency, or ambulatory surgical center to an insurer on a
11 uniform health care claim form adopted by the Insurance Commissioner
12 pursuant to Section 6581 of this title, the insurer shall provide a
13 timely explanation of benefits to the practitioner, hospital, home
14 care agency, or ambulatory surgical center regardless of the network
15 participation status of such person or entity.

16 D. Benefits available under an accident and health insurance
17 policy, at the option of the insured, shall be assignable to a
18 practitioner, hospital, home care agency or ambulatory surgical
19 center who has provided services and procedures which are covered
20 under the policy. A practitioner, hospital, home care agency or
21 ambulatory surgical center shall be compensated directly by an
22 insurer for services and procedures which have been provided when
23 the following conditions are met:

1 1. Benefits available under a policy have been assigned in
2 writing by an insured to the practitioner, hospital, home care
3 agency or ambulatory surgical center;

4 2. A copy of the assignment has been provided by the
5 practitioner, hospital, home care agency or ambulatory surgical
6 center to the insurer;

7 3. A claim has been submitted by the practitioner, hospital,
8 home care agency or ambulatory surgical center to the insurer on a
9 uniform health insurance claim form adopted by the Insurance
10 Commissioner pursuant to Section 6581 of this title; and

11 4. A copy of the claim has been provided by the practitioner,
12 hospital, home care agency or ambulatory surgical center to the
13 insured.

14 E. The provisions of subsection D of this section shall not
15 apply to:

16 1. Any preferred provider organization (PPO) as defined by
17 generally accepted industry standards, that contracts with
18 practitioners that agree to accept the reimbursement available under
19 the PPO agreement as payment in full and agree not to balance bill
20 the insured; or

21 2. Any statewide provider network which:

22 a. provides that a practitioner, hospital, home care
23 agency or ambulatory surgical center who joins the
24

1 provider network shall be compensated directly by the
2 insurer,

3 b. does not have any terms or conditions which have the
4 effect of discriminating against a particular class of
5 practitioner,

6 c. allows any practitioner, hospital, home care agency or
7 ambulatory surgical center, except a practitioner who
8 has a prior felony conviction, to become a network
9 provider if said hospital or practitioner is willing
10 to comply with the terms and conditions of a standard
11 network provider contract, and

12 d. contracts with practitioners that agree to accept the
13 reimbursement available under the network agreement as
14 payment in full and agree not to balance bill the
15 insured.

16 F. A nonparticipating practitioner, hospital or ambulatory
17 surgical center may request from an insurer and the insurer shall
18 supply a good-faith estimate of the allowable fee for a procedure to
19 be performed upon an insured based upon information regarding the
20 anticipated medical needs of the insured provided to the insurer by
21 the nonparticipating practitioner.

22 G. A practitioner shall be equally compensated for covered
23 services and procedures provided to an insured on the basis of
24 charges prevailing in the same geographical area or in similar sized

1 communities for similar services and procedures provided to
2 similarly ill or injured persons regardless of the branch of the
3 healing arts to which the practitioner may belong, if:

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

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

9 H. Notwithstanding any other provisions of this section, if an
10 insured receives medical treatment from a provider, the insurer
11 shall list the provider as a payee on any check or negotiable
12 instrument sent to the insured for payment of the services provided.

13 I. Nothing in the Health Care Freedom of Choice Act shall
14 prohibit an insurer from establishing a preferred provider
15 organization and a standard participating provider contract
16 therefor, specifying the terms and conditions, including, but not
17 limited to, provider qualifications, and alternative levels or
18 methods of payment that must be met by a practitioner selected by
19 the insurer as a participating preferred provider organization
20 provider.

21 ~~I.~~ J. A preferred provider organization, in executing a
22 contract, shall not, by the terms and conditions of the contract or
23 internal protocol, discriminate within its network of practitioners
24 with respect to participation and reimbursement as it relates to any

1 practitioner who is acting within the scope of the practitioner's
2 license under the law solely on the basis of such license.

3 ~~J.~~ K. Decisions by an insurer or a preferred provider
4 organization (PPO) to authorize or deny coverage for an emergency
5 service shall be based on the patient presenting symptoms arising
6 from any injury, illness, or condition manifesting itself by acute
7 symptoms of sufficient severity, including severe pain, such that a
8 reasonable and prudent layperson could expect the absence of medical
9 attention to result in serious:

- 10 1. Jeopardy to the health of the patient;
- 11 2. Impairment of bodily function; or
- 12 3. Dysfunction of any bodily organ or part.

13 ~~K.~~ L. An insurer or preferred provider organization (PPO) shall
14 not deny an otherwise covered emergency service based solely upon
15 lack of notification to the insurer or PPO.

16 ~~L.~~ M. An insurer or a preferred provider organization (PPO)
17 shall compensate a provider for patient screening, evaluation, and
18 examination services that are reasonably calculated to assist the
19 provider in determining whether the condition of the patient
20 requires emergency service. If the provider determines that the
21 patient does not require emergency service, coverage for services
22 rendered subsequent to that determination shall be governed by the
23 policy or PPO contract.

24

1 ~~M.~~ N. Nothing in this act shall be construed as prohibiting an
2 insurer, preferred provider organization or other network from
3 determining the adequacy of the size of its network."
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