

THE HOUSE OF REPRESENTATIVES
Monday, February 11, 2008

House Bill No. 3111

HOUSE BILL NO. 3111 - By: PETERSON (RON) of the House and JOLLEY of the Senate.

An Act relating to health care coverage legislation; specifying time period for introduction of bills mandating certain health coverage; providing exception to time period for introduction; requiring report assessing impacts of certain health coverage; exempting Legislature from payment for report; providing requirements of report; requiring actuarial analysis for report; providing for codification; and providing an effective date.

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

1 SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma
2 Statutes as Section 7011 of Title 36, unless there is created a duplication in numbering,
3 reads as follows:
4 A. Any bill which would mandate a health coverage or offering of a health coverage
5 by an insurer, hospital, medical, dental or optometric service corporation, health care
6 services organization or any other health care service contractor as a component of
7 individual or group policies may be introduced according to the applicable deadlines
8 established by the House of Representatives or Senate only in any odd-numbered year
9 during the regular session. Any such bill may be passed by the Legislature only during
10 an even-numbered year of the regular session. Any such bill may be introduced in an
11 even-numbered year, but shall not be considered by the Legislature during that year.

1 B. Notwithstanding the provisions of subsection A of this section, any bill which
2 would mandate a health coverage or offering of a health coverage as provided for in
3 subsection A of this section may be introduced, considered and enacted in any year of the
4 regular session of the Legislature if such bill is introduced solely for the purpose of an
5 unforeseen emergency situation that needs to be addressed immediately. Such bill shall
6 only be considered if three-fourths (3/4) of the membership of each House votes to allow
7 the bill to be considered.

8 SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma
9 Statutes as Section 7012 of Title 36, unless there is created a duplication in numbering,
10 reads as follows:

11 A. An organization or individual advocating a bill which would mandate a health
12 coverage or offering of a health coverage by an insurer, hospital, medical, dental or
13 optometric service corporation, health care services organization or any other health care
14 service contractor as a component of individual or group policies shall submit a report to
15 the respective Senate or House of Representatives standing committee or subcommittee
16 that has been assigned to consider the proposal.

17 B. The report shall assess both the social and financial impacts of such coverage,
18 including the effectiveness of the treatment or service proposed, according to the factors
19 prescribed in Section 3 of this act.

20 C. The Legislature shall not be responsible for the cost of preparing the report.

1 SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma
2 Statutes as Section 7013 of Title 36, unless there is created a duplication in numbering,
3 reads as follows:

4 A. To the extent that information is available, the report prescribed by Section 2 of
5 this act shall include, but not be limited to, the following:

6 1. The social impact:

- 7 a. the extent to which the treatment or service is generally utilized by a
8 significant portion of the population,
9 b. the extent to which the insurance coverage is already generally
10 available,
11 c. if coverage is not generally available, the extent to which the lack of
12 coverage results in persons avoiding necessary health care treatments,
13 d. if coverage is not generally available, the extent to which the lack of
14 coverage results in unreasonable financial hardship to a patient,
15 e. the level of public demand for the treatment or service,
16 f. the level of public demand for insurance coverage of the treatment or
17 service, and
18 g. the level of interest of collective bargaining agents in negotiating
19 privately for inclusion of this coverage in group contracts; and

20 2. The financial impact:

- 21 a. the extent to which the coverage will increase or decrease the cost of
22 the treatment or service,

- 1 b. the extent to which the coverage will increase the appropriate use of
2 the treatment or service,
3 c. the extent to which the mandated treatment or service will be a
4 substitute for a more expensive treatment or service,
5 d. the extent to which the coverage will increase or decrease the
6 administrative expenses of insurers and the premium and
7 administrative expenses of policyholders, and
8 e. the impact of this coverage on the total cost of health care.

9 B. An actuary who is a member of the American Academy of Actuaries shall
10 prepare the financial impact analysis required by paragraph 2 of subsection A of this
11 section and certify that the analysis is consistent with accepted actuarial techniques.

12 C. The report required by Section 2 of this act shall address the specific language of
13 the proposed mandate. A report on a similar bill or proposal in a different jurisdiction is
14 insufficient and does not meet the requirements of Section 1 of this act.

15 D. An organization or individual that does not submit a report required by Section
16 2 of this act is not subject to any civil sanction or criminal penalty.

17 SECTION 4. This act shall become effective November 1, 2008.

18 COMMITTEE REPORT BY: COMMITTEE ON ECONOMIC DEVELOPMENT AND
19 FINANCIAL SERVICES, dated 02-07-08 - DO PASS, As Coauthored.