

1 STATE OF OKLAHOMA

2 2nd Session of the 52nd Legislature (2010)

3 SENATE BILL 1346

By: Gumm

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7 AS INTRODUCED

8 An Act relating to insurance; creating the Health
9 Care Choice Act; providing short title; authorizing
10 certain insurers to issue certain policies in this
11 state; exempting certain insurers from offering
12 certain benefits; requiring certain insurers to offer
13 certain benefits; requiring certain applications to
14 contain specified provisions; requiring certain
15 health benefit plan to contain specified provisions;
16 requiring the Insurance Commissioner to conduct
17 certain examinations of certain insurers; authorizing
18 the Insurance Commissioner to promulgate certain
19 rules; providing for codification; and providing an
20 effective date.

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

22 SECTION 1. NEW LAW A new section of law to be codified
23 in the Oklahoma Statutes as Section 4413 of Title 36, unless there
24 is created a duplication in numbering, reads as follows:

This act shall be known and may be cited as the "Health Care
Choice Act".

1 SECTION 2. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 4414 of Title 36, unless there
3 is created a duplication in numbering, reads as follows:

4 A. The Oklahoma Legislature recognizes the need for
5 individuals, employers, and other purchasers of health insurance
6 coverage in this state to have the opportunity to choose health
7 insurance plans that are more affordable and flexible than existing
8 market policies offering accident and health coverage. Therefore,
9 the Oklahoma Legislature seeks to increase the availability of
10 health insurance coverage by allowing insurers authorized to engage
11 in the business of insurance in other states to issue accident and
12 health policies in Oklahoma.

13 B. The out-of-state insurers shall not be required to offer or
14 provide state-mandated health benefits required by Oklahoma law or
15 regulations in health insurance policies sold to Oklahoma residents.
16 The out-of-state insurers shall be required to offer or provide
17 state-mandated health benefits required by law or regulations in the
18 state in which the master policy is required.

19 C. Each written application for participation in an out-of-
20 state health benefit plan shall contain the following language in
21 boldface type at the beginning of the document:

22 "This policy is primarily governed by the laws of (insert state
23 where the master policy is filed); therefore, all of the rating laws
24 applicable to policies filed in this state do not apply to this

1 policy, which may result in increases in your premium at renewal
2 that would not be permissible in an Oklahoma-approved policy. Any
3 purchase of individual health insurance should be considered
4 carefully since future medical conditions may make it impossible to
5 qualify for another individual health policy. For information
6 concerning individual health coverage under an Oklahoma-approved
7 policy, please consult your insurance agent or the Oklahoma
8 Department of Insurance."

9 D. Each out-of-state health benefit plan shall contain the
10 following language in boldface type at the beginning of the
11 document:

12 "The benefits of this policy providing your coverage are
13 governed primarily by the law of a state other than Oklahoma. While
14 this health benefit plan may provide you a more affordable health
15 insurance policy, it may also provide fewer health benefits than
16 those normally included as state mandated health benefits in
17 policies in Oklahoma. Please consult your insurance agent to
18 determine which Oklahoma state-mandated health benefits are excluded
19 under this policy."

20 E. The Insurance Commissioner shall be authorized to conduct
21 market conduct and solvency examinations of all out-of-state
22 companies seeking to offer health benefit plans in this state or who
23 have been given approval to offer health benefit plans in this
24 state. Such examinations shall be conducted in the same manner and

1 under the same terms and conditions as for companies located in this
2 state.

3 F. The Insurance Commissioner may promulgate any rules
4 necessary to implement this act.

5 SECTION 3. This act shall become effective November 1, 2010.

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