

1 STATE OF OKLAHOMA

2 1st Session of the 52nd Legislature (2009)

3 SENATE BILL 532

By: Sparks

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5
6 AS INTRODUCED

7 An Act relating to health insurance; defining terms;
8 providing procedures regarding the verification of
9 payment of health care services by an insurer;
10 requiring the Insurance Commissioner to enforce
11 certain provisions; providing for codification; and
12 providing an effective date.

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

14 SECTION 1. NEW LAW A new section of law to be codified
15 in the Oklahoma Statutes as Section 6585 of Title 36, unless there
16 is created a duplication in numbering, reads as follows:

17 A. As used in this section:

18 1. "Preauthorization" means a determination by an insurer that
19 medical care or health care services proposed to be provided to a
20 patient are medically necessary and appropriate; and

21 2. "Verification" means a reliable presentation by an insurer
22 to a physician and/or health care provider that the insurer will pay
23 the physician and/or health care provider for proposed medical care
24 or health care services if the physician and/or health care provider
renders those services to the patient for whom the services are

1 proposed. Verification includes precertification, certification,
2 recertification, and any other term that would be a reliable
3 representation by an insurer to a physician or provider.
4 Verification includes preauthorization only when preauthorization is
5 a condition for payment of services.

6 B. On the request of a physician and/or health care provider
7 for verification of a particular medical care or health care service
8 the physician and/or health care provider proposes to provide to a
9 particular patient, the insurer shall inform the physician and/or
10 health care provider without delay whether the service, if provided
11 to that patient, shall be paid by the insurer and shall specify any
12 deductibles, copayments, or coinsurance for which the insured is
13 responsible.

14 C. An insurer that declines to provide a verification shall
15 notify the physician and/or health care provider who requested the
16 verification of the specific reason the verification was not
17 provided prior to the rendering of medical care or health care
18 service.

19 D. If an insurer has provided a verification for proposed
20 medical care or health care services, the insurer shall not deny or
21 reduce payment to the physician and/or health care provider for
22 those medical care or health care services unless the physician
23 and/or health care provider has materially misrepresented the
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1 proposed medical care or health care services or has substantially
2 failed to perform the proposed medical care or health care services.

3 E. If an insurer has provided a verification for medical care
4 or health care services, and the insurer subsequently determines
5 that the patient was not covered at the time the services were
6 rendered, the insurer shall not deny or reduce payment to the
7 physician and/or health care provider for those medical care or
8 health care services rendered.

9 F. The provisions of this section shall not be waived, voided
10 or nullified by any contract entered into following the effective
11 date of this act.

12 G. The Insurance Commissioner shall enforce the provisions of
13 this section and shall promulgate rules, if necessary, to implement
14 the provisions of this section.

15 SECTION 2. NEW LAW A new section of law to be codified
16 in the Oklahoma Statutes as Section 1304.1 of Title 74, unless there
17 is created a duplication in numbering, reads as follows:

18 A. As used in this section:

19 1. "Preauthorization" means a determination by an insurer that
20 medical care or health care services proposed to be provided to a
21 patient are medically necessary and appropriate; and

22 2. "Verification" means a reliable presentation by an insurer
23 to a physician and/or health care provider that the insurer will pay
24 the physician and/or health care provider for proposed medical care

1 or health care services if the physician and/or health care provider
2 renders those services to the patient for whom the services are
3 proposed. Verification includes precertification, certification,
4 recertification, and any other term that would be a reliable
5 representation by an insurer to a physician or provider.
6 Verification includes preauthorization only when preauthorization is
7 a condition for payment of services.

8 B. On the request of a physician and/or health care provider
9 for verification of a particular medical care or health care service
10 the physician and/or health care provider proposes to provide to a
11 particular patient, the insurer shall inform the physician and/or
12 health care provider without delay whether the service, if provided
13 to that patient, shall be paid by the insurer and shall specify any
14 deductibles, copayments, or coinsurance for which the insured is
15 responsible.

16 C. An insurer that declines to provide a verification shall
17 notify the physician and/or health care provider who requested the
18 verification of the specific reason the verification was not
19 provided prior to the rendering of medical care or health care
20 service.

21 D. If an insurer has provided a verification for proposed
22 medical care or health care services, the insurer shall not deny or
23 reduce payment to the physician and/or health care provider for
24 those medical care or health care services unless the physician

1 and/or health care provider has materially misrepresented the
2 proposed medical care or health care services or has substantially
3 failed to perform the proposed medical care or health care services.

4 E. If an insurer has provided a verification for medical care
5 or health care services, and the insurer subsequently determines
6 that the patient was not covered at the time the services were
7 rendered, the insurer shall not deny or reduce payment to the
8 physician and/or health care provider for those medical care or
9 health care services rendered.

10 F. The provisions of this section shall not be waived, voided
11 or nullified by any contract entered into following the effective
12 date of this act.

13 G. The Insurance Commissioner shall enforce the provisions of
14 this section and shall promulgate rules, if necessary, to implement
15 the provisions of this section.

16 SECTION 3. This act shall become effective November 1, 2009.

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