

1 ENGROSSED HOUSE
2 BILL NO. 2236

By: Mulready of the House

3 and

4 Stanislawski of the Senate
5

6 An Act relating to insurance; amending 36 O.S. 2011,
7 Section 4512, which relates to information required
8 from employer carriers; modifying applicability of
9 requirement; modifying timeline for insurance carrier
10 to provide certain information under certain
11 circumstances; and providing an effective date.

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

13 SECTION 1. AMENDATORY 36 O.S. 2011, Section 4512, is
14 amended to read as follows:

15 Section 4512. A. This section applies to an insured employer
16 health benefit plan providing health insurance to employees of
17 employers employing ~~fifty (50)~~ twenty (20) or more full-time or
18 full-time-equivalent employees.

19 B. An employer carrier, on written request from an insured
20 employer covered by that carrier, shall report to the employer
21 information from the twelve (12) months preceding the date of the
22 report regarding:

23 1. The total amount of charges submitted to the carrier for
24 persons covered under the employer health benefit plan;

1 2. The total amount of premium payments made by the
2 policyholder to the insured carrier;

3 3. The total amount of payments made by the carrier to health
4 care providers for persons covered under the plan, including the
5 total hospital charges, physician charges, and pharmaceutical
6 charges; and

7 4. For any claims for an individual paid in excess of Ten
8 Thousand Dollars (\$10,000.00), information on claims paid, including
9 diagnostic evaluations.

10 C. An employer shall have to make a written request for
11 information. The employer may make one request per year prior to
12 the anniversary or renewal date. In addition, prior to the date of
13 a rate change, an employer may make additional written requests for
14 the information, provided the employer shall not make more than one
15 additional request in any one (1) year.

16 D. ~~An~~ Except as otherwise provided in this subsection, an
17 employer carrier shall provide the information provided for in this
18 section not later than sixty (60) days before the anniversary or
19 annual renewal date, or thirty (30) days before the date of any rate
20 change action of the employer's benefit plan. Provided, if the
21 carrier receives the request from the employer less than sixty (60)
22 days before the anniversary or renewal date or less than thirty (30)
23 days before the date of a rate change, the carrier shall have sixty
24 (60) days from the date of receiving the request to provide the

1 information. Provided further, if the carrier requires the employer
2 to submit any changes to the benefit plan prior to the anniversary
3 or annual renewal date, the carrier shall provide the information
4 not later than sixty (60) days before the date the employer is
5 required to submit any changes.

6 E. An employer carrier shall not report any information
7 required under this section if the release of such information is
8 prohibited by federal law or regulation.

9 F. Claim information provided by an employer carrier under this
10 section shall be provided in the aggregate, without information
11 through which a specific individual covered by the health insurance
12 or evidence or coverage may be identified. Claim information shall
13 include the total claims made, the total claims paid, the total plan
14 charges and the head count by coverage.

15 G. 1. If an employer carrier fails to provide the information
16 in the time required by subsection D of this section, the Insurance
17 Commissioner may, after notice and hearing, subject an insurer to a
18 civil penalty of One Hundred Dollars (\$100.00) for each day that the
19 information is delinquent.

20 2. If an employer carrier has a risk-bearing contract with a
21 medical group, independent practice association (IPA), or management
22 services organization (MSO) that stipulates the delegation of claims
23 payment, and the carrier satisfies the Insurance Commissioner that
24 the medical group, IPA, or MSO has failed to provide the information

1 to the employer carrier in a sufficient time for the carrier to
2 comply with subsection D of this section, the Commissioner may waive
3 the penalty provided for in paragraph 1 of this subsection.

4 3. The civil penalty may be enforced in the same manner in
5 which civil judgments may be enforced, as provided in Section 312A
6 of ~~Title 36 of the Oklahoma Statutes~~ this title. Such penalties
7 shall be placed in the State Insurance Commissioner Revolving Fund.
8 Any person aggrieved by the determination of the Insurance
9 Commissioner may seek judicial review pursuant to Section 320 of
10 ~~Title 36 of the Oklahoma Statutes~~ this title.

11 H. The Insurance Commissioner shall promulgate rules for the
12 implementation and administration of this section.

13 I. As used in this section, "employer carrier" means any entity
14 which provides health insurance in this state. For the purposes of
15 this section, employer carrier includes a licensed insurance
16 company, not-for-profit hospital service or medical indemnity
17 corporation, a fraternal benefit society, a health maintenance
18 organization, a multiple employer welfare arrangement or any other
19 entity providing a plan of health insurance or health benefits
20 subject to state insurance regulation.

21 SECTION 2. This act shall become effective November 1, 2017.
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1 Passed the House of Representatives the 6th day of March, 2017.

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4 Presiding Officer of the House
of Representatives

5 Passed the Senate the ____ day of _____, 2017.

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8 Presiding Officer of the Senate