

1 STATE OF OKLAHOMA

2 2nd Session of the 57th Legislature (2020)

3 COMMITTEE SUBSTITUTE

4 FOR

HOUSE BILL NO. 3290

By: Taylor

8 COMMITTEE SUBSTITUTE

9 An Act relating to insurance; creating the Oklahoma  
10 Right to Shop Act; defining terms; authorizing  
insurance carriers to create certain program;  
11 establishing requirements of program; providing for  
calculation of incentives; requiring filing with  
12 Insurance Department; directing the Insurance  
Department to promulgate rules; requiring the  
13 Insurance Department to conduct yearly analysis;  
providing for codification; and providing an  
14 effective date.

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

19 SECTION 1. NEW LAW A new section of law to be codified  
20 in the Oklahoma Statutes as Section 6060.40 of Title 36, unless  
21 there is created a duplication in numbering, reads as follows:

22 This act shall be known and may be cited as the "Oklahoma Right  
23 to Shop Act".

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 6060.41 of Title 36, unless there is created a duplication in numbering, reads as follows:

As used in the Oklahoma Right to Shop Act:

1. "Allowed amount" means the contractually agreed-upon amount paid by a carrier to a health care entity participating in the carrier's network;

2. "Average" means mean, median or mode;

3. "Comparable health care service" means any covered nonemergency health care service or bundle of services. The Insurance Commissioner may limit what is considered a comparable health care service if an insurance carrier can demonstrate allowed amount variation among network providers is less than Fifty Dollars (\$50.00);

4. "Insurance carrier" or "carrier" means an insurance company that issues policies of accident and health insurance and is licensed to sell insurance in this state;

5. "Shared savings incentive" means a voluntary and optional financial incentive that an insurance carrier may provide to an enrollee for choosing certain health care services under a shared savings incentive program; and

6. "Shared savings incentive program" means a voluntary and optional incentive program established by an insurance carrier pursuant to this act.

1       SECTION 3.       NEW LAW       A new section of law to be codified  
2 in the Oklahoma Statutes as Section 6060.42 of Title 36, unless  
3 there is created a duplication in numbering, reads as follows:

4       A. An insurance carrier may offer a shared savings incentive  
5 program to provide incentives to an enrollee when the enrollee  
6 obtains a comparable health care service.

7       B. Incentives may be calculated as a percentage of the  
8 difference in allowed amounts to the average, as a flat dollar  
9 amount, or by some other reasonable methodology approved by the  
10 Insurance Department. The carrier shall provide the incentive as a  
11 cash payment to the enrollee or credit toward the enrollee's annual  
12 in-network deductible and out-of-pocket limit. Carriers may let  
13 enrollees decide which method the enrollee prefers to receive the  
14 incentive.

15       C. A carrier that offers a shared savings incentive program  
16 shall:

17       1. Establish the program as a component part of the policy or  
18 certificate of insurance provided by the insurance carrier and  
19 notify the enrollees and the Insurance Department at least thirty  
20 (30) days before program termination;

21       2. File a description of the program on a form prescribed by  
22 the Insurance Commissioner. The Insurance Department shall review  
23 the filing and determine whether the program complies with this  
24 section;

1        3. Notify the enrollee annually and at the time of renewal, of  
2 the availability of the shared savings incentive program and the  
3 procedure to participate in the program;

4        4. Publish on the carrier's website, easily accessible to  
5 enrollees and applicants for insurance, a list of comparable health  
6 care services and health care providers and the shared savings  
7 incentive amount applicable for each service. A shared savings  
8 incentive shall not be less than twenty-five percent (25%) of the  
9 savings generated by the enrollee's participation in any shared  
10 savings incentive program offered by the insurance carrier. The  
11 baseline for the savings calculation shall be the average in-network  
12 amount paid for that service in the most recent twelve-month period  
13 or some other methodology established by the insurance carrier and  
14 approved by the Insurance Department;

15        5. At least quarterly, credit, deposit or make a cash payment  
16 to an enrollee of the shared savings incentive amount pursuant to  
17 participation in the shared savings incentive program; and

18        6. Submit an annual report to the Insurance Department within  
19 ninety (90) days after the close of each plan year. At a minimum,  
20 the report shall include the following information:

- 21            a. the number of enrollees who participated in the  
22                    program during the plan year and the number of  
23                    instances of participation,

1           b.    the total cost of services provided as a part of the  
2                    program, and

3           c.    the total value of the shared savings incentive  
4                    payments made to enrollees participating in the  
5                    program and the values distributed as cash or credit  
6                    toward an enrollee's annual in-network deductible and  
7                    out-of-pocket limit.

8           D.    An enrollee shall not be required to participate in a shared  
9 savings incentive program.

10          SECTION 4.       NEW LAW       A new section of law to be codified  
11 in the Oklahoma Statutes as Section 6060.43 of Title 36, unless  
12 there is created a duplication in numbering, reads as follows:

13          The Insurance Department shall promulgate necessary rules for  
14 the implementation of the Oklahoma Right to Shop Act.

15          SECTION 5.       NEW LAW       A new section of law to be codified  
16 in the Oklahoma Statutes as Section 6060.44 of Title 36, unless  
17 there is created a duplication in numbering, reads as follows:

18          The Insurance Department shall conduct an analysis no later than  
19 November 1, 2021, of the cost-effectiveness of implementing an  
20 incentive-based program for current enrollees. Any program found to  
21 be cost-effective shall be implemented as part of the next open  
22 enrollment. The Department shall communicate the rationale for its  
23 decision to relevant legislative committees in writing.

SECTION 6. This act shall become effective November 1, 2020.

57-2-11460 SH 02/26/20