

1 ENGROSSED HOUSE
2 BILL NO. 1157

By: Worthen, Marti and Roberts
(Sean) of the House

3 and

4 Montgomery and Bullard of
5 the Senate

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8 An Act relating to insurance; defining terms;
9 prohibiting certain restrictions on method of payment
10 to health care providers; requiring certain
11 notification; prohibiting certain additional charges;
12 prohibiting certain contracts, clauses or waivers;
13 providing for enforcement by the Insurance
14 Commissioner; providing for codification; and
15 providing an effective date.

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

17 SECTION 1. NEW LAW A new section of law to be codified
18 in the Oklahoma Statutes as Section 1219.6 of Title 36, unless there
19 is created a duplication in numbering, reads as follows:

20 A. As used in this section:

21 1. "Health maintenance organization" means an entity that is
22 organized for the purpose of providing or arranging health care,
23 which has been granted a certificate of authority by the Insurance
24 Commissioner as a health maintenance organization pursuant to the
Health Maintenance Organization Act of 2003;

1 2. "Credit card payment" means a type of electronic funds
2 transfer in which a health insurance plan or health insurer or its
3 contracted vendor issues a single-use series of numbers associated
4 with the payment of health care services performed by a health care
5 provider and chargeable to a predetermined dollar amount, whereby
6 the health care provider is responsible for processing the payment
7 by a credit card terminal or Internet portal. Such term shall
8 include virtual or online credit card payments, whereby no physical
9 credit card is presented to the health care provider and the single-
10 use credit card expires upon payment processing;

11 3. "Electronic funds transfer payment" means a payment by any
12 method of electronic funds transfer other than the Health Insurance
13 Portability and Accountability Act of 1996, P.L. 104-191, Automated
14 Clearing House Network (ACH);

15 4. "Health care provider" means any physician, dentist,
16 pharmacist, optometrist, psychologist, registered optician, licensed
17 professional counselor, physical therapist, chiropractor, hospital
18 or other entity or person that is licensed or otherwise authorized
19 in this state to furnish health care services;

20 5. "Health care services" means the examination or treatment of
21 persons for the prevention of illness or the correction or treatment
22 of any physical or mental condition resulting from illness, injury
23 or other human physical problem and includes, but is not limited to:

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- a. hospital services which include the general and usual services and care, supplies and equipment furnished by hospitals,
- b. medical services which include the general and usual services and care rendered and administered by doctors of medicine, doctors of dental surgery and doctors of podiatry, and
- c. other health care services which include appliances and supplies; nursing care by a registered nurse or a licensed practical nurse; care furnished by such other licensed practitioners; institutional services including the general and usual care, services, supplies and equipment furnished by health care institutions and agencies or entities other than hospitals; physiotherapy; ambulance services; drugs and medications; therapeutic services and equipment including oxygen and the rental of oxygen equipment; hospital beds; iron lungs; orthopedic services and appliances including wheelchairs, trusses, braces, crutches and prosthetic devices including artificial limbs and eyes; and any other appliance, supply or service related to health care;

6. "Health insurance plan" means any hospital or medical insurance policy or certificate; health insurance policy or

1 contract; qualified higher deductible health plan; health
2 maintenance organization subscriber contract; contract providing
3 benefits for dental care whether such contract is pursuant to a
4 medical insurance policy or certificate; stand-alone dental plan,
5 health maintenance provider contract, managed health care plan,
6 self-insured plan or otherwise; or any health insurance policy
7 established pursuant to this title; and

8 7. "Health insurer" means any entity or person engaged as an
9 indemnitor, surety or contractor that issues insurance, annuity or
10 endowment contracts, subscriber certificates or other contracts of
11 issuance by whatever name called.

12 B. Any health insurance plan issued, amended or renewed on or
13 after January 1, 2020, between a health insurer or its contracted
14 vendor or a health maintenance organization and a health care
15 provider for the provision of health care services to a plan
16 enrollee shall not contain restrictions on methods of payment from
17 the health insurer or its vendor or the health maintenance
18 organization to the health care provider in which the only
19 acceptable payment method is a credit card payment.

20 C. If initiating or changing payments to a health care provider
21 using electronic funds transfer payments, including virtual credit
22 card payments, a health insurance plan, health insurer or its
23 contracted vendor or health maintenance organization shall:
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1 1. Notify the health care provider if any fees are associated
2 with a particular payment method; and

3 2. Advise the provider of the available methods of payment and
4 provide clear instructions to the health care provider as to how to
5 select an alternative payment method.

6 D. A health insurer that initiates or changes payment to a
7 health care provider using the Health Insurance Portability and
8 Accountability Act of 1996, P.L. 104-191, standard automated
9 clearinghouse network may not apply any additional charge to the
10 payment other than a charge imposed by the health care provider's
11 bank.

12 E. The provisions of this section shall not be waived by
13 contract, and any contractual clause in conflict with the provisions
14 of this section or that purport to waive any requirements of this
15 section are void.

16 F. Violations of this section shall be subject to enforcement
17 by the Insurance Commissioner.

18 SECTION 2. This act shall become effective November 1, 2019.
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1 Passed the House of Representatives the 11th day of March, 2019.

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4 Presiding Officer of the House
of Representatives

5 Passed the Senate the ____ day of _____, 2019.

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8 Presiding Officer of the Senate