

1 ENGROSSED HOUSE
2 BILL NO. 3290

By: Taylor of the House

3 and

4 McCortney of the Senate
5

6 An Act relating to insurance; creating the Oklahoma
7 Right to Shop Act; defining terms; authorizing
8 insurance carriers to create certain program;
9 establishing requirements of program; providing for
10 calculation of incentives; requiring filing with
11 Insurance Department; directing the Insurance
12 Department to promulgate rules; requiring the
13 Insurance Department to conduct yearly analysis;
14 providing for codification; and providing an
15 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 6060.40 of Title 36, unless
19 there is created a duplication in numbering, reads as follows:

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

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

As used in the Oklahoma Right to Shop Act:

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

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

5 3. "Comparable health care service" means any covered
6 nonemergency health care service or bundle of services. The
7 Insurance Commissioner may limit what is considered a comparable
8 health care service if an insurance carrier can demonstrate allowed
9 amount variation among network providers is less than Fifty Dollars
10 (\$50.00);

11 4. "Health benefit plan" means any plan as defined in
12 subsection C of Section 6060.4 of Title 36 of the Oklahoma Statutes;

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

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

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

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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 health benefit plan year.
20 At a minimum, the report shall include the following information:

- 21 a. the number of enrollees who participated in the
22 program during the health benefit plan year and the
23 number of 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.

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

1 Passed the House of Representatives the 9th day of March, 2020.

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3 _____
4 Presiding Officer of the House
of Representatives

5 Passed the Senate the ____ day of _____, 2020.

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9 Presiding Officer of the Senate