HOUSE OF REPRESENTATIVES - FLOOR VERSION

STATE OF OKLAHOMA

1st Session of the 57th Legislature (2019)

HOUSE BILL 1157 By: Worthen and **Marti**

AS INTRODUCED

An Act relating to insurance; defining terms; prohibiting certain restrictions on method of payment to health care providers; requiring certain notification; prohibiting certain contracts, clauses or waivers; providing for enforcement by the Insurance Commissioner; providing for codification; and providing an effective date.

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

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

A. As used in this section:

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

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

3. "Electronic funds transfer" means an electronic funds transfer through the federal Health Insurance Portability and Accountability Act of 1996, P.L. 104-191, Automated Clearing House Network (ACH);

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

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

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

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

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

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

C. If initiating or changing payments to a health care provider using electronic funds transfer payments, including virtual credit card payments, a health insurance plan, health insurer or its contracted vendor or health maintenance organization shall:

1. Notify the health care provider if any fees are associated with a particular payment method; and

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

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

E. Violations of this section shall be subject to enforcement by the Insurance Commissioner.

SECTION 2. This act shall become effective November 1, 2019.

COMMITTEE REPORT BY: COMMITTEE ON INSURANCE, dated 02/13/2019 - DO PASS, As Coauthored.