

Bill Summary
2nd Session of the 57th Legislature

Bill No.:	SB 1908
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Author:	Sen. Paxton
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Bill Analysis

SB 1908 creates the Oklahoma Small Hospital Survival Act. The measure requires every contract between a small hospital, defined as having less than 100 beds or having an average daily census of 50 patients or less, and an insurer to provide a minimum reimbursement rate equal to 150% of the Medicare rate or 100% of the prevailing market rate. If the market rate is disputed, the rate shall be equal to 165% of the Medicare rate. Payment for services rendered by a small hospital may not be denied for any reason and any insurer shall provide a reasonable contract to small hospitals. Such contracts are to be classified as open records and posted on the website of the Insurance Commissioner. The Commissioner is directed to analyze and publish the contracts.

The measure caps the length of a contract with small hospitals to 25 pages and dictates the font size to be at 12 point. No payment document attachment may exceed 10 pages. No health insurer with 1,000 subscribers or more or with 3,000 beneficiaries or more may deny a small hospital the right to participate in its network. Healthcare contracts may include health benefit plans or coverage options for enrollees with different cost-sharing structures, provided the reimbursement rates remain the same for each plan or coverage option. Amendments to contracts must be provided to a small hospital 90 days before the amendment takes effect. Any violation of the contracting provisions outlined in the measure shall be deemed an unfair trade practice and shall be deemed void. The Insurance Commissioner is directed to enforce the provisions of this measure.

Prepared by: Kalen Taylor