

<DateSubmitted>

HOUSE OF REPRESENTATIVES  
CONFERENCE COMMITTEE REPORT

Mr. President:  
Mr. Speaker:

The Conference Committee, to which was referred

**HB2809**

By: Sneed of the House and Quinn of the Senate

Title: Insurance; mortgage on real estate; modifying percentages of company's admitted assets that may be invested in certain mortgage loans, money mortgages and real property; emergency.

Together with Engrossed Senate Amendments thereto, beg leave to report that we have had the same under consideration and herewith return the same with the following recommendations:

1. That the Senate recede from its amendment; and
2. That the attached Conference Committee Substitute be adopted.

Respectfully submitted,

House Action \_\_\_\_\_ Date \_\_\_\_\_ Senate Action \_\_\_\_\_ Date \_\_\_\_\_

**SENATE CONFEREES**

Quinn	_____
Montgomery	_____
Newhouse	_____
Taylor	_____
Brooks	_____
Matthews	_____

House Action \_\_\_\_\_ Date \_\_\_\_\_ Senate Action \_\_\_\_\_ Date \_\_\_\_\_

STATE OF OKLAHOMA

1st Session of the 58th Legislature (2021)

CONFERENCE COMMITTEE  
SUBSTITUTE  
FOR ENGROSSED  
HOUSE BILL NO. 2809

By: Sneed of the House

and

Quinn of the Senate

CONFERENCE COMMITTEE SUBSTITUTE

An Act relating to insurance; creating the Oklahoma Right to Shop Act; defining terms; requiring insurance carriers to offer certain program; establishing requirements of program; providing for calculation and method of distribution of incentives; requiring insurer to provide certain notification and filings; requiring insurer to publish certain information on website; providing methodology for calculating minimum required savings incentive; requiring insurer to make certain credit, deposit or payment; requiring certain report within specified time period; stating contents of report; specifying participation in program is optional; allowing enrollee to utilize program with certain providers; directing the Insurance Department to promulgate rules; requiring Office of Management and Enterprise Services to conduct analysis; requiring certain program be implemented; requiring Office to provide certain rationale to Legislature; providing for codification; and declaring an emergency.

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

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

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

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

9       As used in the Oklahoma Right to Shop Act:

10       1. "Allowed amount" means the contractually agreed-upon amount  
11 paid by an insurance carrier to a health care entity participating  
12 in the network of the carrier;

13       2. "Comparable health care service" means any covered  
14 nonemergency health care service or bundle of services. The  
15 Insurance Commissioner may limit what is considered a comparable  
16 health care service if an insurance carrier can demonstrate allowed  
17 amount variation among network providers is less than Fifty Dollars  
18 (\$50.00);

19       3. "Health benefit plan" means any plan as defined in  
20 subsection C of Section 6060.4 of Title 36 of the Oklahoma Statutes;

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

24

1        5. "Shared savings incentive" means a financial incentive that  
2 an insurance carrier shall provide to an enrollee for choosing  
3 certain health care services under a shared savings incentive  
4 program; and

5        6. "Shared savings incentive program" means an incentive  
6 program established by an insurance carrier pursuant to the Oklahoma  
7 Right to Shop Act.

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

11        A. An insurance carrier shall offer a shared savings incentive  
12 program to provide financial incentives to an enrollee when the  
13 enrollee obtains a comparable health care service that is covered by  
14 the carrier from a health care provider that charges less than the  
15 average allowed amount paid by that carrier to network providers for  
16 that comparable health care service.

17        B. Financial incentives may be calculated as a percentage of  
18 the difference in allowed amounts to the average, as a flat dollar  
19 amount, or by any other reasonable methodology approved by the  
20 Insurance Department. The carrier shall provide the financial  
21 incentive as a cash payment to the enrollee or credit toward the  
22 annual in-network deductible and out-of-pocket limit of the  
23 enrollee. Carriers may allow an enrollee to select which method he  
24 or she prefers to receive the incentive.

1 C. An insurance carrier that offers a shared savings incentive  
2 program shall:

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

7 2. File a description of the program with the Insurance  
8 Department on a form prescribed by the Insurance Commissioner. The  
9 Insurance Department shall review the filing and determine whether  
10 the program complies with the provisions of this section;

11 3. Notify an enrollee, annually or at the time of renewal, of  
12 the availability of the shared savings incentive program and the  
13 procedures to participate in the program;

14 4. Publish on the website of the insurance carrier, easily  
15 accessible to enrollees and applicants for insurance, a list of  
16 comparable health care services and health care providers and the  
17 shared savings incentive amount applicable for each service. A  
18 shared savings incentive shall not be less than twenty-five percent  
19 (25%) of the savings generated by the participation of the enrollee  
20 in any shared savings incentive program offered by the insurance  
21 carrier. The baseline for the savings calculation shall be the  
22 average in-network amount paid for that service in the most recent  
23 twelve-month period or any other methodology established by the  
24 insurance carrier and approved by the Insurance Department;

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

4        6. Submit an annual report to the Insurance Department within  
5 ninety (90) days after the close of each health benefit plan year.

6 At a minimum, the report shall include the following information:

7            a. the number of enrollees who participated in the  
8                program during the health benefit plan year and the  
9                number of instances of participation,

10          b. the total cost of services provided as a part of the  
11                program, and

12          c. the total value of the shared savings incentive  
13                payments made to enrollees participating in the  
14                program and the values distributed as cash or credit  
15                toward the annual in-network deductible and out-of-  
16                pocket limit of an enrollee.

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

19        E. An enrollee of a health benefit plan that provides out-of-  
20 network benefits may utilize the shared savings incentive program  
21 with an out-of-network provider so long as the out-of-network  
22 provider charges less than the average allowed amount and forgoes  
23 billing the enrollee in an amount greater than their applicable in-  
24 network cost-sharing amount. The carrier's coinsurance obligation

1 shall be paid directly to the provider, shall be based on the amount  
2 charged so long as it is less than the average allowed amount, and  
3 the enrollee's cost-sharing amount shall be based on their in-  
4 network health benefit plan.

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

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

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

13 The Office of Management and Enterprise Services shall conduct  
14 an analysis no later than November 1, 2022, of the cost-  
15 effectiveness of implementing a shared savings incentive program, as  
16 defined in paragraph 6 of Section 2 of this act, for current  
17 enrollees of the Oklahoma Employees Insurance Plan created pursuant  
18 to the Oklahoma State Employees Benefit Act. If a program is found  
19 to be cost-effective, it shall be implemented as part of the next  
20 open enrollment. The Office shall communicate the rationale for its  
21 decision to the President Pro Tempore of the Senate, the Speaker of  
22 the House of Representatives, and the chairs of the relevant  
23 legislative committees in writing.



SECTION 6. It being immediately necessary for the preservation  
of the public peace, health or safety, an emergency is hereby  
declared to exist, by reason whereof this act shall take effect and  
be in full force from and after its passage and approval.

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