

STATE OF OKLAHOMA

2nd Session of the 60th Legislature (2026)

SENATE BILL 1553

By: Rosino

AS INTRODUCED

An Act relating to the state Medicaid program; amending 56 O.S. 2021, Section 4002.8, as last amended by Section 3, Chapter 372, O.S.L. 2025 (56 O.S. Supp. 2025, Section 4002.8), which relates to review and appeal of adverse determinations; specifying qualifications for psychologist reviewing appeal; providing for recovery of certain costs; updating statutory language; and providing an effective date.

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

SECTION 1. AMENDATORY 56 O.S. 2021, Section 4002.8, as last amended by Section 3, Chapter 372, O.S.L. 2025 (56 O.S. Supp. 2025, Section 4002.8), is amended to read as follows:

Section 4002.8. A. A contracted entity shall utilize uniform procedures established by the Oklahoma Health Care Authority under subsection B of this section for the review and appeal of any adverse determination by the contracted entity sought by any member or provider adversely affected by such determination.

1 B. The Authority shall develop procedures for members or  
2 providers to seek review by the contracted entity of any adverse  
3 determination made by the contracted entity.

4 C. A provider shall have six (6) months from the receipt of a  
5 claim denial to file an appeal.

6 D. A contracted entity shall ensure that all appeals of adverse  
7 determinations made by the contracted entity are reviewed by a  
8 licensed physician or, if appropriate for the requested service, a  
9 licensed psychologist or mental health professional. The contracted  
10 entity shall not use any automated claim review software or other  
11 automated functionality for such appeals.

12 E. The physician, psychologist, or other mental health  
13 professional who reviews the appeal shall:

14 1. Possess a current and valid unrestricted license in any  
15 United States jurisdiction;

16 2. Be of the same or similar specialty as a physician,  
17 psychologist, or other mental health professional who typically  
18 manages the medical condition or disease. This requirement shall be  
19 considered met:

20 a. for a physician, if:

21 (1) the physician maintains board certification for  
22 the same or similar specialty as the medical  
23 condition in question, or

24 (2) the physician's training and experience:

- (a) includes treatment of the condition,
- (b) includes treatment of complications that may result from the service or procedure, and
- (c) is sufficient for the physician to determine if the service or procedure is medically necessary or clinically appropriate, ~~or~~

b. for a psychologist, if:

- (1) the psychologist is currently licensed in accordance with the Psychologists Licensing Act,
- (2) the psychologist has training and experience in the testing for and treatment of the condition,  
and
- (3) the psychologist's training and experience is sufficient to determine if the service is medically necessary or clinically appropriate, or

c. for a mental health professional other than a psychologist, if the mental health professional's training and experience:

- (1) includes treatment of the condition, and
- (2) is sufficient for the mental health professional to determine if the service is medically necessary or clinically appropriate;

3. Not have been directly involved in making the adverse determination;

1 4. Not have any financial interest in the outcome of the  
2 appeal; and

3 5. Consider all known clinical aspects of the health care  
4 service under review including, but not limited to, a review of any  
5 medical records pertinent to the active condition that are provided  
6 to the contracted entity by the member's provider, or a health care  
7 facility, and any pertinent medical literature provided to the  
8 contracted entity by the provider.

9 F. 1. Upon receipt of notice from the contracted entity that  
10 the adverse determination has been upheld on appeal, the member or  
11 provider may request a fair hearing from the Authority. The  
12 Authority shall develop procedures for fair hearings in accordance  
13 with 42 C.F.R., Part 431.

14 2. Such procedures shall provide for the recovery of costs by a  
15 psychologist or other mental health provider from the contracted  
16 entity for time and expenses related to the appeal if the adverse  
17 determination of the contracted entity is reversed through the fair  
18 hearing. The procedures for calculation of such costs shall take  
19 into account the time spent by the psychologist or other mental  
20 health provider on the administration of the appeal that would have  
21 otherwise been spent providing services to patients.

22 SECTION 2. This act shall become effective November 1, 2026.  
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