STATE OF OKLAHOMA

2nd Session of the 60th Legislature (2026)

SENATE BILL 1626 By: Frix

AS INTRODUCED

An Act relating to health insurance; defining terms; prohibiting certain contracts that include certain provisions; establishing violations that constitute an unfair or deceptive act; allowing for certain party to submit certain waiver to the Insurance Commissioner; creating certain waiver; requiring Commissioner to approve or deny certain waiver within certain time period; establishing certain requirements to approve certain waiver; establishing certain contracts as null and void; allowing the Attorney General to subpoena certain records; allowing the Attorney General to institute certain proceedings; subjecting certain records and papers to inspection by the Commissioner; allowing Commissioner to require certain health insurance carrier to produce certain list; allowing Commissioner to impose certain administrative penalty; allowing Commissioner to deny sale of certain health insurance plan; allowing Commissioner to refer certain contract to the Attorney General; prohibiting certain changes to privacy protections and standards; prohibiting certain limitation of network; authorizing Commissioner to promulgate rules and regulations; 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 366 of Title 36, unless there is created a duplication in numbering, reads as follows:

A. As used in this section:

1. "All-or-nothing clause" means a provision of a health care contract that requires the health insurance carrier or health plan administrator to include all members of a health care provider in a network plan or requires the health insurance carrier or health plan administrator to enter into any additional contract with an affiliate of the health care provider as a condition of entering into a contract with such health care provider;

2. "Anti-steering clause" means a provision of a health care contract that restricts the ability of the health insurance carrier or health plan administrator to encourage an enrollee to obtain a health care service from a competitor of the hospital or health system, or the ability to offer incentives to encourage enrollees to utilize specific health care providers;

3. "Anti-tiering clause" means a provision in a health care contract that restricts the ability of the health insurance carrier or health plan administrator to introduce or modify a tiered network plan or assign health care providers into tiers or requires the health insurance carrier or health plan administrator to place all members of a health care provider in the same tier of a tiered network;

4. "Enrollee" means an individual who is entitled to receive health care services under the terms of a health benefit plan;

5. "Gag clause" means a provision of a health care contract that restricts the ability of either the health insurance carrier, health plan administrator, or provider to disclose:

a. any price or quality information, including the allowed amount, negotiated rates or discounts, any fees for services, or any other claim-related financial obligations included in the provider contract, to a governmental entity as authorized by law or its contractors or agents, any enrollee, treating provider, plan sponsor, or potential eligible enrollee and plan sponsor, or

b. out-of-pocket costs to an enrollee;

6. "Health benefit plan" means the same as defined in Section 6060.4 of Title 36 of the Oklahoma Statutes;

7. "Health care contract" means a contract, agreement, or understanding, entered into, amended, restated, or renewed either orally or in writing between a health care provider and a health insurance carrier, health plan administrator, plan sponsor, or its contractors or agents for the delivery of health care services to an enrollee of a health benefit plan;

8. "Health care provider" means an entity, corporation, organization, parent corporation, member, affiliate, subsidiary, or entity under common ownership, whether for-profit or nonprofit, that is or whose members are licensed or otherwise authorized by this

state to furnish, bill, or receive payment for health care service delivery in the normal course of business, and includes health systems, hospitals, hospital-based facilities, freestanding emergency facilities, imaging centers, large physician groups with eight or more physicians, physician staffing organizations, and urgent care clinics;

9. "Health insurance carrier" means the same as defined in Section 6592 of Title 36 of the Oklahoma Statutes;

10. "Health plan administrator" means a third-party administrator who acts on behalf of a plan sponsor to administer a health benefit plan;

11. "Most-favored-nations clause" means a provision of a health care contract that:

a. prohibits or grants a health insurance carrier or health plan administrator an option to prohibit a participating health care provider from contracting with another contracting entity to provide health care services at the same or a lower price than the payment specified in the health care contract,

b. requires or grants a health insurance carrier or health plan administrator an option to require a participating health care provider to accept a lower payment in the event the participating health care

provider agrees to provide health care services to another contracting entity at a lower price,

c. requires or grants a health insurance carrier or health plan administrator an option to require termination or renegotiation of an existing health care contract if a participating health care provider agrees to provide health care services to another contracting entity at the same or a lower price, or

d. restricts other health insurance carriers or health plan administrators not party to the contract from paying the same or lower rates for items or services than the contracting health insurance carrier or health plan administrator pays for such items or services;

12. "Network plan" means a health benefit plan that either requires enrollees to use, or creates incentives for enrollees to use, certain health care providers managed, owned, affiliated, under contract with, or employed by a health insurance carrier, a health plan administrator, or plan sponsor. Network plans include health maintenance organization (HMO) plans, preferred provider organization (PPO) plans, and exclusive provider organization (EPO) plans; and

13. "Tiered network plan" means a health benefit plan that sorts health care providers into specific groups to which different

provider reimbursement, enrollee cost sharing, or provider access requirements are applied for the same services.

B. Except as provided in this subsection, no health insurance carrier, health care provider, health plan administrator, or any agent or other entity that contracts on behalf of a health insurance carrier, a health care provider, or a health plan administrator shall offer, solicit, request, amend, renew, or enter into a health care contract that would include any of the following provisions:

1. An all-or-nothing clause;

2. An anti-steering clause;

3. An anti-tiering clause;

4. A gag clause;

5. A most-favored-nations clause; or

6. Any other clause that results or intends to result in anticompetitive effects as specified through regulation by the Insurance Commissioner.

C. Except as provided in subsection D of this section, a violation of this section constitutes an unfair or deceptive act under Section 1204 of Title 36 of the Oklahoma Statutes and shall be subject to enforcement by the Attorney General.

D. 1. A party to a health care contract that contains a provision specified in subsection B of this section may submit the health care contract to the Commissioner for a waiver. The health care contract shall be accompanied by:

a. the name and business address of each party to the health care contract,

b. any identification of each location at which any party to the agreement or policy provides health care services, and

c. any information required to demonstrate that the proposed agreement or policy results in an improvement in the welfare of consumers in this state that could not have been accomplished through alternative means that are less restrictive.

2. The Commissioner shall approve or deny any waiver application in writing within sixty (60) days. The Commissioner may approve a waiver to allow a contract to include a provision pursuant to subsection B of this section if the Commissioner determines that:

a. the agreement or policy results in an improvement in the welfare of consumers in this state such that the competitive benefit of including the provision outweighs the harm to competition,

b. such improvement in the welfare could not have been accomplished through alternative means that are less restrictive, and

c. the agreement or policy shall not otherwise constitute a contract, combination, or conspiracy in restraint of trade.

3. Except for contracts granted a waiver under this subsection, any provision of a health care contract described in subsection B of this section shall be unenforceable.

E. The Attorney General may subpoena any records necessary to enforce any provisions of this section or to investigate suspected violations of any provisions of this section. The Attorney General may institute proceedings on behalf of this state or as parens patriae of the persons residing in this state for injunctive relief to prevent and restrain a violation of any provision of this section, civil penalties for violations of the provisions of subsection D of this section, criminal penalties for violations of the provisions of subsection D of this section, and other equitable relief for violations of the provisions of this section including, without limitation, disgorgement or restitution.

F. 1. All records and papers of health insurance carriers pertaining to health benefit plans or negotiations between the health insurance carrier and any health care provider shall be subject to inspection by the Commissioner or by any agent he or she may designate for that purpose. The Commissioner may require any health insurance carrier to produce a list of all health care contracts, transactions, or pricing agreements entered into within the preceding twelve (12) months.

2. Except for contracts granted a waiver under subsection D of this section, the Commissioner may impose an administrative penalty

of up to Five Thousand Dollars ($5,000.00) upon a health insurance carrier per day for each day that a contract that has been deemed unenforceable pursuant to subsection D of this section is in effect.

3. The Commissioner may deny the sale of any health insurance plan where the contract between the health insurance carrier and any health care provider is in violation of subsection D of this section.

4. The Commissioner may refer any health care contract subject to this section to the Attorney General to review for compliance with this section. The referral of any health care contract by the Commissioner to the Attorney General shall not constitute a violation any confidentiality agreement between the health insurance carrier and the Commissioner that may exist under Title 36 of the Oklahoma Statutes. The authority of the Attorney General to prosecute violations of antitrust or consumer protection requirements shall not be altered by this section.

G. Any party that suffers a loss as a result of the violation of this section shall be entitled to initiate an action and seek all remedies, damages, costs, and fees.

H. Nothing in this section shall be construed to limit network design, cost, or quality initiatives by a group health plan, health insurance carrier, or administrators working on behalf of a plan sponsor, including accountable care organizations, exclusive provider organizations, networks that tier providers by cost or

quality or steer enrollees to centers of excellence, or other pay-for-performance programs.

I. The Commissioner may promulgate rules and regulations necessary for the provisions of this section.

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

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