

STATE OF OKLAHOMA

2nd Session of the 60th Legislature (2026)

SENATE BILL 1967

By: Mann

AS INTRODUCED

An Act relating to the Hospital and Medical Services Utilization Review Act; amending 36 O.S. 2021, Section 6552, which relates to definitions; defining terms; requiring certain utilization review organization or insurer that uses certain artificial intelligence tool to adhere to certain requirements; prohibiting certain tool to deny, delay, or modify certain services; requiring certain determinations to be made by certain licensed professional; requiring certain health benefit plan to notify certain enrollees about use of certain tools; requiring health benefit plan to submit certain tools to the Insurance Commissioner; requiring Commissioner to implement certain processes; requiring certain clinical peer reviewer to document certain utilization review; providing for certain fines and fees; requiring 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. AMENDATORY 36 O.S. 2021, Section 6552, is amended to read as follows:

Section 6552. As used in the Hospital and Medical Services Utilization Review Act:

1       1. ~~"Utilization review" means a system for prospectively,~~  
2 ~~concurrently and retrospectively reviewing the appropriate and~~  
3 ~~efficient allocation of hospital resources and medical services~~  
4 ~~given or proposed to be given to a patient or group of patients. It~~  
5 ~~does not include an insurer's normal claim review process to~~  
6 ~~determine compliance with the specific terms and conditions of the~~  
7 ~~insurance policy~~

8       "Artificial intelligence" means a computer system, program, or  
9 set of algorithms capable of performing tasks on producing outposts  
10 that imitate intelligent human behaviors;

11       2. ~~"Private review agent" means a person or entity who performs~~  
12 ~~utilization review on behalf of:~~

13           a. ~~an employer in this state, or~~

14           b. ~~a third party that provides or administers hospital~~  
15 ~~and medical benefits to citizens of this state,~~  
16 ~~including, but not limited to:~~

17           (1) ~~a health maintenance organization issued a~~  
18 ~~license pursuant to Section 2501 et seq. of Title~~  
19 ~~63 of the Oklahoma Statutes, unless the health~~  
20 ~~maintenance organization is federally regulated~~  
21 ~~and licensed and has on file with the Insurance~~  
22 ~~Commissioner a plan of utilization review carried~~  
23 ~~out by health care professionals and providing~~

~~for complaint and appellate procedures for  
claims, or~~

~~(2) a health insurer, not-for-profit hospital service  
or medical plan, health insurance service  
organization, or preferred provider organization  
or other entity offering health insurance  
policies, contracts or benefits in this state~~

"Artificial intelligence tool" means a tool that uses an  
artificial intelligence or algorithm for the purpose of utilization  
review based in whole or in part on medical necessity;

~~3. "Utilization review plan" means a description of utilization  
review procedures;~~

~~4. "Commissioner" means the Insurance Commissioner;~~

~~5.~~ 4. "Certificate" means a certificate of registration granted  
by the Insurance Commissioner to a private review agent; ~~and~~

~~6.~~ 5. "Health care provider" means any person, firm,  
corporation or other legal entity that is licensed, certified, or  
otherwise authorized by the laws of this state to provide health  
care services, procedures or supplies in the ordinary course of  
business or practice of a profession;

6. "Private review agent" means a person or entity that  
performs utilization review on behalf of:

a. an employer in this state, or

1        b. a third party that provides or administers hospital  
2        and medical benefits to citizens of this state,  
3        including, but not limited to:

4        (1) a health maintenance organization issued a  
5        license pursuant to Section 6901 et seq. of this  
6        title, unless the health maintenance organization  
7        is federally regulated and licensed and has on  
8        file with the Insurance Commissioner a plan of  
9        utilization review carried out by health care  
10       professionals and providing for complaint and  
11       appellate procedures for claims, or

12       (2) a health insurer, not-for-profit hospital service  
13       or medical plan, health insurance service  
14       organization, or preferred provider organization  
15       or other entity offering health insurance  
16       policies, contracts or benefits in this state;

17       7. "Utilization review" means a system for prospectively,  
18       concurrently, and retrospectively reviewing the allocation of  
19       hospital resources and medical services given or proposed to be  
20       given to a patient or group of patients. It does not include an  
21       insurer's normal claim review process to determine compliance with  
22       the specific terms and conditions of the insurance policy;

23       8. "Utilization review plan" means a description of utilization  
24       review procedures; and

1        9. "Utilization review organization" means the same as defined  
2        in Section 6475.3 of this title.

3        SECTION 2.        NEW LAW        A new section of law to be codified  
4        in the Oklahoma Statutes as Section 6567 of Title 36, unless there  
5        is created a duplication in numbering, reads as follows:

6        A. A utilization review organization, disability insurer, or  
7        specialized health insurer that uses an artificial intelligence tool  
8        or contracts with or otherwise works through an entity that uses an  
9        artificial intelligence tool shall ensure that the artificial  
10       intelligence tool:

11       1. Bases its determination on the following information, as  
12       applicable:

- 13           a. an enrollee's medical or other clinical history,
- 14           b. individual clinical circumstances as presented by the  
15           requesting provider, and
- 16           c. other relevant clinical information contained in the  
17           enrollee's medical or other clinical record;

18       2. Does not base its determination solely on a group dataset;

19       3. Does not supplant health care provider decision-making;

20       4. Does not discriminate against enrollees in violation of  
21       state and federal law;

22       5. Does not use patient data beyond its intended and stated  
23       purpose consistent with the federal Health Insurance Portability and  
24       Accountability Act of 1996, P.L. No. 104-191, as applicable;

1       6. Does not cause harm to the enrollee;

2       7. Is applied in accordance with any applicable regulations and  
3 guidance issued by the federal Department of Health and Human  
4 Services;

5       8. Is open to inspection for audit or compliance review by the  
6 Insurance Commissioner;

7       9. Contains disclosures pertaining to the use and oversight of  
8 the artificial intelligence tool in the written policies and  
9 procedures; and

10      10. Requires performance use and outcomes to be periodically  
11 reviewed and revised to maximize accuracy and reliability.

12      B. The artificial intelligence tool shall not deny, delay, or  
13 modify health care services based, in whole or in part, on medical  
14 necessity. A determination of medical necessity shall be made only  
15 by a licensed physician or a licensed health care professional  
16 competent to evaluate the specific clinical issues involved in the  
17 health care services requested by the provider, by reviewing and  
18 considering the requesting provider's recommendation, the enrollee's  
19 medical or other clinical history, and individual circumstances.

20      C. Any health benefit plan in this state shall notify enrollees  
21 and insureds about the use or lack of use of artificial intelligence  
22 tools in the utilization review process on the accessible Internet  
23 website of such health benefit plan.

1 D. A clinical peer reviewer who participates in a utilization  
2 review process for a health benefit plan that initially uses  
3 artificial intelligence tools for a utilization review shall open  
4 and document the utilization review of the individual clinical  
5 records or data prior to issuing an adverse determination.

6 E. A violation of this act by a health benefit plan or clinical  
7 peer reviewer shall be subject to one or more of the following  
8 penalties, not to exceed in aggregate Five Hundred Thousand Dollars  
9 (\$500,000.00) for a health benefit plan or One Hundred Thousand  
10 Dollars (\$100,000.00) for a clinical peer reviewer, in a calendar  
11 year:

12 1. Suspension or revocation of a license;

13 2. Refusal, for a period not to exceed one (1) year, to issue a  
14 new license; or

15 3. A fine not more than Ten Thousand Dollars (\$10,000.00) for  
16 each willful violation.

17 F. Penalties pursuant to this act shall be in addition to any  
18 other remedies or penalties that may be imposed under any other  
19 applicable state or federal law.

20 G. This act shall apply to utilization review or utilization  
21 management functions that prospectively, concurrently,  
22 retrospectively review requests for covered health care services.

23 H. The Commissioner may promulgate rules and regulations  
24 pursuant to the provisions of this act.

SECTION 3. This act shall become effective November 1, 2026.

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