

1 STATE OF OKLAHOMA

2 2nd Session of the 60th Legislature (2026)

3 SENATE BILL 1967

By: Mann

6 AS INTRODUCED

7 An Act relating to the Hospital and Medical Services  
8 Utilization Review Act; amending 36 O.S. 2021,  
9 Section 6552, which relates to definitions; defining  
10 terms; requiring certain utilization review  
11 organization or insurer that uses certain artificial  
12 intelligence tool to adhere to certain requirements;  
13 prohibiting certain tool to deny, delay, or modify  
14 certain services; requiring certain determinations to  
15 be made by certain licensed professional; requiring  
16 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.

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

20 SECTION 1. AMENDATORY 36 O.S. 2021, Section 6552, is  
21 amended to read as follows:

22 Section 6552. As used in the Hospital and Medical Services  
23 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 outputs  
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

1 for complaint and appellate procedures for  
2 claims, or

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

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

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

13 4. "Commissioner" means the Insurance Commissioner;

14 5. 4. "Certificate" means a certificate of registration granted  
15 by the Insurance Commissioner to a private review agent; and

16 6. 5. "Health care provider" means any person, firm,  
17 corporation or other legal entity that is licensed, certified, or  
18 otherwise authorized by the laws of this state to provide health  
19 care services, procedures or supplies in the ordinary course of  
20 business or practice of a profession;

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

23 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.

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