

1 STATE OF OKLAHOMA

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

3 HOUSE BILL 3647

By: Stinson

6 AS INTRODUCED

7 An Act relating to health information; creating the
8 Oklahoma Health Care Transparency Initiative Act of
9 2026; amending Section 1, Chapter 250, O.S.L. 2022
(63 O.S. Supp. 2025, Section 1-132.1), which relates
10 to the Office of the State Coordinator for Health
Information Exchange; modifying powers and duties of
the Office; amending 63 O.S. 2021, Section 1-133, as
last amended by Section 1, Chapter 243, O.S.L. 2024
(63 O.S. Supp. 2025, Section 1-133), which relates to
11 state-designated entity for health information
exchange; modifying time period of certain
requirement; modifying and adding certain exemptions;
12 defining terms; creating the Oklahoma Health Care
Transparency Initiative; providing for governance and
oversight of the initiative; requiring submitting
entity to submit certain information to state-
13 designated entity; allowing voluntary submission of
certain information by certain health benefit plan,
person, or entity; mandating compliance with certain
14 requirements; requiring submission of public health
data for integration into the initiative; requiring
assignment of unique identifier; providing for
15 confidentiality, privacy, and security of certain
data; listing circumstances under which certain data
may be made available; prohibiting certain use or
16 disclosure of data; providing certain construction;
authorizing certain penalties; limiting amount of
17 penalties; providing for certain remittance or
mitigation of penalties; requiring the Insurance
Department to remit certain proceeds to the Oklahoma
18 Health Care Authority; specifying allowed uses of
certain funds; amending 51 O.S. 2021, Section 24A.3,
as last amended by Section 1, Chapter 404, O.S.L.
2025 (51 O.S. Supp. 2025, Section 24A.3), which
19 relates to the Oklahoma Open Records Act; modifying
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1 certain definition; providing for codification; and
2 declaring an emergency.
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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 1-134.1 of Title 63, unless
there is created a duplication in numbering, reads as follows:

Sections 4 through 7 of this act shall be known and may be cited
as the "Oklahoma Health Care Transparency Initiative Act of 2026".

SECTION 2. AMENDATORY Section 1, Chapter 250, O.S.L.
2022 (63 O.S. Supp. 2025, Section 1-132.1), is amended to read as
follows:

Section 1-132.1. A. There is hereby created the Office of the
State Coordinator for Health Information Exchange within the
Oklahoma Health Care Authority.

B. The Office shall have the power and duty to eversee:
1. Oversee the state-designated entity for health information
exchange, as described under Section 1-133 of ~~Title 63 of the~~
~~Oklahoma Statutes this title~~; and

2. Oversee the Oklahoma Health Care Transparency Initiative.

C. The Office shall consist of the State Coordinator for Health
Information Exchange, who shall be appointed by and serve at the
pleasure of the Administrator of the Authority, and such other

1 employees of the Authority as the Administrator may assign to the
2 Office.

3 SECTION 3. AMENDATORY 63 O.S. 2021, Section 1-133, as
4 last amended by Section 1, Chapter 243, O.S.L. 2024 (63 O.S. Supp.
5 2025, Section 1-133), is amended to read as follows:

6 Section 1-133. A. As used in this section:

7 1. "Health information exchange" means the electronic movement
8 of health-related information among organizations according to
9 nationally recognized standards for purposes including, but not
10 limited to, payment, treatment, and administration; and

11 2. "Health information exchange organization" means an entity
12 whose primary business activity is health information exchange and
13 which is governed by its stakeholders.

14 B. The State of Oklahoma:

15 1. Shall designate a health information exchange organization
16 as the state-designated entity for health information exchange;

17 2. Shall establish a transition plan to ensure continued
18 operation of the health information exchange; and

19 3. May temporarily serve as the state-designated entity as part
20 of the transition plan described in paragraph 2 of this subsection.

21 C. ~~Beginning July 1, 2023, all~~ 1. All health care providers as
22 defined by the rules promulgated by the Oklahoma Health Care
23 Authority Board and who are licensed by and located in this state
24 may report data to and utilize the state-designated entity. The

1 | Office of the State Coordinator for Health Information Exchange
2 | shall begin implementation of this requirement on or before July 1,
3 | 2026.

4 | 2. The ~~Office of the State Coordinator for Health Information~~
5 | ~~Exchange~~ may, as provided by rules promulgated by the Board, allow
6 | exemptions from the requirement provided by paragraph 1 of this
7 | subsection on the basis of:

- 8 | a. financial hardship,
- 9 | b. size of the practice, or
- 10 | c. technological capability ~~of a,~~
- 11 | d. type of health care provider, or
- 12 | e. such other ~~bases~~ basis as may be provided by rules
13 | promulgated by the Board.

14 | D. 1. A person who participates in the services or information
15 | provided by the state-designated entity shall not be liable in any
16 | action for damages or costs of any nature that result solely from
17 | the person's use or failure to use information or data from the
18 | state-designated entity that was entered or retrieved under relevant
19 | state or federal privacy laws, rules, regulations, or policies
20 | including, but not limited to, the Health Insurance Portability and
21 | Accountability Act of 1996.

22 | 2. A person shall not be subject to antitrust or unfair
23 | competition liability based on participation with the state-
24 | designated entity as long as the participation provides an essential

1 governmental function for the public health and safety and enjoys
2 state action immunity.

3 E. A person who provides information and data to the state-
4 designated entity retains a property right in the information or
5 data, but grants to the other participants or subscribers a
6 nonexclusive license to retrieve and use that information or data
7 under relevant state or federal privacy laws, rules, regulations, or
8 policies including, but not limited to, the Health Insurance
9 Portability and Accountability Act of 1996.

10 F. Patient-specific protected health information shall only be
11 disclosed in compliance with relevant state or federal privacy laws,
12 rules, regulations, or policies including, but not limited to, the
13 Health Insurance Portability and Accountability Act of 1996.

14 G. The Oklahoma Health Care Authority Board shall promulgate
15 rules to implement the provisions of this section.

16 SECTION 4. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 1-134.2 of Title 63, unless
18 there is created a duplication in numbering, reads as follows:

19 As used in the Oklahoma Health Care Transparency Initiative Act
20 of 2026:

- 21 1. "Board" means the Oklahoma Health Care Authority Board;
- 22 2. "Claims data" means information included in an
23 institutional, professional, or pharmacy claim or equivalent
24 information transaction for a covered individual including the

1 amount paid to a provider of health care services plus any amount
2 owed by the covered individual;

3 3. "Covered individual" means a natural person who is a
4 resident of this state and is eligible to receive medical, dental,
5 or pharmaceutical benefits under any policy, contract, certificate,
6 evidence of coverage, rider, binder, or endorsement that provides
7 for or describes coverage;

8 4. "Direct personal identifiers" means information relating to
9 a covered individual that contains primary or obvious identifiers,
10 such as the individual's name, street address, email address,
11 telephone number, or Social Security number. Direct personal
12 identifiers shall not include geographic or demographic information
13 that would allow the identification of a covered individual;

14 5. "Enrollment data" means demographic information and other
15 identifying information related to covered individuals, including
16 direct personal identifiers;

17 6. "Office" means the Office of the State Coordinator for
18 Health Information Exchange created under Section 1-132.1 of Title
19 63 of the Oklahoma Statutes;

20 7. "Oklahoma Health Care Transparency Initiative" means an
21 initiative to create a database, including ongoing all-payer claims
22 database projects that receive and store data from a submitting
23 entity relating to medical, dental, pharmaceutical, and other
24 insurance claims information, unique identifiers, and geographic and

1 demographic information for covered individuals as permitted in the
2 Oklahoma Health Care Transparency Initiative Act of 2026, and
3 provider files, for the purpose of implementing the Oklahoma Health
4 Care Transparency Initiative Act of 2026;

5 8. "Protected health information" means health information as
6 protected by the Health Insurance Portability and Accountability Act
7 of 1996, Pub. L. No. 104-191;

8 9. "Provider" means an individual or entity licensed by the
9 state to provide health care services;

10 10. "State-designated entity for health information exchange"
11 or "state-designated entity" means the health information exchange
12 organization designated by the State of Oklahoma as the state-
13 designated entity for health information exchange under Section 1-
14 133 of Title 63 of the Oklahoma Statutes;

15 11. a. "Submitting entity" means:

16 (1) an entity that provides health or dental
17 insurance or a health or dental benefit plan in
18 this state, including, but not limited to, an
19 insurance company, medical services plan, managed
20 care organization, hospital plan, hospital
21 medical service corporation, health maintenance
22 organization, or fraternal benefit society,
23 provided that the entity has covered individuals
24 and the entity had at least two thousand (2,000)

covered individuals in the previous calendar year,

- (2) a health benefit plan offered or administered by or on behalf of the state or an agency or instrumentality of the state, including, but not limited to, benefits administered by a managed care organization, notwithstanding the number of covered individuals in the previous year,
- (3) a health benefit plan offered or administered by or on behalf of the federal government with the agreement of the federal government,
- (4) the Workers' Compensation Commission,
- (5) any other entity providing a plan of health insurance or health benefits subject to state insurance regulation, or a third-party administrator; provided, that the entity has covered individuals and the entity had at least two thousand (2,000) covered individuals in the previous calendar year,
- (6) a health benefit plan subject to the Employee Retirement Income Security Act of 1974, Pub. L. No. 93-406, and that is fully insured,
- (7) a risk-based provider organization licensed by the Insurance Department, and

(8) any entity that contracts with the Department of Corrections to provide medical, dental, or pharmaceutical care to inmates.

b. A submitting entity shall not include:

(1) an entity that provides health insurance or a health benefit plan that is accident-only, specified disease, hospital indemnity, long-term care, disability income, or other supplemental benefit coverage,

(2) an employee of a welfare benefit plan as defined by federal law that is also a trust established pursuant to collective bargaining subject to the Labor Management Relations Act of 1947, Pub. L. No. 80-101,

(3) a health benefit plan subject to the Employee Retirement Income Security Act of 1974, Pub. L. No. 93-406 that is self-funded

(4) a Medicare supplemental policy as defined by 42

(5) a pharmacy benefits manager; and

12. "Unique identifier" means any identifier that is guaranteed to be unique among all identifiers for covered individuals but does not include direct personal identifiers.

1 SECTION 5. NEW LAW A new section of law to be codified

2 in the Oklahoma Statutes as Section 1-134.3 of Title 63, unless
3 there is created a duplication in numbering, reads as follows:

4 A. Beginning July 1, 2027, there is hereby created the Oklahoma
5 Health Care Transparency Initiative. The initiative shall be
6 governed by the state-designated entity for health information
7 exchange and overseen by the Office of the State Coordinator for
8 Health Information Exchange.

9 B. Beginning on a date determined by the Oklahoma Health Care
10 Authority Board, and thereafter in a frequency specified in rules
11 promulgated by the Board, a submitting entity shall submit claims
12 data, unique identifiers, and geographic and demographic information
13 for covered individuals as permitted in the Oklahoma Health Care
14 Transparency Initiative Act of 2026, and provider files to the
15 state-designated entity for health information exchange in
16 accordance with standards and procedures promulgated by the Board.
17 The Office shall begin implementation of the requirements of this
18 subsection on or before July 1, 2026.

19 C. 1. A health benefit plan, person, or entity excluded from
20 the definition of submitting entity as provided by Section 4 of this
21 act shall not be subject to the requirements of subsection B of this
22 section, but may voluntarily submit claims data, unique identifiers,
23 and geographic and demographic information for covered individuals
24 as permitted in the Oklahoma Health Care Transparency Initiative Act

1 of 2026, and provider files to the state-designated entity in
2 accordance with standards and procedures promulgated by the Board.

3 2. To the extent the excluded health benefit plan, person, or
4 entity voluntarily submits data described in this subsection to the
5 state-designated entity, the health benefit plan, person, or entity
6 shall comply with all requirements of the Oklahoma Health Care
7 Transparency Initiative Act of 2026, other than subsection B of this
8 section, including, but not limited to, compliance with applicable
9 state and federal data privacy and security laws.

10 D. 1. The State Department of Health shall submit all public
11 health data and vital statistics data collected by the Department
12 under Title 63 of the Oklahoma Statutes to the state-designated
13 entity for integration into the Oklahoma Health Care Transparency
14 Initiative database created under this section including, but not
15 limited to, data collected regarding hospital discharge and
16 emergency department records for the uninsured, birth and death
17 records, and disease registry data.

18 2. The data submitted under paragraph 1 of this subsection
19 shall be assigned a unique identifier and may be used in accordance
20 with the Oklahoma Health Care Transparency Initiative Act of 2026
21 and the rules promulgated under the Oklahoma Health Care
22 Transparency Initiative Act of 2026.

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1 SECTION 6. NEW LAW A new section of law to be codified

2 in the Oklahoma Statutes as Section 1-134.4 of Title 63, unless
3 there is created a duplication in numbering, reads as follows:

4 A. Data and other information submitted under Section 5 of this
5 act shall be treated as confidential and shall be exempt from
6 disclosure as a record under the Oklahoma Open Records Act as
7 defined in Section 24A.3 of Title 51 of the Oklahoma Statutes and
8 are not subject to subpoena except to the extent provided in the
9 Oklahoma Insurance Code.

10 B. Data and other information submitted under Section 5 of this
11 act may only be collected, stored, used, disclosed, or released in
12 compliance with applicable state and federal data privacy and
13 security law, rules promulgated by the Oklahoma Health Care
14 Authority Board, and data governance policies established by the
15 state-designated entity for health information exchange.

16 C. Data and other information in the Oklahoma Health Care
17 Transparency Initiative shall, to the extent authorized by rules
18 promulgated by the Board, be available:

19 1. When disclosed in a form and manner that ensures the privacy
20 and security of protected health information as required by state
21 and federal laws, as a resource to insurers, employers, purchasers
22 of health care, researchers, state agencies, and health care
23 providers to allow for assessment of health care utilization,
24 expenditures, and performance in this state, including, but not

1 limited to, as a resource for hospital community health needs
2 assessments; and

3 2. To state programs regarding health care quality and costs
4 for use in improving health care in the state, subject to rules
5 prescribed by the Board conforming to state and federal privacy laws
6 or limiting access to limited-use data sets.

7 D. Data and other information in the Oklahoma Health Care
8 Transparency Initiative shall not be used to disclose trade secrets
9 of submitting entities.

10 E. Notwithstanding any other section of law, the Oklahoma
11 Health Care Transparency Initiative shall not publicly disclose any
12 data or other information that contains direct personal identifiers.

13 F. The Oklahoma Health Care Transparency Initiative Act of 2026
14 shall not be construed to supersede, limit, amend, or abrogate any
15 data privacy or security law, rule, or policy.

16 SECTION 7. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 1-134.5 of Title 63, unless
18 there is created a duplication in numbering, reads as follows:

19 A. Except for state or federal agencies that are submitting
20 entities, a submitting entity that fails to submit data as required
21 by the Oklahoma Health Care Transparency Initiative Act of 2026 or
22 the rules promulgated by the Oklahoma Health Care Authority Board
23 may be subject to a fine assessed by the Insurance Department.

1 B. The Insurance Commissioner shall adopt a schedule of fines
2 not to exceed One Thousand Dollars (\$1,000.00) per day for each day
3 the violation occurs, to be determined by the severity of the
4 violation.

5 C. A fine assessed under this section may be remitted or
6 mitigated upon such terms and conditions as the Insurance
7 Commissioner considers proper and consistent with public health and
8 safety.

9 D. Of the proceeds from fines remitted under this section, the
10 Insurance Department shall retain a portion of such proceeds
11 necessary to cover the cost to the Department of administering the
12 assessment and collection of such fines, and the Department shall
13 remit the remainder of the proceeds to the Oklahoma Health Care
14 Authority. The Authority may only use proceeds from fines assessed
15 under this section to fund operations of the Oklahoma Health Care
16 Transparency Initiative.

17 SECTION 8. AMENDATORY 51 O.S. 2021, Section 24A.3, as
18 last amended by Section 1, Chapter 404, O.S.L. 2025 (51 O.S. Supp.
19 2025, Section 24A.3), is amended to read as follows:

20 Section 24A.3. As used in the Oklahoma Open Records Act:

21 1. "Record" means all documents including, but not limited to,
22 any book, paper, photograph, microfilm, data files created by or
23 used with computer software, computer tape, disk, record, sound
24 recording, film recording, video record or other material regardless

1 of physical form or characteristic, created by, received by, under
2 the authority of, or coming into the custody, control or possession
3 of public officials, public bodies or their representatives in
4 connection with the transaction of public business, the expenditure
5 of public funds or the administering of public property. Record
6 shall also mean applications and other documents related to
7 licensure matters that are filed of record in a district court,
8 including, but not limited to, marriage licenses, process server
9 licenses, closing out sale licenses, transient merchant licenses,
10 pool hall licenses, and bail bondsmen registration. Record does not
11 mean:

- 12 a. computer software, or
- 13 b. nongovernment personal effects, or
- 14 c. data or other information submitted to the state-
designated entity for information exchange under
Section 1-133 of Title 63 of the Oklahoma Statutes or
under the Oklahoma Health Care Transparency Initiative
Act of 2026;

19 2. "Public body" shall include, but not be limited to, any
20 office, department, board, bureau, commission, agency, trusteeship,
21 authority, council, committee, trust or any entity created by a
22 trust, county, city, village, town, township, district, school
23 district, fair board, court, executive office, advisory group, task
24 force, study group or any subdivision thereof, supported in whole or

1 in part by public funds or entrusted with the expenditure of public
2 funds or administering or operating public property, and all
3 committees, or subcommittees thereof. Except for the records
4 required by Section 24A.4 of this title, public body does not mean
5 judges, justices, the Council on Judicial Complaints, the
6 Legislature or legislators. Public body shall not include an
7 organization that is exempt from federal income tax under Section
8 501(c)(3) of the Internal Revenue Code of 1986, as amended, and
9 whose sole beneficiary is a college or university, or an affiliated
10 entity of the college or university, that is a member of The
11 Oklahoma State System of Higher Education. Such organization shall
12 not receive direct appropriations from the Legislature. The
13 following persons shall not be eligible to serve as a voting member
14 of the governing board of the organization:

15 a. a member, officer, or employee of the Oklahoma State
16 Regents for Higher Education,

17 b. a member of the board of regents or other governing
18 board of the college or university that is the sole
19 beneficiary of the organization, or

20 c. an officer or employee of the college or university
21 that is the sole beneficiary of the organization;

22 3. "Public office" means the physical location where public
23 bodies conduct business or keep records;

1 4. "Public official" means any official or employee of any
2 public body as defined herein; and

3 5. "Law enforcement agency" means any public body charged with
4 enforcing state or local criminal laws and initiating criminal
5 prosecutions including, but not limited to: police departments;
6 state and local fire marshals when investigating potential
7 violations of federal, state, or local criminal laws or when acting
8 on behalf of a law enforcement agency; county sheriffs; the
9 Department of Public Safety; the Oklahoma State Bureau of Narcotics
10 and Dangerous Drugs Control; the Alcoholic Beverage Laws Enforcement
11 Commission; and the Oklahoma State Bureau of Investigation.

12 SECTION 9. It being immediately necessary for the preservation
13 of the public peace, health or safety, an emergency is hereby
14 declared to exist, by reason whereof this act shall take effect and
15 be in full force from and after its passage and approval.

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