

1 ENGROSSED SENATE AMENDMENT  
TO

2 ENGROSSED HOUSE  
3 BILL NO. 1157

By: Worthen, Marti and Roberts  
(Sean) of the House

4 and

5 Montgomery and Bullard of  
6 the Senate

7  
8 An Act relating to insurance; defining terms;  
9 prohibiting certain restrictions on method of payment  
10 to health care providers; requiring certain  
11 notification; prohibiting certain additional charges;  
12 prohibiting certain contracts, clauses or waivers;  
13 providing for enforcement by the Insurance  
14 Commissioner; providing for codification; and  
15 providing an effective date.

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18 AMENDMENT NO. 1. Page 1, strike the title, enacting clause and  
19 entire bill and insert

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22 "An Act relating to insurance; defining terms;  
23 prohibiting certain restrictions on method of payment  
24 to health care providers; requiring certain  
notification; prohibiting certain additional charges;  
authorizing fees in certain circumstances;  
prohibiting certain contracts, clauses or waivers;  
providing for enforcement by the Insurance  
Commissioner; providing for codification; and  
providing an effective date.

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

1 SECTION 1. NEW LAW A new section of law to be codified  
2 in the Oklahoma Statutes as Section 1219.6 of Title 36, unless there  
3 is created a duplication in numbering, reads as follows:

4 A. As used in this section:

5 1. "Health maintenance organization" means an entity that is  
6 organized for the purpose of providing or arranging health care,  
7 which has been granted a certificate of authority by the Insurance  
8 Commissioner as a health maintenance organization pursuant to the  
9 Health Maintenance Organization Act of 2003;

10 2. "Credit card payment" means a type of electronic funds  
11 transfer in which a health insurance plan or health insurer or its  
12 contracted vendor issues a single-use series of numbers associated  
13 with the payment of health care services performed by a health care  
14 provider and chargeable to a predetermined dollar amount, whereby  
15 the health care provider is responsible for processing the payment  
16 by a credit card terminal or Internet portal. Such term shall  
17 include virtual or online credit card payments, whereby no physical  
18 credit card is presented to the health care provider and the single-  
19 use credit card expires upon payment processing;

20 3. "Electronic funds transfer payment" means a payment by any  
21 method of electronic funds transfer other than through the Automated  
22 Clearing House Network (ACH), as codified in 45 CFR Sections  
23 162.1601 and 162.1602;

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1       4. "Health care provider" means any physician, dentist,  
2 pharmacist, optometrist, psychologist, registered optician, licensed  
3 professional counselor, physical therapist, chiropractor, hospital  
4 or other entity or person that is licensed or otherwise authorized  
5 in this state to furnish health care services;

6       5. "Health care provider agent" means a person or entity that  
7 contracts with a health care provider establishing an agency  
8 relationship to process bills for services provided by the health  
9 care provider under the terms and conditions of a contract between  
10 the agent and health care provider. Such contracts may permit the  
11 agent to submit bills, request reconsideration and receive  
12 reimbursement;

13       6. "Health care services" means the examination or treatment of  
14 persons for the prevention of illness or the correction or treatment  
15 of any physical or mental condition resulting from illness, injury  
16 or other human physical problem and includes, but is not limited to:

17           a. hospital services which include the general and usual  
18           services and care, supplies and equipment furnished by  
19           hospitals,

20           b. medical services which include the general and usual  
21           services and care rendered and administered by doctors  
22           of medicine, doctors of dental surgery and doctors of  
23           podiatry, and  
24

1 c. other health care services which include appliances  
2 and supplies; nursing care by a registered nurse or a  
3 licensed practical nurse; care furnished by such other  
4 licensed practitioners; institutional services  
5 including the general and usual care, services,  
6 supplies and equipment furnished by health care  
7 institutions and agencies or entities other than  
8 hospitals; physiotherapy; ambulance services; drugs  
9 and medications; therapeutic services and equipment  
10 including oxygen and the rental of oxygen equipment;  
11 hospital beds; iron lungs; orthopedic services and  
12 appliances including wheelchairs, trusses, braces,  
13 crutches and prosthetic devices including artificial  
14 limbs and eyes; and any other appliance, supply or  
15 service related to health care;

16 7. "Health insurance plan" means any hospital or medical  
17 insurance policy or certificate; qualified higher deductible health  
18 plan; health maintenance organization subscriber contract; contract  
19 providing benefits for dental care whether such contract is pursuant  
20 to a medical insurance policy or certificate; stand-alone dental  
21 plan, health maintenance provider contract or managed health care  
22 plan; and

23 8. "Health insurer" means any entity or person that issues  
24 health insurance plans, as defined in this section.

1 B. Any health insurance plan issued, amended or renewed on or  
2 after January 1, 2020, between a health insurer or its contracted  
3 vendor or a health maintenance organization and a health care  
4 provider for the provision of health care services to a plan  
5 enrollee shall not contain restrictions on methods of payment from  
6 the health insurer or its vendor or the health maintenance  
7 organization to the health care provider in which the only  
8 acceptable payment method is a credit card payment.

9 C. If initiating or changing payments to a health care provider  
10 using electronic funds transfer payments, including virtual credit  
11 card payments, a health insurance plan, health insurer or its  
12 contracted vendor or health maintenance organization shall:

13 1. Notify the health care provider if any fees are associated  
14 with a particular payment method; and

15 2. Advise the provider of the available methods of payment and  
16 provide clear instructions to the health care provider as to how to  
17 select an alternative payment method.

18 D. A health insurance plan, health insurer or its contracted  
19 vendor or health maintenance organization that initiates or changes  
20 payments to a health care provider through the Automated Clearing  
21 House Network, as codified in 45 CFR Sections 162.1601 and 162.1602,  
22 shall not charge a fee solely to transmit the payment to a health  
23 care provider unless the health care provider has consented to the  
24 fee. A health care provider agent may charge reasonable fees when

1 transmitting an Automated Clearing House Network payment related to  
2 transaction management, data management, portal services and other  
3 value-added services in addition to the bank transmittal.

4 E. The provisions of this section shall not be waived by  
5 contract, and any contractual clause in conflict with the provisions  
6 of this section or that purport to waive any requirements of this  
7 section are void.

8 F. Violations of this section shall be subject to enforcement  
9 by the Insurance Commissioner.

10 SECTION 2. This act shall become effective November 1, 2019."

11 Passed the Senate the 17th day of April, 2019.

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Presiding Officer of the Senate

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15 Passed the House of Representatives the \_\_\_\_ day of \_\_\_\_\_,

16 2019.

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Presiding Officer of the House  
of Representatives

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2 BILL NO. 1157

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11 notification; prohibiting certain additional charges;  
12 prohibiting certain contracts, clauses or waivers;  
13 providing for enforcement by the Insurance  
14 Commissioner; providing for codification; and  
15 providing an effective date.

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

17 SECTION 3. NEW LAW A new section of law to be codified  
18 in the Oklahoma Statutes as Section 1219.6 of Title 36, unless there  
19 is created a duplication in numbering, reads as follows:

20 A. As used in this section:

21 1. "Health maintenance organization" means an entity that is  
22 organized for the purpose of providing or arranging health care,  
23 which has been granted a certificate of authority by the Insurance  
24 Commissioner as a health maintenance organization pursuant to the  
Health Maintenance Organization Act of 2003;

1        2. "Credit card payment" means a type of electronic funds  
2 transfer in which a health insurance plan or health insurer or its  
3 contracted vendor issues a single-use series of numbers associated  
4 with the payment of health care services performed by a health care  
5 provider and chargeable to a predetermined dollar amount, whereby  
6 the health care provider is responsible for processing the payment  
7 by a credit card terminal or Internet portal. Such term shall  
8 include virtual or online credit card payments, whereby no physical  
9 credit card is presented to the health care provider and the single-  
10 use credit card expires upon payment processing;

11        3. "Electronic funds transfer payment" means a payment by any  
12 method of electronic funds transfer other than the Health Insurance  
13 Portability and Accountability Act of 1996, P.L. 104-191, Automated  
14 Clearing House Network (ACH);

15        4. "Health care provider" means any physician, dentist,  
16 pharmacist, optometrist, psychologist, registered optician, licensed  
17 professional counselor, physical therapist, chiropractor, hospital  
18 or other entity or person that is licensed or otherwise authorized  
19 in this state to furnish health care services;

20        5. "Health care services" means the examination or treatment of  
21 persons for the prevention of illness or the correction or treatment  
22 of any physical or mental condition resulting from illness, injury  
23 or other human physical problem and includes, but is not limited to:  
24

- 1 a. hospital services which include the general and usual  
2 services and care, supplies and equipment furnished by  
3 hospitals,
- 4 b. medical services which include the general and usual  
5 services and care rendered and administered by doctors  
6 of medicine, doctors of dental surgery and doctors of  
7 podiatry, and
- 8 c. other health care services which include appliances  
9 and supplies; nursing care by a registered nurse or a  
10 licensed practical nurse; care furnished by such other  
11 licensed practitioners; institutional services  
12 including the general and usual care, services,  
13 supplies and equipment furnished by health care  
14 institutions and agencies or entities other than  
15 hospitals; physiotherapy; ambulance services; drugs  
16 and medications; therapeutic services and equipment  
17 including oxygen and the rental of oxygen equipment;  
18 hospital beds; iron lungs; orthopedic services and  
19 appliances including wheelchairs, trusses, braces,  
20 crutches and prosthetic devices including artificial  
21 limbs and eyes; and any other appliance, supply or  
22 service related to health care;

23 6. "Health insurance plan" means any hospital or medical  
24 insurance policy or certificate; health insurance policy or

1 contract; qualified higher deductible health plan; health  
2 maintenance organization subscriber contract; contract providing  
3 benefits for dental care whether such contract is pursuant to a  
4 medical insurance policy or certificate; stand-alone dental plan,  
5 health maintenance provider contract, managed health care plan,  
6 self-insured plan or otherwise; or any health insurance policy  
7 established pursuant to this title; and

8 7. "Health insurer" means any entity or person engaged as an  
9 indemnitor, surety or contractor that issues insurance, annuity or  
10 endowment contracts, subscriber certificates or other contracts of  
11 issuance by whatever name called.

12 B. Any health insurance plan issued, amended or renewed on or  
13 after January 1, 2020, between a health insurer or its contracted  
14 vendor or a health maintenance organization and a health care  
15 provider for the provision of health care services to a plan  
16 enrollee shall not contain restrictions on methods of payment from  
17 the health insurer or its vendor or the health maintenance  
18 organization to the health care provider in which the only  
19 acceptable payment method is a credit card payment.

20 C. If initiating or changing payments to a health care provider  
21 using electronic funds transfer payments, including virtual credit  
22 card payments, a health insurance plan, health insurer or its  
23 contracted vendor or health maintenance organization shall:

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1        1. Notify the health care provider if any fees are associated  
2 with a particular payment method; and

3        2. Advise the provider of the available methods of payment and  
4 provide clear instructions to the health care provider as to how to  
5 select an alternative payment method.

6        D. A health insurer that initiates or changes payment to a  
7 health care provider using the Health Insurance Portability and  
8 Accountability Act of 1996, P.L. 104-191, standard automated  
9 clearinghouse network may not apply any additional charge to the  
10 payment other than a charge imposed by the health care provider's  
11 bank.

12        E. The provisions of this section shall not be waived by  
13 contract, and any contractual clause in conflict with the provisions  
14 of this section or that purport to waive any requirements of this  
15 section are void.

16        F. Violations of this section shall be subject to enforcement  
17 by the Insurance Commissioner.

18        SECTION 4. This act shall become effective November 1, 2019.  
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1 Passed the House of Representatives the 11th day of March, 2019.

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4 Presiding Officer of the House  
of Representatives

5 Passed the Senate the \_\_\_\_ day of \_\_\_\_\_, 2019.

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9 Presiding Officer of the Senate