

1 ENGROSSED SENATE AMENDMENT  
TO

2 ENGROSSED HOUSE  
3 BILL NO. 1979

By: Hilbert, Fetgatter, Lawson  
and Johns of the House

4 and

5 Haste of the Senate

6  
7  
8 An Act relating to vision care services; defining  
9 terms; imposing requirements with respect to  
10 agreements between vision care plans and service  
11 providers; \*\*\* prohibiting modification of  
12 agreements; requiring procedures prior to  
13 modification; prescribing procedures related to  
14 process for modification of agreements; prohibiting  
15 limitations on choices by eye care service providers;  
16 \*\*\* providing for applicability of act based on  
17 renewal of certain plans; providing for codification;  
18 and declaring an emergency.

16 AUTHOR: Add the following House Coauthor: Bashore

17 AUTHOR: Add the following Senate Coauthors: Weaver and Stanley

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

20 "An Act relating to vision care; defining terms;  
21 establishing requirements for agreements between  
22 certain vision care insurers and providers; setting  
23 reimbursement standards; prohibiting vision care  
24 plans from offering certain provisions to insureds;  
providing standards for contract negotiation;  
establishing requirements for changes to certain  
agreements between insurers and providers;  
prohibiting vision care plans from limiting services

1 or materials offered by vision care providers;  
2 requiring vision care plans to register for and  
3 maintain certificate of authority with Insurance  
4 Department; establishing application requirements;  
5 establishing financial surety provisions; requiring  
6 vision care plans to issue coverage policies to  
7 insureds; establishing reporting requirements;  
8 prescribing revocation and suspension processes for  
9 certificates of authority; requiring filing of  
10 certain advertising materials with the Department;  
11 establishing authority of Department with regard to  
12 vision care plans; directing rule promulgation;  
13 amending 36 O.S. 2021, Sections 1202 and 1204, which  
14 relate to unfair practices and frauds; modifying  
15 definition; modifying provisions to be considered an  
16 unfair practice by a vision care plan; and declaring  
17 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 6972 of Title 36, unless there  
is created a duplication in numbering, reads as follows:

As used in this act:

1. "Contractual discount" means a reduction from a provider's  
usual and customary rate for covered services and materials required  
under a prepaid vision plan agreement with a provider;

2. "Covered materials" means materials for which reimbursement  
from the insurer, vision plan, or vision care discount plan is  
provided to a vision care provider by an enrollee's plan contract,  
or for which a reimbursement would be available but for the  
application of the enrollee's contractual limitations of  
deductibles, copayments, or coinsurance;

1           3. "Covered services" means services eligible for reimbursement  
2 from the insurer or vision plan to a provider, or services that  
3 would be eligible for reimbursement but for the application of the  
4 enrollee's contractual plan limitations of deductibles, copayments,  
5 or coinsurance, regardless of how the benefits are listed in the  
6 explanation of benefits provided in the vision plan of the enrollee;

7           4. "Enrollee" means any individual enrolled in a health care  
8 plan, vision plan, or vision care discount plan provided by a group,  
9 employer, or other entity that purchases or supplies coverage for a  
10 vision plan;

11          5. "Extrapolation" means a mathematical process or technique  
12 used by a vision plan in the process of auditing a vision care  
13 provider to estimate audit results for a larger batch of group  
14 claims not reviewed in the audit by the plan;

15          6. "Health benefit plan" means a health benefit plan as defined  
16 pursuant to Section 6060.4 of Title 36 of the Oklahoma Statutes;

17          7. "Materials" means ophthalmic devices including but not  
18 limited to lenses, devices containing lenses, artificial intraocular  
19 lenses, ophthalmic frames and other lens mounting apparatus, prisms,  
20 lens treatments and coatings, contact lenses, and prosthetic devices  
21 to correct, relieve, or treat defects or abnormal conditions of the  
22 human eye or its adnexa, or any material allowed to be utilized by  
23 the Board of Examiners in Optometry and optometry's scope of  
24 practice as provided by law;

1 8. "Net equity" means the excess of total assets over total  
2 liabilities, excluding liabilities which have been subordinated in a  
3 manner acceptable to the Insurance Commissioner;

4 9. "Prepaid vision plan" means any contractual agreement  
5 whereby any prepaid vision plan organization undertakes to provide  
6 full payment or a discount of vision services directly, to arrange  
7 for prepaid vision services, or to pay or make reimbursement for any  
8 vision service not provided for by other insurance;

9 10. "Prepaid vision plan organization" means any person who, or  
10 organization or entity that, undertakes to conduct one or more  
11 prepaid vision plans providing only vision services;

12 11. "Services" means the professional work performed by a  
13 vision care provider;

14 12. "Subcontractor" means any company, group, or third-party  
15 entity including agents, servants, partially or wholly owned  
16 subsidiaries, and controlled organizations contracted by the  
17 insurer, vision plan, or vision care discount plan to supply  
18 services or materials for a vision care provider or enrollee to  
19 fulfill the benefit plan of an insurer, vision plan, or vision care  
20 discount plan;

21 13. "Tangible net equity" means net equity reduced by the value  
22 assigned to intangible assets including, but not limited to,  
23 goodwill, going concern value, organizational expenses, start-up  
24 costs, long-term prepayments of deferred charges, nonreturnable

1 deposits, and obligations of officers, directors, owners, or  
2 affiliates, except short-term obligations of affiliates for goods or  
3 services arising in the normal course of business that are payable  
4 on the same term as equivalent transactions with nonaffiliates and  
5 that are not past due;

6 14. "Uncovered expense" means the cost of health care services  
7 that are the obligation of a prepaid vision plan organization for  
8 which:

- 9 a. an enrollee may be liable in the event of the  
10 insolvency of the organization, and
- 11 b. alternative arrangements acceptable to the  
12 Commissioner have not been made to cover the costs;  
13 and

14 15. "Vision care provider" or "provider" means a licensed  
15 doctor of optometry or a licensed medical or osteopathic doctor  
16 practicing under the authority of the applicable provisions of Title  
17 59 of the Oklahoma Statutes.

18 SECTION 2. NEW LAW A new section of law to be codified  
19 in the Oklahoma Statutes as Section 6973 of Title 36, unless there  
20 is created a duplication in numbering, reads as follows:

21 A. No agreement between an insurer or prepaid vision plan and a  
22 vision care provider may require that a provider provide services or  
23 materials at a fee limited or set by the insurer or prepaid vision  
24

1 plan, unless the services or materials are reimbursed as covered  
2 services or covered materials under the contract.

3 B. A provider shall not charge more for services and materials  
4 that are not covered services or materials to an enrollee of a  
5 prepaid vision plan or insurer than his or her usual and customary  
6 rate for those services and materials.

7 C. Reimbursements paid by an insurer or prepaid vision plan for  
8 covered services and covered materials, regardless of the supplier  
9 or optical lab used to obtain materials, shall be at the usual,  
10 customary, and reasonable rate and made available to the vision care  
11 provider prior to the provider accepting a contract from the insurer  
12 or prepaid vision plan. An insurer or prepaid vision plan shall not  
13 provide nominal reimbursement or advertise services and materials to  
14 be covered with additional copay or coinsurance in order to claim  
15 that services and materials are covered services and materials if  
16 the health benefit plan or prepaid vision plan does not reimburse  
17 for the services or materials.

18 D. Prepaid vision plans shall not in any manner impact the  
19 pricing of noncovered services or materials.

20 E. Prepaid vision plans shall provide standard reimbursements  
21 for all lenses with the same design, quality, and composition. The  
22 period of time prescribed by a contract between any prepaid vision  
23 plan and a provider for the plan to recover any reimbursement amount  
24 from a provider shall be the same period of time allowed or required

1 for any provider to recover any reimbursement amount from a prepaid  
2 vision plan.

3 F. A prepaid vision plan shall not use extrapolation to  
4 complete an audit of a vision care provider. Any additional payment  
5 due to a provider or any refund to a prepaid vision plan shall be  
6 based on actual overpayment or underpayment and shall not be based  
7 on extrapolation.

8 G. A prepaid vision plan shall not incentivize patients to  
9 receive vision care services at an entity owned wholly or in part by  
10 the plan or subsidiaries of the plan. Any entity providing vision  
11 care services shall provide notice to patients that an entity is  
12 owned wholly or in part by the plan or subsidiaries of the plan.

13 H. No person or entity shall sell, solicit, or negotiate any  
14 prepaid vision plan to an enrollee in this state without an approved  
15 certificate of authority under Section 7 of this act.

16 SECTION 3. NEW LAW A new section of law to be codified  
17 in the Oklahoma Statutes as Section 6974 of Title 36, unless there  
18 is created a duplication in numbering, reads as follows:

19 A. 1. No agreement between an insurer or a prepaid vision plan  
20 and a vision care provider shall require that a provider participate  
21 with or be credentialed by any specific prepaid vision plan as a  
22 condition for participation in the health care network of the  
23 insurer to provide covered services to its enrollees.

24

1           2. In the event that a vision care provider is credentialed by  
2 an insurer or vision care plan organization, no insurer or vision  
3 care plan organization shall construe re-credentialing as re-  
4 contracting with a vision care provider. All contracts shall be  
5 distinct and separate documents from any credentialing materials.

6           B. Any insurer issuing or renewing a health benefit plan or  
7 prepaid vision plan which provides coverage for services rendered by  
8 a duly licensed physician or osteopath that are within the scope of  
9 practice of a duly licensed optometrist shall provide the same  
10 reimbursement for services to optometrists as allowed for those  
11 services rendered by physicians or osteopaths.

12           C. No insurer or prepaid vision plan organization shall require  
13 an optometrist to meet terms and conditions that are not required of  
14 a physician or osteopath as a condition for participation in its  
15 provider network for the provision of services that are within the  
16 scope of practice of an optometrist.

17           D. If a vision care provider enters into any subcontract  
18 agreement with another provider to provide his or her licensed  
19 health care services to the enrollee, dependent of the enrollee, or  
20 an enrollee of a managed care plan where the subcontracted provider  
21 will bill the managed care plan or enrollee directly for the  
22 subcontracted services, the subcontract agreement shall meet all  
23 requirements of this act.



1 SECTION 4. NEW LAW A new section of law to be codified  
2 in the Oklahoma Statutes as Section 6975 of Title 36, unless there  
3 is created a duplication in numbering, reads as follows:

4 A. An insurer or prepaid vision plan organization shall not  
5 change or alter an agreement entered into with a vision care  
6 provider unless the insurer or organization:

7 1. Provides notice of any proposed change to the provider  
8 through a certified letter or an electronic communication requiring  
9 an electronic signature proving receipt detailing proposed changes  
10 to the vision care provider. A face-to-face or virtual meeting  
11 shall be conducted if requested by the provider. If the changes in  
12 the contract are not agreed to by the vision care provider within  
13 ninety (90) days of the date of the provided notice, the agreement  
14 shall terminate; and

15 2. Supplies the vision care provider with an explanation of  
16 benefits and an explanation of payment for services and materials  
17 rendered by the provider upon request, regardless of the provider's  
18 network status with the vision plan.

19 B. 1. A new agreement is required to be established and agreed  
20 upon after three or more material changes are made to an existing  
21 agreement from an insurer, vision plan, or vision care discount  
22 plan.

23 2. Any amendment to a proposed contract that is being reviewed  
24 by a provider prior to its execution and any amendment to an

1 existing contract with a service provider shall be underlined to  
2 clearly indicate the contract modification.

3 SECTION 5. NEW LAW A new section of law to be codified  
4 in the Oklahoma Statutes as Section 6976 of Title 36, unless there  
5 is created a duplication in numbering, reads as follows:

6 No agreement between an insurer or prepaid vision plan and a  
7 vision care provider shall restrict or limit, either directly or  
8 indirectly, the provider's choice of sources and suppliers of  
9 services or materials or use of optical labs provided by the vision  
10 care provider to an enrollee. Vision care providers shall not  
11 receive reduced reimbursement for using labs and suppliers that the  
12 provider chooses to best serve patient outcomes.

13 SECTION 6. NEW LAW A new section of law to be codified  
14 in the Oklahoma Statutes as Section 6977 of Title 36, unless there  
15 is created a duplication in numbering, reads as follows:

16 A. No person, organization, or entity, unless authorized  
17 pursuant to an approved certificate of authority under Section 7 of  
18 this act, shall establish or operate a prepaid vision plan  
19 organization in this state or sell, offer to sell, solicit offers to  
20 purchase, or receive advance or periodic consideration in  
21 conjunction with a prepaid vision plan without obtaining and  
22 maintaining a certificate of authority.

23 B. On or before February 1, 2025, every prepaid vision plan  
24 organization operating in this state shall submit an application for

1 a certificate of authority to the Insurance Commissioner. Each  
2 applicant may continue to operate as an organization until the  
3 Commissioner acts upon the application.

4 C. An application for a certificate of authority to operate as  
5 a prepaid vision plan organization shall be electronically filed  
6 with the Insurance Commissioner in the form and manner prescribed by  
7 the Commissioner, along with any transaction or other applicable  
8 fees. The application shall be verified by an officer or authorized  
9 representative of the applicant and shall set forth or be  
10 accompanied by:

11 1. A copy of any documents of organization of the applicant  
12 such as the articles of incorporation, articles of association,  
13 partnership agreement, trust agreement, or other applicable  
14 documents, with all amendments to the documents;

15 2. A copy of any bylaws, rules, regulations, or similar  
16 documents regulating the conduct of the internal affairs of the  
17 applicant;

18 3. A list of the names, addresses, and official positions of  
19 the persons who are responsible for the conduct of the business  
20 affairs of the applicant, including all members of the board of  
21 directors, board of trustees, executive committee, or other  
22 governing board or committee, and the principal officers, in the  
23 case of a corporation, or the partners or members in the case of a  
24 partnership or association;

1       4. A copy of the form of any contract made or to be made  
2 between any providers of vision services or persons listed in  
3 paragraph 3 of this subsection and the applicant;

4       5. A statement generally describing the prepaid vision plan  
5 organization, the facilities, personnel of the organization, and  
6 prepaid vision plans offered by the organization;

7       6. A copy of the form of individual or group coverage or a copy  
8 of any form of evidence of coverage to be issued to enrollees;

9       7. Financial statements showing assets, liabilities, and  
10 sources of financial support of the applicant. If the financial  
11 affairs of the applicant are audited by independent certified public  
12 accountants, a copy of the most recent regular certified financial  
13 statement for the applicant shall satisfy the requirement of this  
14 paragraph, unless the Commissioner determines that additional or  
15 more recent financial information is required;

16       8. A description of the proposed method of marketing the  
17 prepaid vision plan, a financial prospectus which includes a three-  
18 year projection of the initial operating results anticipated, and a  
19 statement as to the sources of working capital available for the  
20 operation of the prepaid vision plan and any other source of  
21 funding;

22       9. A power of attorney, duly executed by the applicant if not  
23 domiciled in this state, appointing the Commissioner as the true and  
24 lawful representative for service of process for the applicant in

1 this state upon whom all lawful process in any legal action or  
2 proceeding against the prepaid vision plan organization on a cause  
3 of action arising in this state may be served;

4 10. A fee of One Hundred Dollars (\$100.00) for issuance of a  
5 certificate of authority; and

6 11. Any other information as the Commissioner may require.

7 D. Within ten (10) days following any modification of  
8 information previously furnished as required by subsection C of this  
9 section, a prepaid vision plan organization shall file a notice of  
10 the modification with the Commissioner, in the form and manner  
11 prescribed by the Commissioner, along with any applicable fees.

12 E. Any service of legal process against a prepaid vision plan  
13 organization served upon the Commissioner shall comply with all  
14 requirements set forth pursuant to Section 622 of Title 36 of the  
15 Oklahoma Statutes for legal processes against a foreign or alien  
16 insurer.

17 SECTION 7. NEW LAW A new section of law to be codified  
18 in the Oklahoma Statutes as Section 6978 of Title 36, unless there  
19 is created a duplication in numbering, reads as follows:

20 A. Issuance of a certificate of authority for a prepaid vision  
21 plan organization shall be granted by the Insurance Commissioner if  
22 the Commissioner is satisfied that the following conditions are met:

23 1. The requirements of Section 6 of this act have been  
24 fulfilled;

1        2. The persons, organization, or entity responsible for  
2 conducting the business affairs of the prepaid vision plan  
3 organization are competent, trustworthy, and professionally capable  
4 of providing or arranging for the provision of services offered;

5        3. The prepaid vision plan organization constitutes an  
6 appropriate mechanism to achieve an effective prepaid vision plan;

7        4. The prepaid vision plan organization has filed with the  
8 Commissioner a fidelity bond that is in its own name on its officers  
9 and employees in an amount not less than Fifty Thousand Dollars  
10 (\$50,000.00) and is subject to the approval of the Commissioner;

11       5. The financial structure of the prepaid vision plan  
12 organization may reasonably be expected to meet obligations for  
13 payment of services for enrollees and prospective enrollees. In  
14 making this determination, the Commissioner may consider:

- 15           a. the financial soundness of the arrangements made  
16               pursuant to the provisions of the prepaid vision plan  
17               for services and the schedule of charges used,  
18           b. any agreement with an insurer, hospital, medical  
19               service corporation, or any other organization for  
20               ensuring the payment of prepaid vision services,  
21           c. provisions in the plan for automatic coverage of  
22               vision service if the prepaid plan is discontinued,  
23               and  
24

1           d.    the sufficiency of the agreement for prepaid vision  
2                    services with providers of vision services; and

3           6.    The Commissioner has not made a determination that the  
4 prepaid vision plan organization is incompetent, untrustworthy, or  
5 financially irresponsible, and the organization has not had any  
6 insurance license denied for cause by any state.

7           B.    A certificate of authority shall expire at midnight on June  
8 30 following the date of issuance or the most recent renewal date,  
9 and annually on June 30 thereafter.  If the prepaid vision plan  
10 organization remains in compliance with the provisions of this act  
11 and pays a renewal fee of One Hundred Dollars (\$100.00), the  
12 certificate of authority may be renewed.

13           C.    Every prepaid vision plan organization, upon receipt of any  
14 inquiry from the Insurance Commissioner, shall furnish the  
15 Commissioner with an adequate response to the inquiry within twenty  
16 (20) days from the receipt of inquiry.

17           SECTION 8.        NEW LAW        A new section of law to be codified  
18 in the Oklahoma Statutes as Section 6979 of Title 36, unless there  
19 is created a duplication in numbering, reads as follows:

20           A.    1.    Except as approved in accordance with subsection B of  
21 this section, each prepaid vision plan organization shall at all  
22 times have and maintain tangible net equity equal to the greater of:

23                   a.    Fifty Thousand Dollars (\$50,000.00), or  
24

1           b.   two percent (2%) of the organization's annual gross  
2           premium income, up to a maximum of the required  
3           capital and surplus of an accident and health insurer.

4           2.   A prepaid vision plan organization that has uncovered  
5   expenses in excess of Fifty Thousand Dollars (\$50,000.00), as  
6   reported on the most recent annual financial statement filed with  
7   the Insurance Commissioner, shall maintain tangible net equity equal  
8   to twenty-five percent (25%) of the uncovered expenses in excess of  
9   Fifty Thousand Dollars (\$50,000.00) in addition to the tangible net  
10  equity required by paragraph 1 of this subsection.

11          B.   1.   Each prepaid vision plan organization shall deposit in  
12  trust with the Commissioner cash, securities eligible for the  
13  investment of capital funds under the Oklahoma Insurance Code, other  
14  measures deemed acceptable by the Commissioner, or any combination  
15  thereof in an amount equal to Twenty-five Thousand Dollars  
16  (\$25,000.00) plus twenty-five percent (25%) of the tangible net  
17  equity required in subsection A of this section; provided, however,  
18  that the deposit shall not be required to exceed One Hundred  
19  Thousand Dollars (\$100,000.00). Any securities deposited under this  
20  subsection shall be issued to the Commissioner and the prepaid  
21  vision plan organization and shall not be released by any company  
22  holding such security without the signatures of the Commissioner and  
23  the authorized prepaid vision plan organization's personnel.



1           2. The deposit shall be an admitted asset of the prepaid vision  
2 plan organization in the determination of tangible net equity.

3           3. All income from deposits shall be an asset of the prepaid  
4 vision plan organization. A prepaid vision plan organization may  
5 withdraw a deposit or any part thereof after making a substitute  
6 deposit of an equal amount and value. Any securities shall be  
7 approved by the Commissioner before being substituted.

8           4. The deposit shall be used to protect the interests of the  
9 members of the prepaid vision plan organization and to assure  
10 continuation of vision plan services to members of a prepaid vision  
11 plan organization that is in rehabilitation or conservation. If a  
12 prepaid vision plan organization is placed in receivership or  
13 liquidation, the deposit shall be an asset subject to the provisions  
14 of Article 19 of the Oklahoma Insurance Code pursuant to Section  
15 1901 et seq. of Title 36 of the Oklahoma Statutes, provided the  
16 deposit shall not be subject to attachment by any creditors of the  
17 prepaid vision plan organization.

18           5. The deposit shall not apply to a prepaid vision plan  
19 organization that is funded by the United States government, this  
20 state, or a political subdivision thereof.

21           SECTION 9.           NEW LAW           A new section of law to be codified  
22 in the Oklahoma Statutes as Section 6980 of Title 36, unless there  
23 is created a duplication in numbering, reads as follows:

1 The Insurance Commissioner may increase the amounts required  
2 under this act for tangible net equity, capital maintained, fidelity  
3 bond, and deposit to any amount the Commissioner determines to be  
4 appropriate if the Commissioner determines that such an increase is  
5 necessary to:

6 1. Assist the Commissioner in the performance of his or her  
7 regulatory duties;

8 2. Ensure the prepaid vision plan organization complies with  
9 the requirements of this act; or

10 3. Ensure the solvency of the prepaid vision plan organization.

11 SECTION 10. NEW LAW A new section of law to be codified  
12 in the Oklahoma Statutes as Section 6981 of Title 36, unless there  
13 is created a duplication in numbering, reads as follows:

14 A. Every enrollee of a prepaid vision plan shall be issued a  
15 coverage policy by the prepaid vision plan organization. No policy  
16 for coverage or amendment to the policy shall be issued or delivered  
17 to any person in this state until a copy of the policy for coverage  
18 or amendment to the policy has been filed with and approved by the  
19 Insurance Commissioner.

20 B. A policy for coverage shall contain a statement of:

21 1. The prepaid vision services or other benefits to which the  
22 enrollee is entitled under the prepaid vision plan;

23 2. Any limitations of the services or benefits to which the  
24 enrollee is entitled under the prepaid vision plan;

1 3. Information as to how services may be obtained; and

2 4. The obligation of the enrollee for charges for the prepaid  
3 vision plan.

4 C. The Commissioner shall approve any policy of coverage if the  
5 requirements of this section are complied with and the prepaid  
6 vision plan, in the judgment of the Commissioner, is able to meet  
7 its financial obligations for the membership coverage. It shall be  
8 unlawful for a prepaid vision plan organization to issue a policy  
9 until it is approved by the Commissioner.

10 D. 1. If the Commissioner does not disapprove any policy  
11 within thirty (30) days after filing, the policy shall be deemed  
12 approved.

13 2. If the Commissioner disapproves a policy of membership  
14 coverage, the Commissioner shall notify the prepaid vision plan  
15 organization, specifying the reasons for disapproval. The  
16 Commissioner shall grant a hearing on any disapproval within thirty  
17 (30) days after a request in writing for a hearing is received by  
18 the Commissioner from the prepaid vision plan organization.

19 SECTION 11. NEW LAW A new section of law to be codified  
20 in the Oklahoma Statutes as Section 6982 of Title 36, unless there  
21 is created a duplication in numbering, reads as follows:

22 A. On or before March 1 of each calendar year, every prepaid  
23 vision plan organization offering coverage in this state shall file  
24 with the Insurance Commissioner a report of the business activities

1 of the organization for the preceding calendar year. The report  
2 shall contain a notarized signature of at least two principal  
3 officers of the corporation or members of the entity.

4 B. A report submitted under this section shall be in the form  
5 and manner prescribed by the Commissioner and shall include:

6 1. A financial statement of the organization, including a copy  
7 of the balance sheet, receipts, and disbursements of the  
8 organization for the subject year certified by an independent  
9 certified public accountant. The Commissioner may accept a full  
10 report of the most recent examination of a foreign prepaid vision  
11 plan, certified to by the appropriate examining official of another  
12 state;

13 2. Any material changes in the information required to be  
14 provided pursuant to Section 6 of this act;

15 3. The number of persons who have enrolled in plans offered by  
16 the organization during the preceding year, the total number of  
17 enrollees of each plan as of the end of the year, and the number of  
18 enrollments terminated during the year;

19 4. The costs of all care provided and the number of enrollees  
20 who received care pursuant to the provisions of the prepaid vision  
21 plan; and

22 5. Any other information relating to the performance of the  
23 prepaid vision plan organization deemed necessary by the  
24 Commissioner.

1 SECTION 12. NEW LAW A new section of law to be codified  
2 in the Oklahoma Statutes as Section 6983 of Title 36, unless there  
3 is created a duplication in numbering, reads as follows:

4 A. The Insurance Commissioner may suspend or revoke any  
5 certificate of authority issued pursuant to this act if the  
6 Commissioner finds that the prepaid vision plan organization:

7 1. Is operating contrary to the basic organizational documents  
8 of the organization or in a manner contrary to that described in or  
9 reasonably inferred from any information submitted pursuant to  
10 Section 6 of this act;

11 2. Issues a coverage policy which does not comply with the  
12 requirements of Section 10 of this act;

13 3. Does not provide or arrange for basic vision services  
14 appropriate to a prepaid vision plan;

15 4. Can no longer be expected to meet the obligations to  
16 enrollees or prospective enrollees of the prepaid vision plan;

17 5. Uses fraudulent, coercive, or dishonest practices, or  
18 demonstrates incompetence, untrustworthiness, or financial  
19 irresponsibility in the conduct of business;

20 6. Fails to deal equitably with any providers or other persons  
21 or facilities which offer services covered within a contract or  
22 policy issued pursuant to this act; or  
23  
24

1           7. Fails to substantially comply with the insurance laws of  
2 this state or violates any regulation, rule, subpoena, or order of  
3 the Commissioner.

4           B. When the certificate of authority of a prepaid vision plan  
5 organization is suspended, the organization shall not accept, during  
6 the period of such suspension, any additional enrollments for  
7 coverage except newly acquired dependents of existing enrollees and  
8 shall not engage in any advertising or solicitation.

9           C. When the certificate of authority of a prepaid vision plan  
10 organization is revoked, the organization shall terminate operation  
11 of the organization in this state immediately and shall conduct no  
12 further business except as may be essential to the orderly  
13 conclusion of the business affairs of the organization. The  
14 Commissioner, by written order, may permit further operation of the  
15 organization as the Commissioner finds to be in the best interest of  
16 members of the organization.

17           D. In addition to or in lieu of any applicable suspension or  
18 revocation of a certificate of authority, the Commissioner may  
19 invoke a fine not to exceed One Thousand Dollars (\$1,000.00) for  
20 each violation. The payment of the fine may be enforced in the same  
21 manner as civil judgments may be enforced.

22           E. A prepaid vision plan organization which has had its  
23 certificate of authority denied, suspended, or revoked, or has  
24 suffered an adverse determination by the Commissioner shall be

1 entitled to a hearing pursuant to the provisions of the  
2 Administrative Procedures Act under Section 250 et seq. of Title 75  
3 of the Oklahoma Statutes.

4 SECTION 13. NEW LAW A new section of law to be codified  
5 in the Oklahoma Statutes as Section 6984 of Title 36, unless there  
6 is created a duplication in numbering, reads as follows:

7 A. 1. No advertising or sales material relating to a prepaid  
8 vision plan organization shall be issued or delivered to any person  
9 in this state until a copy of the material has been filed with and  
10 approved by the Insurance Commissioner.

11 2. Within thirty (30) days after the submission of advertising  
12 or material under this subsection, the Commissioner shall issue a  
13 determination approving or disapproving of the material.

14 3. Disapproval of the advertising or material shall be on the  
15 basis that, in whole or in part, the material is false, deceptive,  
16 or misleading. Written notification shall be issued to an  
17 organization that has materials disapproved pursuant to this  
18 subsection. Thereafter, the disapproved advertising material shall  
19 not be used.

20 4. Violation of the provisions of this subsection shall entitle  
21 the Commissioner in his or her discretion and without additional  
22 cause to withdraw approval of any coverage policy with respect to  
23 which the advertising or sales material is used.

24

1 B. Advertisement and publication of material by a prepaid  
2 vision plan organization or anyone acting on behalf of the  
3 organization to inform enrollees or prospective enrollees of the  
4 plan as to the coverage offered by the plan and the operation of the  
5 organization shall not be a violation of any provisions of law  
6 relating to solicitation of customers or advertising by prepaid  
7 vision plan providers if the advertising or sales material:

8 1. Is approved prior to use by the Commissioner upon  
9 determination by the Commissioner that the material is not  
10 inaccurate, false, deceptive, or misleading;

11 2. Does not identify the providers of vision services nor  
12 describe their professional qualifications, except upon request of  
13 the enrollee or prospective enrollee;

14 3. Does not describe the professional experience or attainments  
15 of providers individually or as a group, or contain language that  
16 states, evaluates, or lauds the professional competence, skills, or  
17 reputations of the providers; and

18 4. Shall not cause any providers to violate any professional  
19 ethics or laws that prohibit the solicitation of patients.

20 SECTION 14. NEW LAW A new section of law to be codified  
21 in the Oklahoma Statutes as Section 6985 of Title 36, unless there  
22 is created a duplication in numbering, reads as follows:

23 A. The Insurance Commissioner may conduct an examination of the  
24 business affairs of any prepaid vision plan organization as often as



1 the Commissioner deems necessary for the protection of the interests  
2 of the people of this state.

3 B. Any receivership, rehabilitation, liquidation, or  
4 conservation of a prepaid vision plan organization shall be  
5 conducted pursuant to the provisions for the receivership,  
6 rehabilitation, liquidation, or conservation of an insurer provided  
7 for by Articles 18 and 19 of Title 36 of the Oklahoma Statutes.

8 C. The Commissioner shall promulgate any rules necessary to  
9 effectuate the provisions of this act.

10 SECTION 15. AMENDATORY 36 O.S. 2021, Section 1202, is  
11 amended to read as follows:

12 Section 1202. When used in this article:

13 1. "Person" shall mean any individual, corporation,  
14 association, partnership, reciprocal exchange, inter-insurer,  
15 Lloyd's insurer, Lloyd's Name, Lloyd's Syndicate Name, fraternal  
16 benefit society, and any other legal entity engaged in the business  
17 of insurance, including agents, brokers ~~and~~, adjusters, and prepaid  
18 vision plan organizations and insurers;

19 2. "Commissioner" shall mean the Insurance Commissioner of this  
20 state; and

21 3. "Name" shall mean any individual or corporate entity  
22 underwriting insurance for their own account through the Lloyd's of  
23 London market and any agents or employees of any such individual or  
24 corporate entity.

1 SECTION 16. AMENDATORY 36 O.S. 2021, Section 1204, is  
2 amended to read as follows:

3 Section 1204. The following are hereby defined as unfair  
4 methods of competition and unfair and deceptive acts or practices in  
5 the business of insurance:

6 1. Misrepresentations and false advertising of policy  
7 contracts. Making, issuing, circulating, or causing to be made,  
8 issued or circulated, any estimate, illustration, circular or  
9 statement misrepresenting the terms of any policy issued or to be  
10 issued or the benefits or advantages promised thereby or the  
11 dividends or share of the surplus to be received thereon, or making  
12 any false or misleading statement as to the dividends or share of  
13 surplus previously paid on similar policies, or making any  
14 misleading representation or any misrepresentation as to the  
15 financial condition of any insurer, or as to the legal reserve  
16 system upon which any life insurer operates, or using any name or  
17 title of any policy or class of policies misrepresenting the true  
18 nature thereof, or making any misrepresentation to any policyholder  
19 insured in any company for the purpose of inducing or tending to  
20 induce such policyholder to lapse, forfeit, or surrender his or her  
21 insurance;

22 2. False information and advertising generally. Making,  
23 publishing, disseminating, circulating, or placing before the  
24 public, or causing, directly or indirectly, to be made, published,

1 disseminated, circulated, or placed before the public, in a  
2 newspaper, magazine, or other publication, or in the form of a  
3 notice, circular, pamphlet, letter or poster, or over any radio or  
4 television station, or in any other way an advertisement,  
5 announcement or statement containing any assertion, representation  
6 or statement with respect to the business of insurance or with  
7 respect to any person in the conduct of his or her insurance  
8 business which is untrue, deceptive or misleading. No insurance  
9 company shall issue, or cause to be issued, any policy of insurance  
10 of any type or description upon life, or property, real or personal,  
11 whenever such policy of insurance is to be furnished or delivered to  
12 the purchaser or bailee of any property, real or personal, as an  
13 inducement to purchase or bail ~~said~~ such property, real or personal,  
14 and no other person shall advertise, offer or give free insurance,  
15 insurance without cost or for less than the approved or customary  
16 rate, in connection with the sale or bailment of real or personal  
17 property, except as provided in Section 4101 of this title. No  
18 person that is not an insurer shall assume or use any name which  
19 deceptively infers or suggests that it is an insurer-;

20 3. Defamation. Making, publishing, disseminating, or  
21 circulating, directly or indirectly, or aiding, abetting or  
22 encouraging the making, publishing, disseminating or circulating of  
23 any oral or written statement or any pamphlet, circular, article or  
24 literature which is false, or maliciously critical of or derogatory

1 to the financial condition of an insurer, and which is calculated to  
2 injure any person engaged in the business of insurance-;

3 4. Boycott, coercion and intimidation. Entering into any  
4 agreement to commit, or by any concerted action committing, any act  
5 of boycott, coercion or intimidation resulting in or tending to  
6 result in unreasonable restraint of, or monopoly in, the business of  
7 insurance-;

8 5. False financial statements. Filing with any supervisory or  
9 other public official, or making, publishing, disseminating,  
10 circulating or delivering to any person, or placing before the  
11 public or causing directly or indirectly, to be made, published,  
12 disseminated, circulated, delivered to any person or placed before  
13 the public, any false statement of financial condition of an insurer  
14 with intent to deceive.

15 Making any false entry in any book, report or statement of any  
16 insurer with intent to deceive any agent or examiner lawfully  
17 appointed to examine into its condition or into any of its affairs,  
18 or any public official to whom such insurer is required by law to  
19 report, or who has authority by law to examine into its condition or  
20 into any of its affairs, or, with like intent, willfully omitting to  
21 make a true entry of any material fact pertaining to the business of  
22 such insurer in any book, report or statement of such insurer-;

23 6. Stock operations and advisory board contracts. Issuing or  
24 delivering or permitting agents, officers, or employees to issue or

1 deliver agency company stock or other capital stock, or benefit  
2 certificates or shares in any common-law corporation, or securities  
3 or any special or advisory board contracts or other contracts of any  
4 kind promising returns and profits as an inducement to insurance;

5 7. Unfair discrimination.

6 (a) Making or permitting any unfair discrimination between  
7 individuals of the same class and equal expectation of  
8 life in the rates charged for any contract of life  
9 insurance or of life annuity or in the dividends or  
10 other benefits payable thereon, or in any other of the  
11 terms and conditions of such contract.

12 (b) Making or permitting any unfair discrimination between  
13 individuals of the same class and of essentially the  
14 same hazard in the amount of premium, policy fees, or  
15 rates charged for any policy or contract of accident  
16 or health insurance or in the benefits payable  
17 thereunder, or in any of the terms or conditions of  
18 such contract, or in any other manner whatever.

19 (c) As to kinds of insurance other than life and accident  
20 and health, no person shall make or permit any unfair  
21 discrimination in favor of particular persons, or  
22 between insureds or subjects of insurance having  
23 substantially like insuring, risk, and exposure  
24 factors, or expense elements, in the terms or

1 conditions of any insurance contract, or in the rate  
2 or amount of premium charged therefor. This  
3 ~~subsection~~ paragraph shall not apply as to any premium  
4 rate in effect pursuant to Article 9 of the Oklahoma  
5 Insurance Code-;

6 8. Rebates.

7 (a) Except as otherwise expressly provided by law,  
8 knowingly permitting or offering to make or making any  
9 contract of insurance or agreement as to such contract  
10 other than as plainly expressed in the contract issued  
11 thereon; or paying or allowing, or giving or offering  
12 to pay, allow or give, directly or indirectly, as  
13 inducement to any contract of insurance, any rebate of  
14 premiums payable on the contract, or any special favor  
15 or advantage in the dividends or other benefits  
16 thereon, or any valuable consideration or inducement  
17 whatever not specified in the contract; except in  
18 accordance with an applicable rate filing, rating plan  
19 or rating system filed with and approved by the  
20 Insurance Commissioner; or giving or selling or  
21 purchasing or offering to give, sell, or purchase as  
22 inducement to such insurance, or in connection  
23 therewith, any stocks, bonds or other securities of  
24 any company, or any dividends or profits accrued

1           thereon, or anything of value whatsoever not specified  
2           in the contract or receiving or accepting as  
3           inducement to contracts of insurance, any rebate of  
4           premium payable on the contract, or any special favor  
5           or advantage in the dividends or other benefit to  
6           accrue thereon, or any valuable consideration or  
7           inducement not specified in the contract.

8           (b) Nothing in ~~subsection~~ paragraph 7 or ~~paragraph~~  
9           subparagraph (a) of this subsection shall be construed  
10          as including within the definition of discrimination  
11          or rebates any of the following practices:

12          (1) ~~In~~ in the case of any contract of life insurance  
13               or life annuity, paying bonuses to policyholders  
14               or otherwise abating their premiums in whole or  
15               in part out of surplus accumulated from  
16               nonparticipating insurance, provided, that any  
17               such bonuses or abatement of premiums shall be  
18               fair and equitable to policyholders and for the  
19               best interest of the company and its  
20               policyholders~~;~~,

21          (2) ~~In~~ in the case of life or accident and health  
22               insurance policies issued on the industrial debit  
23               or weekly premium plan, making allowance to  
24               policyholders who have continuously for a

1 specified period made premium payments directly  
2 to an office of the insurer in an amount which  
3 fairly represents the saving in collection  
4 expense~~†~~.

5 (3) ~~Making~~ making a readjustment of the rate of  
6 premium for a policy based on the loss or expense  
7 experience thereunder, at the end of the first or  
8 any subsequent policy year of insurance  
9 thereunder, which may be made retroactive only  
10 for such policy year~~†~~.

11 (4) ~~In~~ in the case of life insurance companies,  
12 allowing its bona fide employees to receive a  
13 commission on the premiums paid by them on  
14 policies on their own lives~~†~~.

15 (5) ~~Issuing~~ issuing life or accident and health  
16 policies on a salary saving or payroll deduction  
17 plan at a reduced rate commensurate with the  
18 savings made by the use of such plan~~†~~ and

19 (6) ~~Paying~~ paying commissions or other compensation  
20 to duly licensed agents or brokers, or allowing  
21 or returning to participating policyholders,  
22 members or subscribers, dividends, savings or  
23 unabsorbed premium deposits.  
24



1 (c) As used in this section, the word "insurance" includes  
2 suretyship and the word "policy" includes bond~~;~~;

3 9. Coercion prohibited. Requiring as a condition precedent to  
4 the purchase of, or the lending of money upon the security of, real  
5 or personal property, that any insurance covering such property, or  
6 liability arising from the ownership, maintenance or use thereof, be  
7 procured by or on behalf of the vendee or by the borrower in  
8 connection with such purchase or loan through any particular person  
9 or agent or in any particular insurer, or requiring the payment of a  
10 reasonable fee as a condition precedent to the replacement of  
11 insurance coverage on mortgaged property at the anniversary date of  
12 the policy; provided, however, that this provision shall not prevent  
13 the exercise by any such vendor or lender of the right to approve or  
14 disapprove any insurer selected to underwrite the insurance; but any  
15 disapproval of any insurer shall be on reasonable grounds~~;~~;

16 10. Inducements. No insurer, agent, broker, solicitor, or  
17 other person shall, as an inducement to insurance or in connection  
18 with any insurance transaction, provide in any policy for or offer,  
19 sell, buy, or offer or promise to buy, sell, give, promise, or allow  
20 to the insured or prospective insured or to any other person in his  
21 or her behalf in any manner whatsoever:

22 (a) ~~Any~~ any employment~~;~~;

- 1           (b) ~~Any~~ any shares of stock or other securities issued or  
2           at any time to be issued or any interest therein or  
3           rights thereto~~-,~~;
- 4           (c) ~~Any~~ any advisory board contract, or any similar  
5           contract, agreement or understanding, offering,  
6           providing for, or promising any special profits~~-,~~;
- 7           (d) ~~Any~~ any prizes, goods, wares, merchandise, or tangible  
8           property of an aggregate value in excess of One  
9           Hundred Dollars (\$100.00)~~-,~~ or
- 10          (e) ~~Any~~ any special favor, advantage or other benefit in  
11          the payment, method of payment or credit for payment  
12          of the premium through the use of credit cards, credit  
13          card facilities, credit card lists, or wholesale or  
14          retail credit accounts of another person. The  
15          provisions of this paragraph shall not apply to  
16          individual policies insuring against loss resulting  
17          from bodily injury or death by accident as defined by  
18          Article 44 of the Oklahoma Insurance Code~~-,~~;

19          11. Premature disposal of premium notes prohibited. No insurer  
20          or agent thereof shall hypothecate, sell, or dispose of a promissory  
21          note received in payment of any part of a premium on a policy of  
22          insurance applied for prior to the delivery of the policy~~-,~~;

23          12. Fraudulent statement in application~~-,~~ ~~penalty.~~ Any  
24          insurance agent, examining physician, or other person who knowingly

1 or willfully makes a false or fraudulent statement or representation  
2 in or relative to an application for insurance, or who makes any  
3 such statement to obtain a fee, commission, money, or benefit shall  
4 be guilty of a misdemeanor;

5 13. Deceptive use of financial institution's name in  
6 notification or solicitation. Verbally or by any other means  
7 notifying or soliciting any person in a manner that:

8 (a) mentions the name of an unrelated and unaffiliated  
9 financial institution,

10 (b) mentions an insurance product or the possible lack of  
11 insurance coverage,

12 (c) does not mention the actual or trade name of the  
13 insurance agency or company on whose behalf the  
14 notification or solicitation is provided, and

15 (d) thereby creates an impression or implication,  
16 including by omission, that the financial institution  
17 or a financial-institution-authorized entity is or may  
18 be the one making the notification or solicitation.

19 Nothing in this paragraph shall be interpreted to prohibit the  
20 reference to or use of the name of a financial institution made  
21 pursuant to a contractual agreement between the insurer and the  
22 financial institution; and

23 14. No insurer or prepaid vision plan organization as defined  
24 in Section 1 of this act which offers multiple prepaid vision plans

1 may require as a condition of participation in any one prepaid  
2 vision plan that a vision care provider participate in any of the  
3 other prepaid vision plans offered by the insurer or prepaid vision  
4 plan organization.

5 SECTION 17. It being immediately necessary for the preservation  
6 of the public peace, health or safety, an emergency is hereby  
7 declared to exist, by reason whereof this act shall take effect and  
8 be in full force from and after its passage and approval."

9 Passed the Senate the 24th day of April, 2024.

10  
11 \_\_\_\_\_  
12 Presiding Officer of the Senate

13 Passed the House of Representatives the \_\_\_\_ day of \_\_\_\_\_,  
14 2024.

15  
16 \_\_\_\_\_  
17 Presiding Officer of the House  
18 of Representatives

1 ENGROSSED HOUSE  
2 BILL NO. 1979

By: Hilbert, Fetgatter, Lawson  
and Johns of the House

3 and

4 Haste of the Senate

5  
6 An Act relating to vision care services; defining  
7 terms; imposing requirements with respect to  
8 agreements between vision care plans and service  
9 providers; prohibiting charges in excess of certain  
10 amount; imposing standard with respect to  
11 reimbursement rates; prohibiting effect on certain  
12 pricing of materials or services; providing for  
13 adjustment based on inflation; prescribing method for  
14 computation of adjustments; requiring certain  
15 offerings related to premium lenses; prohibiting  
16 communication of certain information; prohibiting  
17 certain incentives; providing for application of  
18 provisions to subcontractors; prohibiting agreements  
19 from requiring participation or credentialing with  
20 certain entities; providing for reimbursement using  
21 certain standard; prohibiting insurer from requiring  
22 certain terms and conditions with respect to eye care  
23 service providers; imposing requirements with respect  
24 to subcontractor agreements; providing for  
applicability of requirements to agreements pursuant  
to health care plans; defining certain actions to  
constitute unfair trade practice; prohibiting  
modification of agreements; requiring procedures  
prior to modification; prescribing procedures related  
to process for modification of agreements;  
prohibiting limitations on choices by eye care  
service providers; prohibiting certain changes in  
terms, discounts or reimbursement rates without  
agreement; authorizing civil remedies for violations;  
authorizing treble damages; imposing duties on  
Insurance Commissioner; providing for fines;  
providing for applicability of act; providing for  
applicability of act based on renewal of certain  
plans; providing for codification; and declaring an  
emergency.

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

2 SECTION 18. NEW LAW A new section of law to be codified  
3 in the Oklahoma Statutes as Section 6971 of Title 36, unless there  
4 is created a duplication in numbering, reads as follows:

5 As used in this act:

6 1. "Contractual discount" means a reduction from a provider's  
7 usual and customary rate for covered services and materials required  
8 under a participating provider agreement;

9 2. "Covered services" means services for which reimbursement  
10 from the insurer, vision care plan or vision care discount plan is  
11 provided to a vision care provider by an enrollee's plan contract,  
12 or for which a reimbursement would be available but for the  
13 application of the enrollee's contractual plan limitations of  
14 deductibles, copayments, or coinsurance, regardless of how the  
15 benefits are listed in an enrollee's benefit plan's definition of  
16 benefits;

17 3. "Covered materials" means materials for which reimbursement  
18 from the insurer, vision care plan or vision care discount plan is  
19 provided to a vision care provider by an enrollee's plan contract,  
20 or for which a reimbursement would be available but for the  
21 application of the enrollee's contractual limitations of  
22 deductibles, copayments, or coinsurance;

23 4. "Services" means the professional work performed by an eye  
24 care provider as defined in this section;

1       5. "Materials" means ophthalmic devices including but not  
2 limited to lenses, devices containing lenses, artificial intraocular  
3 lenses, ophthalmic frames and other lens mounting apparatus, prisms,  
4 lens treatments and coatings, contact lenses, and prosthetic devices  
5 to correct, relieve, or treat defects or abnormal conditions of the  
6 human eye or its adnexa, or any material allowed to be utilized by  
7 Oklahoma Board of Examiners in Optometry and Optometry's Scope of  
8 Practice as provided by law;

9       6. "Eye Care Provider" means a licensed doctor of optometry  
10 practicing under the authority of the applicable provisions of Title  
11 59 of the Oklahoma Statutes or a licensed medical or osteopathic  
12 doctor practicing under the authority of the applicable provisions  
13 of Title 59 of the Oklahoma Statutes;

14       7. "Vision Care Plan" means an entity that creates, promotes,  
15 sells, provides, advertises or administers, an integrated or stand-  
16 alone vision benefit plan, or a vision care insurance policy or  
17 contract which provides vision benefits to an enrollee pertaining to  
18 the provision of covered services or covered materials;

19       8. "Health benefit plan" means:

20           a. group hospital or medical insurance coverage, a not-  
21 for-profit hospital or medical service or indemnity  
22 plan, a prepaid health plan, a health maintenance  
23 organization plan, a preferred provider organization  
24 plan, the State and Education Employees Group Health

1 Insurance Plan, and coverage provided by a Multiple  
2 Employer Welfare Arrangement or employee self-insured  
3 plan as permitted under Employee Retirement Income  
4 Security Act of 1974.

5 b. The term "health benefit plan" shall not include:

6 (1) a plan that provides coverage:

7 (a) only for a specified disease or diseases or  
8 under an individual limited benefit policy,

9 (b) only for accidental death or dismemberment,

10 (c) only for dental or vision care,

11 (d) a hospital confinement indemnity policy,

12 (e) disability income insurance or a combination  
13 of accident-only and disability income  
14 insurance, or

15 (f) as a supplement to liability insurance,

16 (2) a Medicare supplemental policy as defined by  
17 Section 1882(g)(1) of the Social Security Act (42  
18 U.S.C., Section 1395ss),

19 (3) workers' compensation insurance coverage,

20 (4) medical payment insurance issued as part of a  
21 motor vehicle insurance policy,

22 (5) a long-term care policy, including a nursing home  
23 fixed indemnity policy, unless a determination is  
24 made that the policy provides benefit coverage so



1 comprehensive that the policy meets the  
2 definition of a health benefit plan, or  
3 (6) short-term health insurance issued on a  
4 nonrenewable basis with a duration of six (6)  
5 months or less;

6 9. "Vision care discount plan" means an entity which has been  
7 specifically authorized by the vision care providers to provide  
8 discounts to patients;

9 10. "Subcontractor" means any company, group or third-party  
10 entity including agents, servants, partially or wholly owned  
11 subsidiaries and controlled organizations contracted by the insurer,  
12 vision care plan or vision care discount plan to supply services or  
13 materials for an eye care provider or enrollee to fulfill the  
14 benefit plan of an insurer, vision care plan or vision care discount  
15 plan; and

16 11. "Enrollee" means any individual enrolled in a health care  
17 plan, vision care plan or vision care discount plan provided by a  
18 group, employer or other entity that purchases or supplies coverage  
19 for a vision care plan or vision care discount plan.

20 SECTION 19. NEW LAW A new section of law to be codified  
21 in the Oklahoma Statutes as Section 6972 of Title 36, unless there  
22 is created a duplication in numbering, reads as follows:

23 A. No agreement between an insurer, vision care plan or vision  
24 care discount plan and an eye care provider may seek to or require

1 that an eye care provider provide services or materials at a fee  
2 limited or set by the insurer, vision care plan or vision care  
3 discount plan unless the services or materials are reimbursed as  
4 covered services or covered materials under the contract.

5 B. An eye care provider shall not charge more for services and  
6 materials that are noncovered services or noncovered materials to an  
7 enrollee of a vision care plan or insurer than his or her usual and  
8 customary rate for those services and materials.

9 C. Reimbursements paid by an insurer, vision care plan, or  
10 vision care discount plan for covered services and covered  
11 materials, regardless of supplier or optical lab used to obtain  
12 materials, shall be reasonable, shall be clearly listed on a fee  
13 schedule that is made available to the vision care provider prior to  
14 accepting a contract from the insurer, vision care plan or vision  
15 discount plan and shall not provide nominal reimbursement or  
16 advertise services and materials to be covered with additional copay  
17 or coinsurance if the health plan, vision care plan or vision care  
18 discount plan do not reimburse for the services or materials in  
19 order to claim that services and materials are covered services and  
20 materials.

21 D. Vision plans shall not in any manner impact the pricing of  
22 noncovered services or materials.

23 E. Vision care plans shall calculate an annual adjustment,  
24 using the increase if any in the Consumer Price Index for All Urban

1 Consumers (CPI-U), and cause reimbursement rates to reflect such  
2 increases.

3 F. Vision plans shall provide standard reimbursements for all  
4 lenses with the same design, quality and composition. The period of  
5 time prescribed by a contract between any vision service plan and a  
6 provider of vision care services for the vision service plan to  
7 recover any reimbursement amount from a vision care service provider  
8 shall be the same period of time allowed or required for any vision  
9 service provider to recover any reimbursement amount from a vision  
10 service plan.

11 G. Insurers, vision care plans and vision care discount plans  
12 shall not publish, disseminate or falsely represent the benefits  
13 that are provided to groups, employers or individual enrollees as a  
14 means of selling coverage to or communicating benefit coverage to  
15 enrollees.

16 H. Vision plans shall not incentivize patients in order to move  
17 them to entities owned in part or in whole by the vision plans or  
18 subsidiaries of the plans.

19 I. All provisions in this act shall apply to any entity acting  
20 in whole or in part of vision plans and shall be subject to all  
21 applicable penalties as referenced in this section. Any member of a  
22 prepaid vision plan shall be free to select any licensed vision  
23 practitioner to provide vision services and prepayment or  
24 reimbursement determinations shall be made without regard to whether

1 the practitioner is a participating or nonparticipating member of  
2 the plan. The provisions of this subsection shall be printed on the  
3 policy for membership coverage.

4 J. Vision plans shall not entice a non-network patient's choice  
5 of eye care providers.

6 SECTION 20. NEW LAW A new section of law to be codified  
7 in the Oklahoma Statutes as Section 6973 of Title 36, unless there  
8 is created a duplication in numbering, reads as follows:

9 A. No agreement between an insurer, vision care plan or vision  
10 care discount plan and a vision care provider shall require that an  
11 eye care provider must participate with or be credentialed by any  
12 specific vision care plan or vision care discount plan as a  
13 condition for participation in the health care network of the  
14 insurer to provide covered medical services to its enrollees.

15 B. Any insurer issuing or renewing a health benefit plan,  
16 vision care plan or vision care discount plan issued or renewed  
17 which provides coverage for services rendered by a physician or  
18 osteopath duly licensed pursuant to law that are within the scope of  
19 practice of an optometrist duly licensed under the applicable  
20 provisions of Title 59 of the Oklahoma Statutes shall provide the  
21 same reimbursement for services to optometrists as allowed for those  
22 services rendered by physicians or osteopaths.

23 C. An insurer shall not require an optometrist to meet terms  
24 and conditions that are not required of a physician or osteopath as

1 a condition for participation in its provider network for the  
2 provision of services that are within the scope of practice of an  
3 optometrist.

4 D. A clause requiring that if a provider enters into any  
5 subcontract agreement with another provider to provide their  
6 licensed health care services to the subscriber, dependent of the  
7 subscriber, or enrollee of a managed care plan where the  
8 subcontracted provider will bill the managed care plan or subscriber  
9 or enrollee directly for the subcontracted services, the subcontract  
10 agreement must meet all requirements of this act.

11 E. The provisions of subsections A, B, and C of this section  
12 shall also apply to any agreements an insurer enters into to provide  
13 services covered under the health benefit plan, vision care plan or  
14 vision care discount plan.

15 SECTION 21. NEW LAW A new section of law to be codified  
16 in the Oklahoma Statutes as Section 6974 of Title 36, unless there  
17 is created a duplication in numbering, reads as follows:

18 It is an unfair trade practice for an insurer that offers  
19 multiple vision benefit plans or multiple vision discount plans to  
20 require an eye care provider, as a condition of participation in a  
21 vision benefit plan or vision discount plan of the insurer, to  
22 participate in any of the insurer's other vision benefit plans or  
23 vision discount plans. In addition to the proceedings and penalties  
24

1 provided in this act for violation of this provision, a contract  
2 provision violating this section is void.

3 SECTION 22. NEW LAW A new section of law to be codified  
4 in the Oklahoma Statutes as Section 6975 of Title 36, unless there  
5 is created a duplication in numbering, reads as follows:

6 An insurer, vision care plan or vision care discount plan shall  
7 not change or alter an agreement entered into with an eye care  
8 provider without performing the following steps:

9 1. A certified letter or an electronic communication requiring  
10 an electronic signature proving receipt, detailing proposed changes  
11 shall be sent to eye care providers and a face-to-face or virtual  
12 meeting shall be conducted if requested by the eye care provider;

13 2. Vision care plans shall supply the eye care providers with  
14 an explanation of benefits and/or explanation of payment for  
15 services and materials rendered by the provider upon request,  
16 regardless of the provider's network status with Vision Care Plan;

17 3. It is required that an eye care provider to either agree or  
18 not agree to proposed changes. If the changes in the contract are  
19 not agreed to by the eye care provider then the current agreement  
20 shall continue until its expiration after two (2) years and the  
21 insurer, vision care plan or vision care discount may not remove the  
22 eye care provider from a panel or plan for not accepting the changes  
23 to a contract for the remainder of the two-year contract;

24

1 4. A new agreement is required to be established and agreed  
2 upon after three or more material changes are made to an existing  
3 agreement from an insurer, vision care plan or vision care discount  
4 plan; and

5 5. Any amendment to a proposed contract that is being reviewed  
6 by a service provider prior to its execution and any amendment to an  
7 existing contract with a service provider shall be underlined to  
8 clearly indicate the contract modification.

9 SECTION 23. NEW LAW A new section of law to be codified  
10 in the Oklahoma Statutes as Section 6976 of Title 36, unless there  
11 is created a duplication in numbering, reads as follows:

12 No agreement between an insurer, vision care plan or vision care  
13 discount plan and an eye care provider shall restrict or limit,  
14 either directly or indirectly, the vision care provider's choice of  
15 sources and suppliers of services or materials or use of optical  
16 labs provided by the eye care provider to an enrollee.

17 SECTION 24. NEW LAW A new section of law to be codified  
18 in the Oklahoma Statutes as Section 6977 of Title 36, unless there  
19 is created a duplication in numbering, reads as follows:

20 No insurer, vision care plan or vision care discount plan shall  
21 change the terms, discounts or reimbursement rates contained  
22 therein, regardless of supplier or fabricating lab used to supply  
23 materials.

24

1 SECTION 25. NEW LAW A new section of law to be codified  
2 in the Oklahoma Statutes as Section 6978 of Title 36, unless there  
3 is created a duplication in numbering, reads as follows:

4 Any person adversely affected by a violation of this act may  
5 bring action in a court of competent jurisdiction for injunctive  
6 relief against the insurer, vision care discount plan or vision care  
7 plan and, upon prevailing, in addition to such injunctive relief,  
8 may recover monetary damages of equal to three (3) times the actual  
9 damages caused by the insurer, vision care discount plan or vision  
10 care plan plus attorney fees and costs.

11 SECTION 26. NEW LAW A new section of law to be codified  
12 in the Oklahoma Statutes as Section 6979 of Title 36, unless there  
13 is created a duplication in numbering, reads as follows:

- 14 A. The Insurance Commissioner shall:
- 15 1. Enforce the state's insurance laws and the provision of this  
16 act using powers granted to the Commissioner by law; and
  - 17 2. Be entitled to seek an injunction against an insurer, vision  
18 care plan or vision care discount plan in a court of competent  
19 jurisdiction.

20 B. The Insurance Commissioner shall fine vision plans in a  
21 range from Ten Thousand Dollars (\$10,000.00) to One Hundred Thousand  
22 Dollars (\$100,000.00) for each violation of the provisions of this  
23 act.

24



1 C. The Insurance Commissioner shall have the authority to  
2 prohibit the marketing of vision plans in Oklahoma that repeatedly  
3 violate the provisions of this act.

4 SECTION 27. NEW LAW A new section of law to be codified  
5 in the Oklahoma Statutes as Section 6980 of Title 36, unless there  
6 is created a duplication in numbering, reads as follows:

7 A. The requirements of this section apply to insurer, vision  
8 care plan and vision care discount plan policies, contracts,  
9 addendums and certificates executed, delivered, issued for delivery,  
10 continued or renewed in this state.

11 B. No insurer, vision care plan contract or vision care  
12 discount plan contract may be longer than two (2) years from the  
13 date that it was first signed.

14 C. No insurer, vision care plan or vision care discount plan  
15 shall construe re-credentialing as re-contracting with a vision care  
16 provider. All contracts must be a distinctly separate document from  
17 any credentialing materials and signed by the provider.

18 SECTION 28. NEW LAW A new section of law to be codified  
19 in the Oklahoma Statutes as Section 6981 of Title 36, unless there  
20 is created a duplication in numbering, reads as follows:

21 The provisions of this act shall include all vision care plans  
22 and discount card plans upon renewal of enrollee's current plan or  
23 upon issue of a new plan to any enrollee. No contract provision  
24 shall violate the letter of the law.

1 SECTION 29. It being immediately necessary for the preservation  
2 of the public peace, health or safety, an emergency is hereby  
3 declared to exist, by reason whereof this act shall take effect and  
4 be in full force from and after its passage and approval.

5 Passed the House of Representatives the 8th day of March, 2023.

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\_\_\_\_\_  
Presiding Officer of the House  
of Representatives

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10 Passed the Senate the \_\_\_ day of \_\_\_\_\_, 2023.

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Presiding Officer of the Senate

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