

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 2nd Session of the 56th Legislature (2018)

4 COMMITTEE SUBSTITUTE
5 FOR
6 HOUSE BILL NO. 3228

By: Moore of the House

and

Standridge of the Senate

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10 COMMITTEE SUBSTITUTE

11 An Act relating to insurance; creating the Patient
12 Protection Act; prohibiting the health care insurer
13 from imposing advantages or penalties when certain
14 nonnetwork providers agree to accept certain
15 reimbursement rates; prohibiting balance billing in
16 certain circumstances; requiring insurers provide
17 timely payment to providers; specifying certain
18 actions of an insurer shall not be prohibited or
19 required; defining terms; prohibiting insurer from
20 terminating, refusing to issue or renew a physician
21 contract under certain circumstances; providing for
22 codification; providing for noncodification; and
23 providing an effective date.

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

SECTION 1. NEW LAW A new section of law not to be
codified in the Oklahoma Statutes reads as follows:

This act shall be known and may be cited as the "Patient
Protection Act".

1 SECTION 2. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 6057.6 of Title 36, unless there
3 is created a duplication in numbering, reads as follows:

4 A. When a health care provider not participating in a preferred
5 provider organization network agrees to accept the highest contract
6 reimbursement rate available under the preferred provider
7 organization agreement for professional and facility fees provided
8 on behalf of an insured, the health care insurer shall not impose a
9 monetary advantage or penalty under a health benefit plan that would
10 affect the choice of the insured to select among those health care
11 providers participating and not participating in the health benefit
12 plan. "Monetary advantage" or "penalty" includes:

- 13 1. Higher cost-sharing provisions, such as deductibles and
14 copayment;
- 15 2. A reduction in reimbursement for services; or
- 16 3. Promotion of one health care provider over another by these
17 methods.

18 B. Health care providers not participating in the preferred
19 provider organization that agree to accept the highest contract
20 reimbursement and perform services and procedures in any facility
21 that provides similar services available under the preferred
22 provider organization agreement shall accept the reimbursement as
23 payment in full and shall not balance bill the insured. Insurers
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1 shall provide timely payment to the health care provider in
2 accordance with a contract provider agreement.

3 C. Nothing in this section shall be construed to:

4 1. Prohibit or require an insurer from contracting with any
5 health care provider;

6 2. Prohibit or require the same reimbursement to different
7 types of health care providers whose licensed scope of practice
8 differs;

9 3. Prohibit or require coverage of services from any particular
10 type of health care provider;

11 4. Prevent a health benefit plan from instituting measures
12 designed to maintain quality and to control costs, including, but
13 not limited to, the utilization of a gatekeeper system, as long as
14 such measures are imposed equally on all providers in the same
15 class; or

16 5. Allow an insurer to discriminate against a facility that
17 offers the same service or procedures.

18 D. As used in this section:

19 1. "Balance bill" means charging the difference between a
20 nonpreferred provider's bill for a health care service and the
21 insurer's allowed amount;

22 2. "Gatekeeper system" means a system of administration used by
23 any health benefit plan in which a primary care provider furnishes
24 basic patient care and coordinates diagnostic testing, indicated

1 treatment and specialty referral for persons covered by the health
2 benefit plan;

3 3. "Health care provider" means a physician, hospital,
4 ambulatory surgical center, pharmaceutical company, pharmacy,
5 pharmacist, laboratory or other state-licensed or state-recognized
6 provider of health care services; and

7 4. "Preferred provider organization" means a network of health
8 care providers which has entered into a contract with an insurer or
9 entity contracting with providers to provide health care services
10 under the terms and conditions established in the contract.

11 SECTION 3. NEW LAW A new section of law to be codified
12 in the Oklahoma Statutes as Section 6057.7 of Title 36, unless there
13 is created a duplication in numbering, reads as follows:

14 An insurer issuing health benefit plans in this state shall not
15 terminate, refuse to issue or renew a contract with a physician
16 participating in a preferred provider organization network for the
17 reason that the physician provided the person insured under the
18 health benefit plan a referral or name of another physician that is
19 not participating in a preferred provider organization network.

20 SECTION 4. This act shall become effective November 1, 2018.

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22 COMMITTEE REPORT BY: COMMITTEE ON INSURANCE, dated 02/28/2018 - DO
23 PASS, As Amended and Coauthored.

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