

1 STATE OF OKLAHOMA

2 1st Session of the 58th Legislature (2021)

3 SENATE BILL 462

By: Taylor

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6 AS INTRODUCED

7 An Act relating to insurance; creating the Oklahoma
8 Right to Shop Act; defining terms; authorizing
9 insurance carriers to create certain program;
10 establishing requirements of program; providing for
11 calculation and method of distribution of incentives;
12 requiring insurer to provide certain notification and
13 filings; requiring insurer to publish certain
14 information on website; providing methodology for
15 calculating minimum required savings incentive;
16 requiring insurer to make certain payments; requiring
17 certain report within specified time period; stating
18 contents of report; specifying participation in
19 program is optional; directing the Insurance
20 Department to promulgate rules; requiring Office of
21 Management and Enterprise Services to conduct
22 analysis; requiring certain program be implemented;
23 requiring Office to provide certain report to
24 Legislature; providing for codification; and
25 providing an effective date.

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

20 SECTION 1. NEW LAW A new section of law to be codified
21 in the Oklahoma Statutes as Section 6060.40 of Title 36, unless
22 there is created a duplication in numbering, reads as follows:

23 This act shall be known and may be cited as the "Oklahoma Right
24 to Shop Act".

1 SECTION 2. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 6060.41 of Title 36, unless
3 there is created a duplication in numbering, reads as follows:

4 As used in the Oklahoma Right to Shop Act:

5 1. "Allowed amount" means the contractually agreed-upon amount
6 paid by a carrier to a health care entity participating in the
7 network of the carrier;

8 2. "Comparable health care service" means any covered
9 nonemergency health care service or bundle of services. The
10 Insurance Commissioner may limit what is considered a comparable
11 health care service if an insurance carrier can demonstrate allowed
12 amount variation among network providers is less than Fifty Dollars
13 (\$50.00);

14 3. "Health benefit plan" means any plan as defined in
15 subsection C of Section 6060.4 of Title 36 of the Oklahoma Statutes;

16 4. "Insurance carrier" or "carrier" means an insurance company
17 that issues policies of accident and health insurance and is
18 licensed to sell insurance in this state;

19 5. "Shared savings incentive" means a voluntary and optional
20 financial incentive that an insurance carrier may provide to an
21 enrollee for choosing certain health care services under a shared
22 savings incentive program; and
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1 6. "Shared savings incentive program" means a voluntary and
2 optional incentive program established by an insurance carrier
3 pursuant to this act.

4 SECTION 3. NEW LAW A new section of law to be codified
5 in the Oklahoma Statutes as Section 6060.42 of Title 36, unless
6 there is created a duplication in numbering, reads as follows:

7 A. An insurance carrier may offer a shared savings incentive
8 program to provide incentives to an enrollee when the enrollee
9 obtains a comparable health care service that is covered by the
10 carrier from providers that charge less than the average allowed
11 amount paid by that carrier to network providers for that,
12 comparable health care service.

13 B. Incentives may be calculated as a percentage of the
14 difference in allowed amounts to the average, as a flat dollar
15 amount, or by any other reasonable methodology approved by the
16 Insurance Department. The carrier shall provide the incentive as a
17 cash payment to the enrollee or credit toward the annual in-network
18 deductible and out-of-pocket limit of the enrollee. Carriers may
19 allow enrollees to select which method the enrollee prefers to
20 receive the incentive.

21 C. An insurance carrier that offers a shared savings incentive
22 program shall:

23 1. Establish the program as a component part of the policy or
24 certificate of insurance provided by the carrier and notify the
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1 enrollees and the Insurance Department at least thirty (30) days
2 before program termination;

3 2. File a description of the program on a form prescribed by
4 the Insurance Commissioner. The Insurance Department shall review
5 the filing and determine whether the program complies with the
6 provisions of this section;

7 3. Notify an enrollee, annually or at the time of renewal, of
8 the availability of the shared savings incentive program and the
9 procedures to participate in the program;

10 4. Publish on the website of the insurance carrier, easily
11 accessible to enrollees and applicants for insurance, a list of
12 comparable health care services and health care providers and the
13 shared savings incentive amount applicable for each service. A
14 shared savings incentive shall not be less than twenty-five percent
15 (25%) of the savings generated by the participation of the enrollee
16 in any shared savings incentive program offered by the insurance
17 carrier. The baseline for the savings calculation shall be the
18 average in-network amount paid for that service in the most recent
19 twelve-month period or any other methodology established by the
20 insurance carrier and approved by the Insurance Department;

21 5. At least quarterly, credit, deposit or make a cash payment
22 to an enrollee of the shared savings incentive amount pursuant to
23 participation in the shared savings incentive program; and
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1 6. Submit an annual report to the Insurance Department within
2 ninety (90) days after the close of each health benefit plan year.

3 At a minimum, the report shall include the following information:

- 4 a. the number of enrollees who participated in the
5 program during the health benefit plan year and the
6 number of instances of participation,
- 7 b. the total cost of services provided as a part of the
8 program, and
- 9 c. the total value of the shared savings incentive
10 payments made to enrollees participating in the
11 program and the values distributed as cash or credit
12 toward the annual in-network deductible and out-of-
13 pocket limit of an enrollee.

14 D. An enrollee shall not be required to participate in a shared
15 savings incentive program.

16 SECTION 4. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 6060.43 of Title 36, unless
18 there is created a duplication in numbering, reads as follows:

19 The Insurance Department shall promulgate necessary rules for
20 the implementation of the Oklahoma Right to Shop Act.

21 SECTION 5. NEW LAW A new section of law to be codified
22 in the Oklahoma Statutes as Section 6060.44 of Title 36, unless
23 there is created a duplication in numbering, reads as follows:

1 The Office of Management and Enterprise Services shall conduct
2 an analysis no later than November 1, 2022, of the cost-
3 effectiveness of implementing a shared savings incentive program, as
4 defined in paragraph 6 of Section 2 of this act, for current
5 enrollees of the Oklahoma Employees Insurance Plan created pursuant
6 to the Oklahoma State Employees Benefit Act. If a program is found
7 to be cost-effective, it shall be implemented as part of the next
8 open enrollment. The Office shall communicate the rationale for its
9 decision to the President Pro Tempore of the Senate, the Speaker of
10 the House of Representatives, and the chairs of the relevant
11 legislative committees in writing.

12 SECTION 6. This act shall become effective November 1, 2021.

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