

1 **SENATE FLOOR VERSION**

2 February 22, 2021

3 **AS AMENDED**

4 SENATE BILL NO. 462

5 By: Taylor and Bullard of the
6 Senate

7 and

8 Frix of the House

9 **[insurance - Oklahoma Right to Shop Act -
10 codification - effective date]**

11
12 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

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

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

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

21 As used in the Oklahoma Right to Shop Act:

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

1 2. "Comparable health care service" means any covered
2 nonemergency health care service or bundle of services. The
3 Insurance Commissioner may limit what is considered a comparable
4 health care service if an insurance carrier can demonstrate allowed
5 amount variation among network providers is less than Fifty Dollars
6 (\$50.00);

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

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

12 5. "Shared savings incentive" means a voluntary and optional
13 financial incentive that an insurance carrier may provide to an
14 enrollee for choosing certain health care services under a shared
15 savings incentive program; and

16 6. "Shared savings incentive program" means a voluntary and
17 optional incentive program established by an insurance carrier
18 pursuant to this act.

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

22 A. An insurance carrier may offer a shared savings incentive
23 program to provide incentives to an enrollee when the enrollee
24 obtains a comparable health care service that is covered by the

1 carrier from providers that charge less than the average allowed
2 amount paid by that carrier to network providers for that,
3 comparable health care service.

4 B. Incentives may be calculated as a percentage of the
5 difference in allowed amounts to the average, as a flat dollar
6 amount, or by any other reasonable methodology approved by the
7 Insurance Department. The carrier shall provide the incentive as a
8 cash payment to the enrollee or credit toward the annual in-network
9 deductible and out-of-pocket limit of the enrollee. Carriers may
10 allow enrollees to select which method the enrollee prefers to
11 receive the incentive.

12 C. An insurance carrier that offers a shared savings incentive
13 program shall:

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

18 2. File a description of the program on a form prescribed by
19 the Insurance Commissioner. The Insurance Department shall review
20 the filing and determine whether the program complies with the
21 provisions of this section;

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

1 4. Publish on the website of the insurance carrier, easily
2 accessible to enrollees and applicants for insurance, a list of
3 comparable health care services and health care providers and the
4 shared savings incentive amount applicable for each service. A
5 shared savings incentive shall not be less than twenty-five percent
6 (25%) of the savings generated by the participation of the enrollee
7 in any shared savings incentive program offered by the insurance
8 carrier. The baseline for the savings calculation shall be the
9 average in-network amount paid for that service in the most recent
10 twelve-month period or any other methodology established by the
11 insurance carrier and approved by the Insurance Department;

12 5. At least quarterly, credit, deposit or make a cash payment
13 to an enrollee of the shared savings incentive amount pursuant to
14 participation in the shared savings incentive program; and

15 6. Submit an annual report to the Insurance Department within
16 ninety (90) days after the close of each health benefit plan year.
17 At a minimum, the report shall include the following information:

- 18 a. the number of enrollees who participated in the
19 program during the health benefit plan year and the
20 number of instances of participation,
- 21 b. the total cost of services provided as a part of the
22 program, and
- 23 c. the total value of the shared savings incentive
24 payments made to enrollees participating in the

1 program and the values distributed as cash or credit
2 toward the annual in-network deductible and out-of-
3 pocket limit of an enrollee.

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

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

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

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

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

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

COMMITTEE REPORT BY: COMMITTEE ON RETIREMENT AND INSURANCE
February 22, 2021 - DO PASS AS AMENDED

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