

COMMITTEE AMENDMENT

HOUSE OF REPRESENTATIVES

State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB3489 _____
Of the printed Bill
Page _____ Section _____ Lines _____
Of the Engrossed Bill

By striking the Title, the Enacting Clause, the entire bill, and by
inserting in lieu thereof the following language:

AMEND TITLE TO CONFORM TO AMENDMENTS

Amendment submitted by: Chris Sneed

Adopted: _____

Reading Clerk

STATE OF OKLAHOMA

2nd Session of the 57th Legislature (2020)

PROPOSED COMMITTEE
SUBSTITUTE
FOR
HOUSE BILL NO. 3489

By: Sneed of the House

and

David of the Senate

PROPOSED COMMITTEE SUBSTITUTE

An Act relating to health insurance; creating the Oklahoma Right to Shop Act; defining terms; requiring insurance carriers to create certain program; establishing requirements of program; construing certain provision as not an expense; requiring certain filing with Insurance Department; requiring carriers to establish certain online program; establishing requirements of program; authorizing exemption to requirements of act; requiring certain notification; requiring certain enrollees to receive out-of-network treatment under certain conditions; requiring certain payment method; authorizing certain average rates paid to certain providers; providing for codification; and providing an effective date.

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 6060.40 of Title 36, unless there is created a duplication in numbering, reads as follows:

This act shall be known and may be cited as the "Oklahoma Right 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" shall mean the contractually agreed upon
6 amount paid by a carrier to a health care entity participating in
7 the carrier's network;

8 2. "Comparable health care service" shall mean 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 of less than Fifty Dollars
13 (\$50.00);

14 3. "Health care entity" shall mean a physician, hospital,
15 pharmaceutical company, pharmacist, laboratory or other state-
16 licensed or state-recognized provider of health care services;

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

20 5. "Program" shall mean the comparable health care service
21 incentive program established by a carrier pursuant to this act.

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

1 Beginning upon approval of the next health insurance rate filing
2 in 2020, a carrier offering a health benefit plan as defined in
3 Section 6060.4 of this title in this state in the individual or
4 small group insurance market, except plans where enrollees receive a
5 premium subsidy under the federal Patient Protection and Affordable
6 Care Act, or are under sole jurisdiction of the federal Department
7 of Labor, shall comply with the following requirements:

8 1. A carrier shall establish for all health benefit plans a
9 program in which enrollees can be incentivized to shop, before and
10 after their out-of-pocket limit has been met, for lower cost by a
11 nonparticipating health care provider or facility for comparable
12 health care services. Incentives may include a reduction of
13 premiums, copayments, coinsurance or deductible. Incentives shall
14 be calculated as the difference of the average allowed amount and
15 the nonparticipating health care provider or facilities agreed-upon
16 rate, so long as the amount is less than the average allowed amount.
17 The carrier shall provide the incentive as a credit toward the
18 enrollee's annual in-network deductible, copayment or coinsurance
19 amount. Carriers shall let the enrollee decide whether the
20 enrollee's incentive is credited toward deductible, copayment or
21 coinsurance amount. The incentive program shall provide the
22 enrollee with at least fifty percent (50%) of the carriers saved
23 costs for each service or comparable health care service. The
24

1 remaining fifty percent (\$50%) of savings shall be provided by the
2 enrollee's insurer;

3 2. Annually at enrollment or renewal, a carrier shall provide
4 notice to enrollees of the availability of the program with a
5 description of the incentives available to an enrollee and how they
6 are earned;

7 3. A comparable health care service incentive payment made by a
8 carrier in accordance with this section is not an administrative
9 expense of the carrier for rate development or rate filing purposes;
10 and

11 4. Prior to offering the program to any enrollee, a carrier
12 shall file with the Insurance Commissioner a description of the
13 program established by the carrier pursuant to this section, using a
14 form provided by the Insurance Department.

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

18 Beginning upon approval of the next health insurance rate filing
19 in 2020, a carrier offering a health benefit plan in this state in
20 the individual or small group insurance market shall comply with the
21 following requirements:

22 1. A carrier shall establish an interactive mechanism on its
23 publicly accessible website that enables an enrollee to request and
24 obtain from the carrier information on the payments made by the

1 carrier to network entities or providers for comparable health care
2 services, as well as quality data for those providers, to the extent
3 the data is available. The interactive mechanism must allow an
4 enrollee seeking information about the cost of a particular health
5 care service to compare allowed amounts among network providers,
6 estimate out-of-pocket costs applicable to that enrollee's health
7 benefit plan and the average paid to the network provider and
8 facility for the procedure or service under the enrollee's health
9 benefit plan. The out-of-pocket estimate must provide a good-faith
10 estimate of the amount the enrollee will be responsible to pay out-
11 of-pocket for a proposed nonemergency procedure or service that is a
12 medically necessary covered benefit from a network provider of the
13 carrier, including any copayment, deductible, coinsurance or other
14 out-of-pocket amount for any covered benefit, based on the
15 information available to the carrier at the time the request is
16 made. A carrier may contract with a third-party vendor to satisfy
17 the requirements of this section;

18 2. Nothing in this section shall prohibit a carrier from
19 imposing cost-sharing requirements disclosed in the certificate of
20 coverage of the enrollee for unforeseen health care services that
21 arise out of the nonemergency procedure or service provided to an
22 enrollee that was not included in the original estimate; and

23 3. A carrier shall notify an enrollee that these are estimated
24 costs, and that the actual amount the enrollee will be responsible

1 to pay may vary due to unforeseen services that arise out of the
2 proposed nonemergency procedure or service.

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

6 A. If an enrollee elects to receive a covered health care
7 service from a United-States-based out-of-network provider or
8 facility and the out-of-network provider or facility agrees to
9 accept a price that is the same or less than the average that the
10 insurance carrier of the enrollee currently pays to health care
11 providers or facilities within the enrollee's network, the carrier
12 shall allow the enrollee to obtain the service from the out-of-
13 network provider or facility and, upon request by the enrollee,
14 shall apply the payments made by the enrollee for that health care
15 service toward the deductible and out-of-pocket maximum specified in
16 the enrollee's health benefit plan, as if the health care services
17 had been provided by a network provider or facility. Payment made
18 by a carrier in regard to this section shall not be construed to
19 limit an out-of-network provider or facility from being reimbursed
20 any additional payment by an enrollee, provided that an enrollee has
21 received sufficient disclosure in a timely manner and has agreed to
22 subsequent payment responsibility. Any additional payment agreed to
23 by an enrollee for out-of-network care shall be deemed payment in
24 full. Nothing in this section shall be construed to require an

1 insurer to reimburse an out-of-network provider or facility more
2 than the average contracted rate. A carrier shall provide a
3 downloadable or interactive online form to the enrollee for the
4 purpose of providing proof of payment responsibility to an out-of-
5 network provider or facility for the purpose of administering this
6 section.

7 B. A carrier may base the average paid to a network provider
8 upon what that carrier pays to providers within the network,
9 applicable to the specific health benefit plan of the enrollee, or
10 across all of their plans offered in this state. A carrier shall,
11 at minimum, inform enrollees of how the average is derived and the
12 process to request the average allowed amount paid for a procedure
13 both on the carrier's website and in health benefit plan materials.

14 SECTION 6. This act shall become effective November 1, 2020.

15

16 57-2-11083 SH 02/18/20

17

18

19

20

21

22

23

24