

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 2nd Session of the 59th Legislature (2024)

4 COMMITTEE SUBSTITUTE
5 FOR
6 HOUSE BILL NO. 1522

By: Sims of the House

and

Bullard of the Senate

7
8
9
10 COMMITTEE SUBSTITUTE

11 An Act relating to insurance; amending Sections 1, 2,
12 and 3, Chapter 151, O.S.L. 2022 (36 O.S. Supp. 2023,
13 Sections 6060.40, 6060.41, and 6060.42), which relate
14 to short title definitions and shared savings
15 incentive programs; modifying short title; modifying
16 definitions; requiring an insurer to provide a shared
17 savings incentive program; modifying requirements and
18 inclusions within program; and providing an effective
19 date.

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

21 SECTION 1. AMENDATORY Section 1, Chapter 151, O.S.L.
22 2022 (36 O.S. Supp. 2023, Section 6060.40), is amended to read as
23 follows:

24 Section 6060.40 This act shall be known and may be cited as the
"~~Oklahoma Right to Shop~~ Consumer Health Choice Empowerment Act".

1 SECTION 2. AMENDATORY Section 2, Chapter 151, O.S.L.
2 2022 (36 O.S. Supp. 2023, Section 6060.41), is amended to read as
3 follows:

4 Section 6060.41 As used in the ~~Oklahoma Right to Shop~~ Consumer
5 Health Choice Empowerment Act:

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

9 2. "Average allowed amount" means the mean of all allowed
10 amounts paid for a comparable health care service;

11 3. "Comparable health care service" means any covered
12 nonemergency health care service or bundle of services. ~~The~~
13 ~~Insurance Commissioner may limit what is considered a comparable~~
14 ~~health care service if an insurance carrier can demonstrate allowed~~
15 ~~amount variation among network providers is less than Fifty Dollars~~
16 ~~(\$50.00);~~

17 ~~3.~~ 4. "Health benefit plan" means any plan as defined in
18 subsection C of Section 6060.4 of ~~Title 36 of the Oklahoma Statutes~~
19 this title;

20 ~~4.~~ 5. "Insurance carrier" or "carrier" means an insurance
21 company that issues policies of accident and health insurance and is
22 licensed to sell insurance in this state;

23 ~~5.~~ 6. "Shared savings incentive" means a ~~voluntary and optional~~
24 financial incentive that an insurance carrier ~~may~~ shall provide to

1 an enrollee for choosing certain health care services under a shared
2 savings incentive program; and

3 ~~6.~~ 7. "Shared savings incentive program" means ~~a voluntary and~~
4 ~~optional~~ an incentive program established by an insurance carrier
5 pursuant to ~~this act~~ the Consumer Health Choice Empowerment Act.

6 SECTION 3. AMENDATORY Section 3, Chapter 151, O.S.L.
7 2022 (36 O.S. Supp. 2023, Section 6060.42), is amended to read as
8 follows:

9 Section 6060.42 A. An insurance carrier ~~may~~ shall offer a
10 shared savings incentive program to provide incentives to an
11 enrollee when the enrollee obtains a comparable health care service
12 that is covered by the carrier from providers that charge less than
13 the average allowed amount paid by that carrier to network providers
14 for that, comparable health care service. If the allowed amount of
15 a provider is less than the average allowed amount paid by the
16 carrier, the provider shall not participate in the shared savings
17 incentive program unless the provider agrees to accept an amount
18 less than the allowed amount.

19 B. If an enrollee of a health benefit plan elects to receive a
20 covered comparable health care service from a provider who is not
21 participating in the network of the carrier and agrees to accept an
22 amount less than the average allowed amount, the carrier shall
23 ensure that:

24

1 1. The financial liability of the enrollee is no greater than
2 the in-network deductible, copay, and coinsurance amounts as
3 dictated in the health benefit plan contract; and

4 2. Calculation of coinsurance liability is based on the amount
5 negotiated by the enrollee and his or her provider, provided that it
6 is an amount less than the average allowed amount.

7 C. Incentives ~~may~~ shall be calculated as a percentage of the
8 difference in allowed amounts to the average, as a flat dollar
9 amount, or by any other reasonable methodology approved by the
10 Insurance Department allowed amount paid by a carrier for a
11 comparable health care service. If an enrollee elects to receive a
12 covered comparable health care service from a provider who is not
13 participating in the network of the carrier, the incentive shall be
14 calculated as a percentage of the difference in the average allowed
15 amount to the amount agreed upon between the enrollee and provider,
16 provided that the amount is less than the average allowed amount.

17 The carrier shall provide the incentive as a cash payment to the
18 enrollee or credit toward the annual in-network deductible and out-
19 of-pocket limit of the enrollee. Carriers may allow enrollees to
20 select which method the enrollee prefers to receive the incentive.

21 ~~C. D.~~ D. An insurance carrier ~~that offers a shared savings~~
22 ~~incentive 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

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. Upon request by an enrollee, provide the average allowed
22 amount for a covered comparable health care service;
23
24

1 6. At least quarterly, credit, deposit or make a cash payment
2 to an enrollee of the shared savings incentive amount pursuant to
3 participation in the shared savings incentive program; and

4 ~~6.~~ 7. Submit an annual report to the Insurance Department
5 within ninety (90) days after the close of each health benefit plan
6 year. At a minimum, the report shall include the following
7 information:

8 a. the number of enrollees who participated in the
9 program during the health benefit plan year and the
10 number of instances of participation,

11 b. the total cost of services provided as a part of the
12 program, and

13 c. the total value of the shared savings incentive
14 payments made to enrollees participating in the
15 program and the values distributed as cash or credit
16 toward the annual in-network deductible and out-of-
17 pocket limit of an enrollee.

18 ~~D.~~ E. An enrollee shall not be required to participate in a
19 shared savings incentive program.

20 SECTION 4. This act shall become effective November 1, 2024.

21
22 COMMITTEE REPORT BY: COMMITTEE ON INSURANCE, dated 02/21/2024 - DO
23 PASS, As Amended and Coauthored.

24