

1 **SENATE FLOOR VERSION**

2 April 9, 2024

3 COMMITTEE SUBSTITUTE
4 FOR ENGROSSED
5 HOUSE BILL NO. 1522

By: Sims, Randleman, Sneed, and
Sterling of the House

6 and

7 Bullard of the Senate

8
9 [insurance - definitions - shared savings incentive
10 programs - short title - savings incentive program -
11 effective date]

12
13 ~~BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:~~

14 SECTION 1. AMENDATORY Section 1, Chapter 151, O.S.L.
15 2022 (36 O.S. Supp. 2023, Section 6060.40), is amended to read as
16 follows:

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

19 SECTION 2. AMENDATORY Section 2, Chapter 151, O.S.L.
20 2022 (36 O.S. Supp. 2023, Section 6060.41), is amended to read as
21 follows:

22 Section 6060.41. As used in the ~~Oklahoma Right to Shop~~ Consumer
23 Health Choice Empowerment Act:

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

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

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

12 ~~3.~~ 4. "Health benefit plan" means any plan as defined in
13 subsection C of Section 6060.4 of ~~Title 36 of the Oklahoma Statutes~~
14 this title;

15 ~~4.~~ 5. "Insurance carrier" or "carrier" means an insurance
16 company that issues policies of accident and health insurance and is
17 licensed to sell insurance in this state;

18 ~~5.~~ 6. "Shared savings incentive" means a ~~voluntary and optional~~
19 financial incentive that an insurance carrier ~~may~~ shall provide to
20 an enrollee for choosing certain health care services under a shared
21 savings incentive program; and

22 ~~6.~~ 7. "Shared savings incentive program" means a ~~voluntary and~~
23 ~~optional~~ an incentive program established by an insurance carrier
24 pursuant to ~~this act~~ the Consumer Health Choice Empowerment Act.

1 SECTION 3. AMENDATORY Section 3, Chapter 151, O.S.L.
2 2022 (36 O.S. Supp. 2023, Section 6060.42), is amended to read as
3 follows:

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

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

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

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

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

11 The carrier shall provide the incentive as a ~~cash payment to the~~
12 ~~enrollee or~~ credit toward the annual in-network deductible and out-
13 of-pocket limit of the enrollee. ~~Carriers may allow enrollees to~~
14 ~~select which method the enrollee prefers to receive the incentive.~~

15 C. D. An insurance carrier ~~that offers a shared savings~~
16 ~~incentive program~~ shall:

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

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

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

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

15 5. Upon request by an enrollee, provide the average allowed
16 amount for a covered comparable health care service;

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

20 ~~6.~~ 7. Submit an annual report to the Insurance Department
21 within ninety (90) days after the close of each health benefit plan
22 year. At a minimum, the report shall include the following
23 information:
24

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

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

13 F. The provisions of this act shall only be applicable to
14 enrollees of a health benefit plan that elect to receive a covered
15 comparable health care service in a county with a population of no
16 more than Five Hundred Thousand (500,000).

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

18 COMMITTEE REPORT BY: COMMITTEE ON RETIREMENT AND INSURANCE
19 April 9, 2024 - DO PASS AS AMENDED BY CS
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