

BILL SUMMARY

1st Session of the 60th Legislature

Bill No.:	HB1808
Version:	INT
Request Number:	10370
Author:	Rep. Newton
Date:	2/20/2025
Impact:	Medicaid & HealthChoice: Potential Costs

Research Analysis

HB 1808, as introduced, modifies regulations for health insurance plans regarding cost-sharing, step-therapy protocols, and prior authorization.

Health plans must pay providers in full for services under the plan and collect cost-sharing directly from the insured. Plans cannot withhold cost-sharing amounts from provider payments, demand additional discounts beyond existing contract terms, or cancel coverage for unpaid cost-sharing amounts. Co-pay assistance programs must contribute to insured individuals' annual cost-sharing requirements. Costs related to implementing these rules do not justify premium increases or reduced provider payments.

Step-therapy protocols must grant exceptions if medications are contraindicated, ineffective, previously failed, or not in the insured's best interests. Protocols cannot require repeated failure on the same medication or mandate step-therapy for treating substance use disorders.

Health plans must respond to urgent prior authorization requests within 24 hours and non-urgent requests within 2 business days. Unanswered prior authorization requests are automatically approved. Approvals are valid for the duration of the prescribed treatment or one year, whichever is longer, with limited renewals required for extended treatments. Coverage must continue for stable treatments when switching health plans for at least 90 days. Contracting entities must provide healthcare providers with clear compensation terms, including payment methods and fee-for-service schedules for commonly used procedures.

The measure also directs the Insurance Department to establish rules prohibiting prior authorizations for generic medications and low-denial-rate treatments, focusing on primary care services and frequently used treatments.

Prepared By: Autumn Mathews

Fiscal Analysis

HB 1808 outlines the requirements of a health benefit plan regarding cost-sharing, step-therapy protocols, and prior authorization. The Insurance Department is authorized to adopt rules for implementing the provisions of the measure and may impose civil fines ranging from One Hundred Dollars (\$100) to One Thousand Dollars (\$1,000) on violators. The Insurance Department is a non-appropriated state agency; therefore, any related costs to regulate are assumed to be objective within the Department's existing resources.

The Oklahoma Health Care Authority (OHCA) has been contacted regarding the potential fiscal impact on the state's HealthChoice plan and Medicaid program. As OHCA provides feedback on potential costs, this impact will be updated.

Prepared By: Alexandra Ladner, House Fiscal Staff

Other Considerations

None.

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