

1 ENGROSSED HOUSE
2 BILL NO. 1853

By: Schreiber, Lepak, and Sneed
of the House

3 and

4 Frix of the Senate

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7 An Act relating to medical expenses; defining terms;
8 authorizing individuals to pay for medical expenses
9 out-of-pocket; directing insurance providers to count
certain payments toward deductibles, coinsurance, and
copayments; providing for documentation requirements;
providing for codification; and providing an
10 effective date.

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

14 SECTION 1. NEW LAW A new section of law to be codified
15 in the Oklahoma Statutes as Section 6060.50 of Title 36, unless
16 there is created a duplication in numbering, reads as follows:

17 As used in this section:

18 1. "Health care service" means any services provided by a
19 health care provider, or by an individual working for or under the
20 supervision of a health care provider, that relate to the diagnosis,
21 assessment, prevention, treatment, or care of any human illness,
22 disease, injury, or condition, as defined by paragraph 2 of Section
23 1-1708.1C of Title 63 of the Oklahoma Statutes.
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1 The term also includes the provision of mental health and
2 substance use disorder services, as defined by Section 6060.10 of
3 Title 36 of the Oklahoma Statutes, and the provision of durable
4 medical equipment. The term does not include the provision,
5 administration, or prescription of pharmaceutical products or
6 services; and

7 2. "Health benefit plan" means group hospital coverage,
8 individual and group medical insurance coverage, a not-for-profit
9 hospital or medical service or indemnity plan, a prepaid health
10 plan, a health maintenance organization plan, a preferred provider
11 organization plan, the State and Education Employees Group Health
12 Insurance Plan, and coverage provided by a Multiple Employer Welfare
13 Arrangement. The term "health benefit plan" shall not include:

14 a. a plan that provides coverage:

- 15 (1) only for a specified disease or diseases or under
16 an individual limited benefit policy,
- 17 (2) only for accidental death or dismemberment,
- 18 (3) only for dental or vision care,
- 19 (4) a hospital confinement indemnity policy,
- 20 (5) disability income insurance or a combination of
21 accident-only and disability income insurance, or
- 22 (6) as a supplement to liability insurance,

23 b. any health plan offered by a contracted entity, as
24 defined in Section 4002.2 of Title 56 of the Oklahoma

Statutes, that provides coverage to members of the state Medicaid program,

- c. a Medicare supplemental policy as defined by Section 1882(g)(1) of the Social Security Act (42 U.S.C., Section 1395ss),
 - d. workers' compensation insurance coverage,
 - e. medical payment insurance issued as part of a motor vehicle insurance policy,
 - f. a long-term care policy, including a nursing home fixed indemnity policy, unless a determination is made that the policy provides benefit coverage so comprehensive that the policy meets the definition of a health benefit plan, or
 - g. short-term health insurance issued on a nonrenewable basis with a duration of six (6) months or less.

SECTION 2. NEW LAW A new section of law to be codified

17 in the Oklahoma Statutes as Section 6060.51 of Title 36, unless
18 there is created a duplication in numbering, reads as follows:

19 A. An enrollee may choose to pay for a health care service out-
20 of-pocket from a licensed health care provider. If an enrollee
21 obtains a medically necessary health care service covered by the
22 enrollee's health benefit plan and negotiates for a lower price from
23 a licensed health care provider than the average allowed amount
24 established by the enrollee's health benefits plan for the covered

1 health care service, and the enrollee pays for the health care
2 service out-of-pocket, the enrollee may send documentation, which
3 may be sent electronically, to the carrier, that provides the
4 following:

5 1. The health care service the enrollee or patient received and
6 the licensed health care provider's name and contact information;

7 2. If a health care provider's order is required by the
8 enrollee's policy, the order from the health care provider given to
9 the enrollee or patient and the final bill or statement for the
10 health care service;

11 3. The negotiated cost of the health care service that the
12 enrollee received:

13 a. the enrollee paid out-of-pocket for the health care
14 services received, and

15 b. the health care entity is not making a claim against
16 the carrier for payment for the health care service
17 provided to the enrollee or patient; and

18 4. The health care provider shall accept the enrollee's payment
19 as payment in full and shall not bill the enrollee or the health
20 benefit plan for any balance between the amount collected from the
21 enrollee and the provider's billed charge for the service.

22 B. A carrier that receives the documentation described in
23 subsection A of this section shall count the full amount that the
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1 enrollee paid out-of-pocket toward the enrollee's deductible, and
2 annual maximum out-of-pocket expense:

- 3 1. If the health care service is covered under the enrollee's
4 health benefit plan; and
5 2. The enrollee negotiated for a lower cost for the health care
6 service than the average allowed amount established by the
7 enrollee's health benefit plan for that covered health care service.

8 C. The amount of the enrollee's out-of-pocket cost shall be
9 attributed to the in-network deductible, and annual maximum out-of-
10 pocket expense, if the provider was an in-network provider, and to
11 the out-of-network deductible, and annual maximum out-of-pocket
12 expense if the provider was an out-of-network provider.

13 D. The amount counted toward an enrollee's applicable out-of-
14 pocket deductible, and annual maximum out-of-pocket expense shall
15 not exceed the total amount that the enrollee is required to pay
16 out-of-pocket during a contractually agreed upon period of time for
17 health care services that are included under the covered person's
18 insurance plan, and does not carry over once a new contract or
19 agreement period for the insurance plan begins.

20 SECTION 3. This act shall become effective November 1, 2025.
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Passed the House of Representatives the 26th day of March, 2025.

Presiding Officer of the House
of Representatives

Passed the Senate the ___ day of _____, 2025.

Presiding Officer of the Senate