

RULE IMPACT STATEMENT

1. RULE

Proposed PERMANENT rules:

Subchapter 5.	Life, Accident & Health Division and Consumer Assistance and
Claims Division Rules	
Part 9.	HMO Requirements and Prohibitions
365:40-5-42.	Individual conversion contracts [AMENDED]

2. PURPOSE

365:40-5-42 is amended to eliminate the requirement that an HMO offer individual conversion contracts to its subscribers. This requirement is rendered unnecessary because of federal provisions related to the "guaranteed issue" of health insurance.

3. CLASSES AFFECTED:

A. Health Maintenance Organizations

4. COST IMPACTS ON PRIVATE OR PUBLIC ENTITIES:

No information

5. CLASSES BENEFITTED:

A. Health Maintenance Organizations

6. ECONOMIC IMPACT:

Unknown

7. PROBABLE COST TO AGENCY AND EFFECT ON STATE REVENUES:

None Anticipated

8. SOURCE OF REVENUE:

Normal yearly budgeted funds

9. MEASURES TAKEN TO MINIMIZE COMPLIANCE COSTS:

None

10. EFFECT ON THE PUBLIC HEALTH, SAFETY AND ENVIRONMENT:

Unknown

11. LESS COSTLY/LESS INTRUSIVE METHODS:

Unknown

12. EFFECT ON PUBLIC HEALTH, SAFETY AND ENVIRONMENT IF RULE NOT IMPLEMENTED:

Unknown

13. EFFECT ON SMALL BUSINESS

Implementation of the proposed rule will not have an adverse effect on small business as provided by the Oklahoma Small Business Regulatory Flexibility Act.

14. DATE PREPARED:

February 16, 2016