



OKLAHOMA
INSURANCE
DEPARTMENT

2023 STATUTE & RULE CHANGES



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Regulatory Compliance/ Insurer Operations

SB 539

Licensing/Continuing Education
Effective November 1, 2023

36 O.S. §§ 1435.13, 1435.29, 6206, 6217, and 6220

- SB 539 revokes the requirement that the Insurance Department must only terminate a producer license that failed to renew after a 12-month inactive period upon notification by first-class mail 90 days prior to termination of the license. The measure also provides that Insurance Commissioner-approved continuing education programs will be reviewed every two years rather than every three years as current law states. Lastly, the measure removes certain fine minimums and details notification requirements for adjusters doing business under a name other than their legal name.

SB 540

Bail Bondsman
Effective May 1, 2023

59 O.S. § 1308

- Allows Bail Bondsman to complete a licensure exam remotely rather than in-person. Licenses issued as a result of a remote examination prior to the effective date of this measure are also considered valid.

SB 544

Perpetual Care Fund Act
Effective November 1, 2023

36 O.S. §§ 7106 and 7112

- SB 544 prohibits the owner of a cemetery from maintaining a Perpetual Care Trust Fund or a certificate of deposit in lieu of a Perpetual Care Trust Fund unless the owner has received a permit from the Insurance Commissioner. Applications for initial permits and renewals have a \$200 fee. Permit holders must renew their permits and submit an annual report each year by March 15th. The measure also establishes procedures for permit holders who fail to renew their permits before the expiration date. Finally, the measure sets the fine limit that is allowed to be levied on an owner of a cemetery in violation of any provision of the Perpetual Care Fund Act to a maximum of \$1,000 for each occurrence.

SB 553

Third Party Administrator Act
Effective November 1, 2023

36 O.S. § 1450

- SB 553 provides that a licensee no longer needs to provide a second background check which is duplicative of the National Association of Insurance Commissioner (NAIC) Biographical Affidavit. The measure requires that the administrator's license application and fee be filed electronically and sets forth a renewal process and adds a 90-day reinstatement period for submitting a renewal. The measure also sets forth a process to inform the Department of any Administrator contact information change. If they do not inform the Department within 30 days of the change, there is a \$50 fee assessed. Inquiries from the Commissioner must be responded to within 20 days of the request.

SB 557

Unfair Claims Settlement Practices Act
Effective November 1, 2023

36 O.S. § 1250.5

- SB 557 requires health care providers reviewing claims for mental health or substance use disorder treatments and services to have appropriate, qualified, and specialized credentials with respect to the services and treatments.

SB 638

Professional Employer Organizations Registration Act
Effective November 1, 2023

40 O.S. § 600.4

- SB 638 provides that a PEO or PEO Group shall submit to the Insurance Commissioner a financial statement from up to 365 days prior to their application date rather than 180 days as current law states. Any PEO, or PEO Group must submit any name or contact information changes to the Commissioner within 30 days of the changes. Submissions made after 30 days will require an accompanying fee of \$50. The measure also provides that a registration expired for failure to submit a renewal application may be reinstated within 90 days after the expiration date upon submitting a renewal application and a fee twice the amount of the renewal fee along with any transaction or other applicable fees.

State Government/ OID Operations

HB 1843

Pharmacy Benefit Managers
Effective November 1, 2023

36 O.S. §§ 6962, 6965, 6966.1

- HB 1843 transfers responsibilities to review and approve retail pharmacy network access and enforce the Patients Right to Pharmacy Choice Act from the Oklahoma Insurance Department (OID) to the Oklahoma Attorney General (AG). Authority over licensure remains with the OID.

HB 1004x

General Appropriations Bill
Effective July 1, 2023

Section 146

- Section 146 of the General Appropriations bill appropriates to the Special Cash Fund of the State Treasury from any monies not otherwise appropriated from the State Insurance Commissioner Revolving Fund (200 Fund) the sum of Seven Million Eight Hundred Thousand Dollars (\$7,800,000.00) for availability of appropriation.

Permanent Rules

CHAPTER 1

Administrative Operations
Effective September 1, 2023

Subchapters 1, 7, 9, 11 and 13

- Updates our rules to reflect open records fees as prescribed by statute. Adds language allowing for electronic signature and for hearings to be held remotely in certain circumstances. The rule also sets timeframes for the Department to receive evidence when a hearing is to be held remotely. Updates requirements in rules to reflect new statutory changes. Removes unnecessary rules pursuant to the Governors Executive Order on rule regulation (EO2020-03).

CHAPTER 10

Life, Accident and Health
Effective September 1, 2023

Subchapter 5

- Updates our rules to reflect correct citations and amends the open enrollment time frame for Medicare supplement policies.

CHAPTER 15

Property and Casualty
Effective September 1, 2023

Subchapters 1, 3 and 7

- Removes unnecessary rules pursuant to the Governors Executive Order on rule regulation (EO2020-03).

CHAPTER 25

Other Licensees

Effective September 1, 2023

Subchapters 1, 3, 5, 7, 9, 11, 15, 17, 19, 23, 27, 29 and 30

- Multiple regulations are being revoked due to the Governors EO 2020-03. These rule changes remove unnecessary regulation that is already addressed in the statutes and assist our licensees by reducing the number of regulations they must review for compliance. We also update the regulations to reflect statutory changes that were made last year on Insurance Consultants, Customer Service Representatives, Bail Bondsman, Captive insurers, Cemetery Merchandise Trusts, Prepaid Funeral Home Benefits, and Pharmacy Benefit Managers. We are also updating all of our forms as many are outdated or not required any longer. Removes an additional CE requirement, which aligns our Department with the NAIC Producer Licensing Model Act. The changes to the Cemetery Merchandise Trust rules help to better align with other similar entity types and reduce any duplicate statutory language. Rule changes also makes Emergency rules we did in 2022 on the Credit for Reinsurance Model Act permanent to ensure we remain in compliance with a larger effort to modernize reinsurance regulation in the United States. The adopted changes are in compliance with the Covered Agreements between the United States and the EU as well as the UK. These agreements were entered into under the authority of the Dodd-Frank Act and the revisions ensure that the States are in compliance and therefore not subject to preemption by the federal government. Finally, regulations are updated to reflect Annuity & Suitability & Best Interest Standard Model #275 training requirement.

Appendices Revoked

Appendix E, Appendix F, Appendix G, Appendix H, Appendix U, Appendix V, Appendix W, and Appendix Z

- Revocation of these forms for updating and placement on the Department's website.

CHAPTER 40

Health Maintenance Organizations (HMO)

Effective September 1, 2023

Subchapter 3

- Updated to allow for electronic filings, electronic signatures, and electronic statements.

Emergency Rules

CHAPTER 10

Life, Accident and Health
Effective March 22, 2023

Subchapter 5

- The proposed emergency rule allows the state to offer a special enrollment period for Medicare supplement policies in conjunction with the ending of the Federal COVID-19 Public Health Emergency and discontinuation of SoonerCare/Medicaid coverage for enrollees who no longer meet eligibility criteria.

