

ENGROSSED HOUSE  
BILL NO. 1368

BY: HAGER, SULLIVAN,  
KINNAMON, SEIKEL, POPE  
and COLEMAN of the HOUSE

and

HERBERT of the SENATE

( STATE GOVERNMENT - AMENDING 74 O.S.,  
SECTION 1308.1 - STATE AND EDUCATION  
EMPLOYEES GROUP INSURANCE ACT -  
EMERGENCY )

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

SECTION 1. AMENDATORY Section 8, Chapter 165, O.S.L.  
1988, as last amended by Section 24, Chapter 337, O.S.L. 1990 (74  
O.S. Supp. 1990, Section 1308.1), is amended to read as follows:

Section 1308.1 (1) Beginning October 1, 1988, an educational  
entity may participate in the health and dental insurance plans  
offered through the State and Education Employees Group Insurance  
Act. Notwithstanding the provisions of Section 1308.2 of this  
title, a period shall exist for enrolling education entities from  
April 1, 1989 through June 30, 1991, whereby education employees of  
a participating education entity may be enrolled, pursuant to this  
act, during the entities' initial enrollment period, regardless of  
preexisting conditions. The Board shall establish a procedure by  
which education entities may apply to participate in said insurance  
plans. Once an education entity becomes a participant in the health  
and dental insurance plans offered through the State and Education  
Employees Group Insurance Act, the education entity may withdraw

from said participation, in a manner prescribed by the Board, before January 1, 1991, and at three-year intervals thereafter. Said withdrawal shall be effective on December 31, 1990, if said prescribed notice is delivered to the Board. All education entities participating in the health and dental insurance plans offered through the State and Education Employees Group Insurance Act on January 1, 1991, may not withdraw from said participation for a period of three (3) years. The Board shall prescribe rules for withdrawal and renewal for three-year terms beginning January 1, 1991. If a school district is participating in the health and dental insurance plans pursuant to the State and Education Employees Group Insurance Act, the employees of the school district who are eligible to participate in the health and dental plans, at such times as the school district is authorized by statute to withdraw from such participation, may require the board of education of the school district to call an election to allow said employees to vote as to whether the school district shall continue participation in the health and dental insurance plans offered through the State and Education Employees Group Insurance Act. Upon the filing with the board of education of a petition calling for such an election which is signed by thirty percent (30%) of the eligible employees of the school district, the board of education shall call an election for the purpose of determining whether the school district shall continue participation in the health and dental insurance plans offered through the State and Education Employees Group Insurance Act. The election shall be held within thirty (30) days of the filing of the petition. If a majority of those eligible employees voting at the election vote to continue participation in the health and dental insurance plans offered through the State and Education Employees Group Insurance Act, the board of education shall be prohibited from withdrawing the school district from such participation. If a majority of those eligible employees voting at

the election vote against continued participation in the health and dental insurance plans offered through the State and Education Employees Group Insurance Act, the board of education of the school district shall apply to discontinue such participation within thirty (30) days of the election and within the times the school district is authorized to withdraw from participation in accordance with rules established for withdrawal by the State and Education Employees Group Insurance Board.

(2) Except as otherwise provided for in this subsection, when an education entity participates in the health and dental insurance plans offered through the State and Education Employees Group Insurance Act, all employees of the education entity shall become participants. Employees shall be advised of Health Maintenance Organizations prepaid plans available as an alternative to the state self-insured health insurance plan. An ~~employee of an education entity who averages less than six (6) hours of work a day per week~~ education support employee shall not be required to participate in the health and dental insurance plans. Such an employee, at the option of the employee, may enroll in the plans either at the time the education entity begins participation in the plans or, if later, upon a showing of insurability to the satisfaction of the Board. If such an employee is participating in the plans on the effective date of this section, the employee may withdraw from the plans upon filing a request to withdraw from the plans with the Board prior to October 1, ~~1989~~ 1991. An employee of an education entity that is participating in the health and dental insurance plans shall not be required to become enrolled in said plans if the employee provides evidence satisfactory to the Board that the employee is covered by some other ~~group~~ health insurance plan which is not being paid for in full or in part by the education entity of the employee, is covered by the State and Education Employees Group Insurance Act as a dependent or is eligible to use military medical facilities or

Indian health services medical facilities. If the education employee subsequently loses eligibility for such other coverage or use of medical facilities, the employee shall notify the Board within thirty (30) days of such loss. The Board shall establish a procedure by which the education employee may be enrolled in the health and dental insurance plans upon a showing of insurability to the satisfaction of the Board.

(3) Except as provided in subsection (2) of this section, any employee of an education entity participating in the health and dental insurance plans offered through the State and Education Employees Group Insurance Act who is employed after the education entity began said participation may be enrolled in the health and dental insurance plans or HMO plans approved by the Board on the first day of the second month of employment.

(4) Upon initial enrollment of an institution of higher education to participate in the health and dental insurance plans offered through the State and Education Employees Group Insurance Act, all individuals presently insured by said institution's present group health insurance plan shall become enrolled in said state plans for the remaining period of said institution's contractual liabilities.

(5) Education employees who shall be absent from the teaching service because of election or appointment as a local, state, or national education association officer shall be allowed to retain coverage pursuant to the State and Education Employees Group Insurance Act upon the payment of the full cost of the coverage at the rate and under such terms and conditions established by the Board.

SECTION 2. AMENDATORY Section 1, Chapter 165, O.S.L. 1988 (70 O.S. Supp. 1990, Section 5-117.5), is amended to read as follows:

Section 5-117.5 A. Beginning July 1, 1991, the board of education of each school district in this state shall provide a health insurance plan for the employees of the school district. School districts may obtain health and dental insurance coverage as provided for in the State and Education Employees Group Insurance Act or may obtain other health insurance coverage. Any school district that does not participate in the health and dental insurance plans offered through the State and Education Employees Group Insurance Act by July 1, 1991, shall obtain health insurance coverage for the employees which is, except for an open enrollment provision, comparable, as determined by the Office of Public Affairs, to the health insurance plan offered through the State and Education Employees Group Insurance Act.

B. If a school district obtains health insurance coverage from a source other than through the State and Education Employees Group Insurance Act, the employees of the school district who would be eligible to participate in the health and dental plans may, beginning July 1, 1991, require the board of education of the school district to call an election to allow said employees to vote as to whether the school district shall participate in the health and dental insurance plans offered through the State and Education Employees Group Insurance Act. Upon the filing with the board of education of a petition calling for such an election which is signed by thirty percent (30%) of the eligible employees of the school district, the board of education shall call an election for the purpose of determining whether the school district shall participate in the health and dental insurance plans offered through the State and Education Employees Group Insurance Act. The election shall be held within thirty (30) days of the filing of the petition. If a majority of those eligible employees voting at the election vote to participate in the health and dental insurance plans offered through the State and Education Employees Group Insurance Act, the board of

education of the school district shall apply for such participation within thirty (30) days of the election.

C. If a school district does not have any health insurance coverage of the type required by this section as of June 30, 1991, that school district shall be enrolled in the health and dental insurance plans offered through the State and Education Employees Group Insurance Act on July 1, 1991; provided at the option of the school district as expressed in writing to the Board, a school district may delay coverages and payments until no later than October 1, 1991.

SECTION 3. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the House of Representatives the 14th day of March, 1991.

Speaker of the House of  
Representatives

Passed the Senate the \_\_\_\_ day of \_\_\_\_\_, 1991.

President of the Senate