

ENGROSSED SENATE
BILL NO. 169

BY: ROZELL of the SENATE
and
GLOVER of the HOUSE

AN ACT RELATING TO STATE GOVERNMENT; AMENDING SECTION 109, CHAPTER 203, O.S.L. 1985, AS LAST AMENDED BY SECTION 10, CHAPTER 322, O.S.L. 1989 AND SECTION 5, CHAPTER 204, O.S.L. 1990 (74 O.S. SUPP. 1990, SECTIONS 1332 AND 1332.1), WHICH RELATE TO THE STATE AND EDUCATION EMPLOYEES GROUP INSURANCE BOARD; REDUCING THE MINIMUM TIME FOR THE SCHEDULING OF A HEARING BY THE GRIEVANCE PANEL; CORRECTING REFERENCE; PROVIDING FOR THE CONTINUATION OF DEPENDENT HEALTH COVERAGE TO DISABILITY RECIPIENTS; PROVIDING FOR DEDUCTION OF ALL DEPENDENT HEALTH PREMIUMS FOR DISABILITY RECIPIENTS FROM DISABILITY PAYMENTS; PROVIDING AN EFFECTIVE DATE; AND DECLARING AN EMERGENCY.

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

SECTION 1. AMENDATORY Section 109, Chapter 203, O.S.L. 1985, as last amended by Section 10, Chapter 322, O.S.L. 1989 (74 O.S. Supp. 1990, Section 1332), is amended to read as follows:

Section 1332. A. The State and Education Employees Group Insurance Board shall establish a Disability Insurance Program for state employees. The program shall consist of a long-term disability plan and a short-term disability plan. Participation in the program shall be limited to state employees who have been state employees for a period of not less than six (6) months and who are eligible for enrollment in the Health Insurance Plan administered by the Board. The Board shall promulgate such rules and regulations as are necessary for adoption and administration of the Disability Insurance Program, including but not limited to benefit eligibility requirements, methods for computing benefit amounts, benefits amounts, and verification of medical and health status of employees applying for or receiving benefits.

B. The Disability Insurance Program shall be funded from appropriations made by the Legislature. Employees shall not be required to make contributions to participate in the program.

C. Employee disability insurance coverage shall begin on March 1, 1986.

D. The Board shall establish a grievance procedure by which a three-member grievance panel established in the same manner as specified in paragraph (f) of Section 1306 of this title shall act as an appeals body for complaints regarding the allowance and payment of claims, eligibility, and other matters. The grievance procedure provided by this subsection shall be the exclusive remedy available to persons having complaints against the insurer. Such grievance procedure shall be subject to the Oklahoma Administrative Procedures Act, Sections 301 through 325 of Title 75 of the Oklahoma Statutes, including provisions thereof for review of agency decisions by the district court. The grievance panel shall schedule a hearing regarding the allowance and payment of claims, eligibility and other matters within ~~one hundred twenty (120)~~ sixty (60) days from the date the grievance panel receives a written request for a

hearing. Upon written request to the grievance panel received not less than ten (10) days before the hearing date, the grievance panel shall cause a full stenographic record of the proceedings to be made by a licensed or certified court reporter at the insured employee's expense.

E. The Board may establish a claim processing division for claims administration or may contract for claims administration services with a private insurance carrier or a company that specializes in claims administration of any insurance that the Board may be directed to offer.

SECTION 2. AMENDATORY Section 5, Chapter 204, O.S.L. 1990 (74 O.S. Supp. 1990, Section 1332.1), is amended to read as follows:

Section 1332.1 A. The State and Education Employees Group Insurance Board shall collect from state agencies each month, the premium amount, as determined by the Board, for each employee of a state agency that participates in the Disability Insurance Program. Said sum shall be deposited in the State Employees Disability Insurance Reserve Fund for use in accordance with law.

B. The State and Education Employees Group Insurance Board shall submit a monthly statement of the revenues and disbursements of the Disability Insurance Program to the Governor, the Speaker of the House of Representatives, the President Pro Tempore of the Senate and the Legislative Service Bureau. The Legislative Service Bureau shall distribute copies of such monthly statements to the fiscal staff of the House of Representatives and the State Senate.

C. On or before March 1 of each year, the State and Education Employees Group Insurance Board shall submit a report of the actuarially-determined future needs of the Disability Insurance Program. Said report shall be submitted and distributed as provided for in subsection B of this section.

D. The Board shall provide for the continuation of dependent health coverage to disability recipients for that period of time when the employee is qualified as disabled but not yet received disability benefit income.

E. The Board shall deduct all dependent health coverage premiums due and owing from the first retroactive disability payment and each payment thereafter.

SECTION 3. This act shall become effective July 1, 1991.

SECTION 4. 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 Senate the 27th day of February, 1991.

President of the Senate

Passed the House of Representatives the ____ day of

_____, 1991.

Speaker of the House of Representatives