ENROLLED SENATE
BILL NO. 506 BY: STIPE of the SENATE

and

PILGRIM of the HOUSE

AN ACT RELATING TO STATE GOVERNMENT; AMENDING SECTION 17, CHAPTER 165, O.S.L. 1988, AS LAST AMENDED BY SECTION 8, CHAPTER 244, O.S.L. 1990 (74 O.S. SUPP. 1990, SECTION 1316.2), WHICH RELATES TO THE STATE AND EDUCATION EMPLOYEES GROUP INSURANCE ACT; ALLOWING TERMINATED VESTED EMPLOYEES, RETIRED EMPLOYEES, AND DEPENDENTS OF CERTAIN EMPLOYEES OF THE UNIFORM RETIREMENT SYSTEM FOR JUSTICES AND JUDGES TO PARTICIPATE IN CERTAIN STATE GROUP INSURANCE PLANS UNDER CERTAIN CONDITIONS; PROVIDING CERTAIN PROCEDURES FOR PREMIUM PAYMENTS; PROVIDING AN EFFECTIVE DATE; AND DECLARING AN EMERGENCY.

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

SECTION 1. AMENDATORY Section 17, Chapter 165, O.S.L. 1988, as last amended by Section 8, Chapter 244, O.S.L. 1990 (74 O.S. Supp. 1990, Section 1316.2), is amended to read as follows:

Section 1316.2 (1) Any employee other than an education employee who retires pursuant to the provisions of the Oklahoma Public Employees Retirement System or who is employed with a qualifying employer prior to July 1, 1990, and terminates service with a vested benefit pursuant to the provisions of the Oklahoma Public Employees Retirement System may continue in force the health and dental insurance benefits authorized by the provisions of the State and Education Employees Group Insurance Act, Section 1301 et seq. of this title, if such election to continue in force is made within thirty (30) days from the date of termination of service. All persons other than an education employee who commence employment with a qualifying employer on or after July 1, 1990, must have a total of at least fifteen (15) years of credited service with a qualifying employer before they may continue to participate in the health and dental insurance plan following termination of employment. For those employees other than education employees who retired or terminated service with a vested benefit pursuant to the provisions of the Oklahoma Public Employees Retirement System or the Oklahoma Law Enforcement Retirement System prior to October 1, 1988, the election shall be made prior to October 1, 1989. For those employees other than education employees who retired or terminated

service with a vested benefit pursuant to the provisions of the Uniform Retirement System for Justices and Judges prior to July 1, 1991, the election shall be made prior to October 1, 1991. Health and dental insurance coverage may not be reinstated at a later time if the election to continue in force is declined. Such vested employees other than education employees who have terminated service and are not receiving pension benefits shall pay up to the full cost of said insurance at the rate and pursuant to the terms and conditions established by the Board.

(2) A retired employee other than an education employee who is receiving benefits from the Oklahoma Public Employees Retirement System after September 30, 1988, is under sixty-five (65) years of age and pursuant to subsection (1) of this section elects to continue the health insurance plan shall pay the premium rate for the health insurance minus an amount equal to the premium rate of the medicare supplement or Seventy-five Dollars ($75.00), whichever is less, which shall be paid by the Oklahoma Public Employees Retirement System to the Board in the manner specified in subsection (5) of this section.

(3) A retired employee other than an education employee who is receiving benefits from the Oklahoma Public Employees Retirement System after September 30, 1988, is sixty-five (65) years of age or older and pursuant to subsection (1) of this section elects to continue the health insurance plan shall have the premium rate of the medicare supplement, which includes prescription drugs, or Seventy-five Dollars ($75.00), whichever is less paid by the Oklahoma Public Employees Retirement System to the Board in the manner specified in subsection (5) of this section. If the amount paid by the Oklahoma Public Employees Retirement System does not cover the full cost of the medicare supplement, the retired employee shall pay to the Board the remaining amount if the retired employee wants to continue coverage.

(4) A retired employee other than an education employee who is receiving benefits from the Oklahoma Law Enforcement Retirement System after September 30, 1988, is under sixty-five (65) years of age and pursuant to subsection (1) of this section elects to continue the health insurance plan shall pay the premium rate for the health insurance minus an amount equal to the premium rate of the medicare supplement or Seventy-five Dollars ($75.00), whichever is less, which shall be paid by the Oklahoma Law Enforcement Retirement System to the Board in the manner specified in subsection (9) of this section.

(5) A retired employee other than an education employee who is receiving benefits from the Oklahoma Law Enforcement Retirement System after September 30, 1988, is sixty-five (65) years of age or older and pursuant to subsection (1) of this section elects to continue the health insurance plan shall have the premium rate of the medicare supplement, which includes prescription drugs, or Seventy-five Dollars ($75.00), whichever is less paid by the Oklahoma Law Enforcement Retirement System to the Board in the manner specified in subsection (9) of this section. If the amount paid by the Oklahoma Law Enforcement Retirement System does not cover the full cost of the medicare supplement, the retired employee shall pay to the Board the remaining amount if the retired employee wants to continue coverage.

(6) A retired employee other than an education employee who is receiving benefits from the Uniform Retirement System for Justices and Judges after September 30, 1988, is under sixty-five (65) years of age and pursuant to subsection (1) of this section elects to continue the health insurance plan shall pay the premium rate for the health insurance minus an amount equal to the premium rate of the medicare supplement or Seventy-five Dollars ($75.00), whichever is less, which shall be paid by the Uniform Retirement System for

Justices and Judges to the Board in the manner specified in subsection (9) of this section.

(7) A retired employee other than an education employee who is receiving benefits from the Uniform Retirement System for Justices and Judges after September 30, 1988, is sixty-five (65) years of age or older and pursuant to subsection (1) of this section elects to continue the health insurance plan shall have the premium rate of the medicare supplement, which includes prescription drugs, or Seventy-five Dollars ($75.00), whichever is less paid by the Uniform Retirement System for Justices and Judges to the Board in the manner specified in subsection (9) of this section. If the amount paid by the Uniform Retirement System for Justices and Judges does not cover the full cost of the medicare supplement, the retired employee shall pay to the Board the remaining amount if the retired employee wants to continue coverage.

(8) Dependents of a deceased employee other than an education employee who was on active work status or on a disability leave at the time of death or of a participating retirant or of any person who has elected to receive a vested benefit under the Oklahoma Public Employees Retirement System, the Uniform Retirement System for Justices and Judges or the Oklahoma Law Enforcement Retirement System may continue the health and dental insurance benefits in force provided said dependents pay the full cost of such insurance and they were covered as eligible dependents at the time of such death and such election is made within thirty (30) days of date of death. The eligibility for said benefits shall terminate for the surviving spouse when said spouse remarries or becomes eligible for another group health insurance plan. The eligibility for said benefits shall terminate for the surviving children when said children cease to qualify as dependents.

(9) The amounts required to be paid by the Oklahoma Public Employees Retirement System, the Uniform Retirement System for Justices and Judges and the Oklahoma Law Enforcement Retirement System pursuant to this section shall be forwarded no later than the tenth day of each month following the month for which payment is due by the Oklahoma Public Employees Retirement System Board of Trustees or the Oklahoma Law Enforcement Retirement Board to the State and Education Employees Group Insurance Board for deposit in the Health, Dental and Life Insurance Reserve Fund.

SECTION 2. This act shall become effective July 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.