

STATE OF OKLAHOMA

2nd Session of the 43rd Legislature (1992)

SENATE BILL NO. 926

BY: SCHUELEIN

AS INTRODUCED

AN ACT RELATING TO CITIES AND TOWNS AND COUNTIES AND COUNTY OFFICERS; AMENDING 11 O.S. 1991, SECTION 23-108, WHICH RELATES TO PROVIDING HEALTH INSURANCE BENEFITS TO CERTAIN FORMER EMPLOYEES OF COUNTIES AND MUNICIPALITIES; PROVIDING DEFINITIONS; PROVIDING OPTIONAL PARTICIPATION BY CERTAIN RETIRED EMPLOYEES IN CERTAIN HEALTH INSURANCE PLANS; PROVIDING CERTAIN ELECTIONS AND PROCEDURES; REQUIRING CERTAIN RETIRED EMPLOYEES TO PAY UP TO THE FULL COST OF CERTAIN HEALTH INSURANCE PLANS; REQUIRING CERTAIN HEALTH INSURANCE PREMIUMS PAID BY RETIRED EMPLOYEES BE THE SAME AS THE PREMIUMS PAID BY CURRENT EMPLOYEES; REQUIRING CERTAIN HEALTH INSURANCE PLANS FOR CERTAIN RETIRED EMPLOYEES BE THE SAME AS THE HEALTH INSURANCE PLANS OFFERED CURRENT EMPLOYEES; PROVIDING FOR PARTICIPATION IN CERTAIN HEALTH INSURANCE PLANS NOT SUBJECT TO PREEXISTING CONDITIONS; REQUIRING MEDICARE SUPPLEMENT PLANS IN CERTAIN SITUATIONS; PROVIDING CERTAIN EXCEPTIONS FOR PARTICIPATION IN THE STATE GROUP INSURANCE PLAN; PROVIDING CERTAIN EXCEPTIONS FOR REQUIREMENTS OF CONTINUOUS BENEFITS; PROVIDING COUNTIES AUTHORITY TO PROVIDE CERTAIN BENEFITS TO OFFICERS, EMPLOYEES AND THEIR DEPENDENTS INCLUDING

ACTIVE DUTY STATUS WITH THE UNITED STATES ARMED FORCES; PROVIDING AUTHORIZATION FOR PAYMENT OF CERTAIN BENEFITS; PROVIDING PROCEDURE FOR PARTICIPATION BY COUNTY OFFICERS AND EMPLOYEES; PROVIDING FOR PRIORITY OF AUTHORITY SUBJECT TO CERTAIN EXCEPTIONS; PROVIDING FOR CODIFICATION; PROVIDING AN EFFECTIVE DATE; AND DECLARING AN EMERGENCY.

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

SECTION 1. AMENDATORY 11 O.S. 1991, Section 23-108, is amended to read as follows:

Section 23-108. A. A municipality may provide hospital and medical benefits, accident, health, and life insurance, or any of the aforesaid, through any company authorized to do business in Oklahoma, for any or all of its officers or employees and their dependents, whether said officers or employees are engaged in a governmental or nongovernmental function of the municipality. A municipality may also provide such benefits when an officer or employee is ordered by proper authority to active duty in the National Guard or Reserve Corps of the Armed Forces of the United States. The municipality may pay a portion or all of said premiums from any municipal general funds, and may deduct from the wages or salary of any such officer or employee, upon written authority signed by the officer or employee, amounts for the payment of all or any portion of the monthly premium for same.

B. 1. For the purposes of and as used in this subsection:

a. "affected municipality" means a municipality that provides hospital and medical benefits, accident and health insurance, or any of the aforesaid, for any or all of its officers or employees and their dependents

pursuant to the provisions of subsection A of this section,

- b. "health insurance plan" means the hospital and medical benefits, accident and health insurance, or any of the aforesaid, provided by an affected municipality to its officers or employees pursuant to the provisions of subsection A of this section,
- c. "retired employee" means any officer, employee, former officer, or former employee of an affected municipality who receives a continuing benefit pursuant to the provisions of the Oklahoma Public Employees Retirement System, a municipal retirement system authorized pursuant to the provisions of Section 48-101 et seq. of this title, the Oklahoma Firefighters Pension and Retirement System, or the Oklahoma Police Pension and Retirement System, and who began receiving said benefits immediately after termination of employment, taking into consideration any administrative delays in establishing said continuing benefits, with an affected municipality, provided that the phrase "retired employee" shall include the survivor of said officer, employee, former officer, or former employee, and
- d. "survivor" means a survivor of a retired employee who would have been eligible to make the election authorized by this subsection and shall be determined in accordance with the applicable rules of the retirement system from which said retired employee qualified to receive benefits.

2. A retired employee may continue in force or begin to participate in the health insurance plan offered by the affected municipality that last employed said retired employee.

3. To participate in the health insurance plan offered by a retired employee's affected municipality, the retired employee shall elect to participate in the health insurance plan within thirty (30) days from the date of termination of employment with said affected municipality or elect to participate in said health insurance plan within ninety (90) days of the effective date of this act.

4. The retired employee who participates in the health insurance plan pursuant to this subsection shall pay up to the full cost of said health insurance plan at the rates and pursuant to the terms and conditions established by the affected municipality, provided the amount of the retired employee's premiums and dependent premiums for said health insurance plan paid by said retired employee who is under sixty-five (65) years of age shall be the same amount as the officer or employee premiums and dependent premiums for the health insurance plan paid by or on behalf of an officer or employee who is currently employed by the affected municipality.

5. An affected municipality that offers a health insurance plan in accordance with this section to its officers or employees and dependents shall offer the same health insurance plan to those retired employees and their dependents who elect to continue in force or participate in said health insurance plan in accordance with this subsection unless the retired employee or dependent is over sixty-five (65) years of age and qualifies for medicare.

6. A retired employee or dependent participating in the health insurance plan authorized pursuant to this subsection shall be enrolled and shall fully participate in said health insurance plan regardless of preexisting conditions.

7. An affected municipality that provides a health insurance plan to retired employees pursuant to this subsection shall also provide a medicare supplement plan to those retired employees and their dependents who are over sixty-five (65) years of age.

8. An affected municipality which participates in the plan or plans offered by the State and Education Employees Group Insurance Board shall not be subject to the provisions of this subsection so long as said participation continues.

9. If a retired employee who retires from an affected municipality that participates in a municipal retirement system authorized pursuant to the provisions of Section 48-101 et seq. of this title does not receive a continuing benefit from said municipal retirement system because of a lump sum distribution from said retirement system to said retired employee or because said municipal retirement system is discontinued, said retired employee shall be entitled to make the election authorized pursuant to this subsection if said retired employee was employed by the affected municipality for at least fifteen (15) years or was disabled due to a line-of-duty injury while employed by and unable to continue similar employment with said affected municipality.

C. Public and private educational institutions of the state not supported by any state appropriated funds may purchase annuity contracts for any of their full-time officers and employees from any insurance company organized and operated without profit to any private shareholder or individual exclusively for the purpose of aiding and strengthening educational institutions, whether or not such company be authorized to do business in Oklahoma.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 180.71 of Title 19, unless there is created a duplication in numbering, reads as follows:

A. A county may provide hospital and medical benefits, or accident, health, and life insurance, or any of the aforesaid, through any company authorized to do business in the State of Oklahoma, for any or all of its elected officials or employees and their dependents. A county may also provide such benefits when an elected official or employee is ordered by proper authority to

active duty in the National Guard or Reserve Corps of the Armed Forces of the United States. The county may pay a portion or all of said premiums from any funds available to the board of county commissioners, and may deduct from the wages or salary of any such elected official or employee, upon written authority signed by the elected official or employee, amounts for the payment of all or any portion of the monthly premium for same.

B. 1. For the purposes of and as used in this subsection:

- a. "affected county" means a county that provides hospital and medical benefits, accident and health insurance, or any of the aforesaid, for any or all of its elected officials or employees and their dependents pursuant to the provisions of subsection A of this section,
- b. "health insurance plan" means the hospital and medical benefits, accident and health insurance, or any of the aforesaid, provided by an affected county to its elected officials or employees pursuant to the provisions of subsection A of this section,
- c. "retired employee" means any elected official, employee, former elected official, or former employee who receives a continuing benefit pursuant to the provisions of the Oklahoma Public Employees Retirement System or a county retirement system authorized pursuant to the provisions of Section 951 et seq. of this title, provided that the phrase "retired employee" shall include the survivor of said elected official, employee, former elected official, or former employee, and
- d. "survivor" means a survivor of a retired employee who would have been eligible to make the election authorized by this subsection and shall be determined

in accordance with the applicable rules of the retirement system from which said retired employee qualified to receive benefits.

2. A retired employee may continue in force or begin to participate in the health insurance plan offered by the affected county that last employed said retired employee.

3. To participate in the health insurance plan offered by a retired employee's affected county, the retired employee shall elect to participate in the health insurance plan within thirty (30) days from the date of termination of employment with said affected county or elect to participate in said health insurance plan within ninety (90) days of the effective date of this act.

4. The retired employee who participates in the health insurance plan pursuant to this subsection shall pay up to the full cost of said health insurance plan at the rates and pursuant to the terms and conditions established by the affected county, provided the amount of the retired employee's premiums and dependent premiums for said health insurance plan paid by said retired employee who is under sixty-five (65) years of age shall be the same amount as the elected official or employee premiums and dependent premiums for the health insurance plan paid by or on behalf of an elected official or employee who is currently employed by the affected county.

5. An affected county that offers a health insurance plan in accordance with this section to its elected officials or employees and dependents shall offer the same health insurance plan to those retired employees and their dependents who elect to continue in force or participate in said health insurance plan in accordance with this subsection unless the retired employee or dependent is over sixty-five (65) years of age and qualifies for medicare.

6. A retired employee or dependent participating in the health insurance plan authorized pursuant to this subsection shall be

enrolled and shall fully participate in said health insurance plan regardless of preexisting conditions.

7. An affected county that provides a health insurance plan to retired employees pursuant to this subsection shall also provide a medicare supplement plan to those retired employees and their dependents who are over sixty-five (65) years of age.

8. An affected county which participates in the plan or plans offered by the State and Education Employees Group Insurance Board shall not be subject to the provisions of this subsection so long as said participation continues.

9. If a retired employee who retires from an affected county that participates in a county retirement system authorized pursuant to the provisions of Section 951 et seq. of this title does not receive a continuing benefit from said county retirement system because of a lump sum distribution from said retirement system to said retired employee, said retired employee shall be entitled to make the election authorized pursuant to this subsection if said retired employee was employed by the affected county for at least fifteen (15) years or was disabled due to a line-of-duty injury while employed by and unable to continue employment with said affected county.

10. Notwithstanding any other provision in the Oklahoma Session Laws, with the exception of participation in the plan or plans offered by the State and Education Employees Group Insurance Board, the authority granted pursuant to this section shall be the sole authority available to a county in order to provide health and life insurance and/or benefits to said county's elected officials or employees.

SECTION 3. This act shall become effective July 1, 1992.

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.

43-2-1834

REJ