

STATE OF OKLAHOMA

2nd Session of the 44th Legislature (1994)

COMMITTEE SUBSTITUTE
FOR ENGROSSED
SENATE BILL NO. 983

By: Monson and Horner of the
Senate

and

Hamilton (Jeff) and Boyd
(Laura) of the House

COMMITTEE SUBSTITUTE

An Act relating to public health and safety; creating the Oklahoma Health Security Act; providing short title; defining terms; construing act; requiring certain individuals to enroll in certain plan and purchase coverage for certain persons; providing exemptions from coverage under certain conditions; providing exemption for certain types of treatments; requiring development of a financing plan; requiring certification of certain insurance carriers by certain board; requiring certain health plans to accept for enrollment certain individuals; prohibiting certain practice; prohibiting certain variations; specifying contents of guaranteed benefits package; exempting insurers from providing certain coverage; allowing structuring of premium rates; providing for establishment of copayments and setting certain limit; providing for codification; and providing an effective date.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 5021 of Title 63, unless there is created a duplication in numbering, reads as follows:

This act shall be known and may be cited as the "Oklahoma Health Security Act".

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 5022 of Title 63, unless there is created a duplication in numbering, reads as follows:

As used in the Oklahoma Health Security Act:

1. "Dependent family member" means a person of any age who is related by blood or adoption or who is a stepchild of a person over the age of eighteen (18) years and who is dependent on the person over the age of eighteen (18) years for over fifty percent (50%) of all his or her costs of living;

2. "Eligible individual" means an individual over the age of eighteen (18) years who is an Oklahoma resident and a citizen of the United States or a legal resident alien prior to application for health care coverage; and

3. "Benefits package" means the full array of health care services which must be provided to any eligible individual in any health care plan certified by the State of Oklahoma through a health benefits purchasing cooperative.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 5023 of Title 63, unless there is created a duplication in numbering, reads as follows:

Nothing in this act shall be construed as prohibiting:

1. An individual from purchasing any health care services;
2. An individual from purchasing supplemental insurance, offered consistent with this act, to cover health care services not included within the benefits package; or
3. Employers from providing coverage for benefits in addition to the benefits package.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 5024 of Title 63, unless there is created a duplication in numbering, reads as follows:

A. Effective January 1, 1998, every eligible individual within this state shall enroll in a certified health insurance plan and purchase health care coverage for themselves and all dependent family members. Coverage provided through enrollment in a certified health insurance plan offered by an employer, available through a professional organization, or other group health coverage arrangement shall be deemed to meet the requirements of this subsection.

B. An eligible individual who wishes to be exempt from the provisions of this act shall waive all real or implied right to

access uncompensated medical care or treatment services from any provider of health care services, including but not limited to any government agency.

C. Persons eighteen (18) years of age and older who in good faith select and depend upon spiritual means alone, through prayer, in accordance with the tenets and practice of a recognized church or religious denomination, for health care, the treatment or cure of diseases or injuries, or for remedial care shall be exempt from the provisions of this section. Such exemption shall not serve to relieve any parent or legal guardian of a child under the age of eighteen (18) of the responsibility to provide for necessary medical care and treatment for such child as otherwise provided by law.

SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 5025 of Title 63, unless there is created a duplication in numbering, reads as follows:

Not later than the end of the 2nd Session of the 45th Oklahoma Legislature (1996), the Legislature shall develop and submit to a vote of the people a plan for financing universal health coverage. In the event that no plan for financing universal health coverage is approved by the people prior to January 1, 1997, this act shall become null and void.

SECTION 6. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 5026 of Title 63, unless there is created a duplication in numbering, reads as follows:

Effective January 1, 1998:

1. All insurance carriers, individuals, companies and organizations offering health insurance or health care plans within this state must be certified as to financial solvency, compliance with insurance or State Department of Health regulations, as applicable, and capacity to offer the full guaranteed benefits package to potential enrollees;

2. Every health plan operating within this state must accept for enrollment every eligible individual who seeks enrollment. No plan may engage in any practice that has the effect of attracting or limiting enrollees on the basis of personal characteristics,

such as race, sex, health status, anticipated need for health care, age, occupation, or affiliation with any person or entity; provided, nothing in this act shall prohibit the exclusion of coverage for any procedure or treatment on the grounds that such procedure or treatment is objectionable for moral or religious reasons;

3. Except for differences in premiums between individual and family coverage, no health plan operating within this state may vary the premium imposed with respect to the assessment or rating of risk of the individuals enrolled in the plan, regardless of the personal or demographic characteristics of the insured;

4. All health plans operating within this state must provide to all individuals enrolled within their plan, if medically necessary, the following benefits package:

- a. inpatient hospital services,
- b. outpatient hospital services,
- c. hospital emergency services,
- d. ambulance services,
- e. dental services,
- f. pharmacy services,
- g. laboratory services,
- h. clinical preventive services including immunizations for children, Papanicolaou smears, mammograms, cholesterol and blood pressure examinations per a periodicity schedule, prenatal screening and developmental screening; provided, no copayment shall be required for provision of such preventive services,
- i. mental health and substance abuse services, not to exceed sixty (60) inpatient days, one hundred twenty (120) days admission to a hospital alternative treatment facility and thirty (30) outpatient clinical visits for counseling in any year; provided, outpatient treatment for crisis management or brief office visits for medical management shall be provided without limits,

- j. maternity services,
- k. hospice services, and
- l. long-term care services;

5. Nothing in this act shall be construed to require the inclusion of any abortion services. This section shall be nonseverable from this act;

6. Insurers will not be required to provide coverage for experimental therapies; and

7. Health plans may structure reimbursement rates to providers as capitated rates, discounted rates or fee-for-service rates based on a resource-based relative-value scale. Copayments may be established as either a service charge per covered service or as a percentage of covered service.

- a. Except as provided by subparagraph h of paragraph 4 of this section, copayments shall be applied uniformly throughout the full range of covered services; provided, that in no event may a copayment exceed twenty percent (20%) of the cost of the covered service.
- b. At the election of the insured, family deductibles for insured individuals and their dependent family members may be established for up to twenty percent (20%) of the total adjusted gross income on the family's individual federal income tax returns and, notwithstanding any other provision of law, premium rates for such plans may be adjusted or varied to reflect the actuarial impact of such elective deductibles.

SECTION 7. This act shall become effective September 1, 1994.

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