

SHORT TITLE: State government; Disability Insurance Program; adding eligibility for all employees participating in the State and Education Employees Group Insurance Act; effective date; emergency.

STATE OF OKLAHOMA

1st Session of the 46th Legislature (1997)

SENATE BILL NO. 451

By: Weedn

AS INTRODUCED

An Act relating to state government; amending 74 O.S. 1991, Section 1332, as amended by Section 9, Chapter 367, O.S.L. 1992 (74 O.S. Supp. 1996, Section 1332), which relates to the State and Education Employees Group Insurance Disability Insurance Program; adding eligibility for all participating employees under the State and Education Employees Group Insurance Act; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 74 O.S. 1991, Section 1332, as amended by Section 9, Chapter 367, O.S.L. 1992 (74 O.S. Supp. 1996, 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~~ participating 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, education employees, and other eligible participating employees under the State and Education Employees Group Insurance Act, Section 1301 et seq. of this title, and 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.~~

No ~~state~~ employee shall be eligible to receive any benefits from the long-term disability program unless the ~~state~~ employee has used all of his or her sick leave. 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 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. This act shall become effective July 1, 1997.

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.

46-1-0031

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