ENROLLED HOUSE
BILL NO. 1458

By: Miller, Cox and Pettigrew of the House

and

Dunlap of the Senate

An Act relating to state employees; amending 74 O.S. 1991, Sections 1303, as last amended by Section 6, Chapter 377, O.S.L. 1998 and 1309 (74 O.S. Supp. 1998, Section 1303), which relate to state and education employees group insurance; modifying definition of dependent; allowing an employee to choose which dependents to cover; providing for subsequent enrollment; requiring employee to file affidavit acknowledging choice; 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 1303, as last amended by Section 6, Chapter 377, O.S.L. 1998 (74 O.S. Supp. 1998, Section 1303), is amended to read as follows:

Section 1303. For the purposes of and as used in the State and Education Employees Group Insurance Act:

1. "Board" means the State and Education Employees Group Insurance Board as created by the State and Education Employees Group Insurance Act;

2. "Employee" means those state employees, education employees and other eligible employees participating in the State and Education Employees Group Insurance Act;

3. "Education Employee" means those employees other than adjunct professors employed by a state institution of higher education, in the service of an education entity who are members or are or will be eligible to become members of the Teachers' Retirement System of Oklahoma and who receive compensation for such service after the education entity begins to participate in the State and Education Employees Group Insurance Act and visiting faculty who are not eligible for membership in the Teachers' Retirement System of Oklahoma;

4. "Adjunct Professor" means a person employed by an institution of higher education who is attached in a subordinate or temporary capacity to the faculty or staff, and who is contracted to instruct in a given specific discipline;

5. "Visiting Faculty" means a person employed by an institution of higher education who is not eligible for academic rank or tenure,

other than an adjunct professor, and who is contracted to instruct in a given specific discipline generally not to exceed one (1) academic year;

6. "Education Entity" means a school district, an area vocational-technical school district, or an institution comprising The Oklahoma State System of Higher Education;

7. "State Employee" means and includes each officer or employee in the service of the State of Oklahoma who, after January 1, 1966, received compensation for service rendered to the State of Oklahoma on a warrant issued pursuant to a payroll certified by a department or by an elected or duly appointed officer of the state or who receives payment for the performance of personal services on a warrant issued pursuant to a payroll certified by a department and drawn by the State Treasurer against appropriations made by the Legislature from any state fund or against trust funds held by the State Treasurer, who is employed in a position normally requiring actual performance of duty during not less than one thousand (1,000) hours per year, and whose employment is not seasonal or temporary, except that a person elected by popular vote will be considered an employee during the person's tenure in office; provided, however, that employees who are otherwise eligible who are on approved leave without pay shall be eligible to continue coverage during such leave not to exceed twenty-four (24) months, as provided in the Merit Rules for Employment published by the Office of Personnel Management, from the date the employee goes on such leave provided the employee pays the full premiums due or persons who are drawing disability benefits under Section 1331 et seq. of this title or meet each and every requirement of the State Employees Disability Program shall be eligible to continue coverage provided the person pays the full premiums due;

8. "Carrier" means the State of Oklahoma or a state designated Health Maintenance Organization (HMO). Such HMO shall be a federally qualified Health Maintenance Organization under 42 U.S.C., Section 300e et seq.;

9. "Health Insurance Plan" means a self-insured plan by the State of Oklahoma for the purpose of paying the cost of hospital and medical care up to the maximum coverage provided by said plan or prepaid medical plan(s) offered to employees as an alternative to the state-administered plan by federally qualified HMOs which have contracted with the state;

10. "Life Insurance Plan" means a self-insured plan for the purpose of paying death and dismemberment benefits up to the maximum coverage provided by the plan;

11. "Dental Benefits Plan" means a plan by the State of Oklahoma for the purpose of paying the cost of dental care up to the maximum coverage provided by the plan; whenever the term "Dental Insurance Plan" or a term of like import appears in the State and Education Employees Group Insurance Act, the term shall mean "Dental Benefits Plan";

12. "Other insurance" means any type of coverage other than basic hospital and medical benefits, major medical benefits, comprehensive benefits, life insurance benefits or dental insurance benefits, which the Board may be directed to offer;

13. "Dependent" means an employee's spouse ~~and~~ or any unmarried child (1) under the age of nineteen (19) years, regardless of residence, provided that the employee is primarily responsible for their support, including (a) an adopted child and (b) a stepchild or child who lives with the employee in a regular parent-child relationship, or (2) under the age of twenty-five (25) and who is dependent upon the employee for support who is enrolled as a full-time student at an accredited secondary school, college, university, or institution of higher learning accredited by the State Department of Education, State Board of Vocational and Technical Education, Oklahoma State Regents for Higher Education, or the Oklahoma Board of Private Vocational Schools, and (3) regardless of age who is incapable of self-support because of mental or physical incapacity that existed prior to reaching the age of nineteen (19) years;

14. "Comprehensive benefits" means benefits which reimburse the expense of hospital room and board, other hospital services, certain outpatient expenses, maternity benefits, surgical expense, including obstetrical care, in-hospital medical care expense, diagnostic radiological and laboratory benefits, physicians' services provided by house and office calls, treatments administered in physicians' office, prescription drugs, psychiatric services, Christian Science practitioners' services, Christian Science nurses' services, optometric medical services for injury or illness of the eye, home health care, home nursing service, hospice care, and such other benefits as may be determined by the Board. Such benefits shall be provided on a copayment or coinsurance basis, the insured to pay a proportion of the cost of such benefits, and may be subject to a deductible that applies to all or part of the benefits as determined by the Board; and

15. "Life insurance coverage" shall include a maximum amount of basic life insurance or benefit with or without a double indemnity provision and an amount of accidental death and dismemberment insurance or benefit per employee other than education employees to be provided by the State of Oklahoma, and the employee other than an education employee shall have the option to purchase additional life insurance or benefits on the employee's life up to the amount provided by the plan. Such basic life insurance benefits, with or without double indemnity, and accidental death and dismemberment benefits shall not exclude coverage for death or dismemberment resulting from war, insurrection or riot. The Board may also extend dependent life insurance in an amount to be determined by the Board to each insured employee other than an education employee who elects to insure the employee's eligible dependents. Premiums for the dependent life insurance shall be paid wholly by the employee other than an education employee.

SECTION 2. AMENDATORY 74 O.S. 1991, Section 1309, is amended to read as follows:

Section 1309. ~~(1)~~ A. Any eligible employee may elect to have ~~his~~ a dependent or dependents of the employee covered by the Health Insurance Plan and Dental Insurance Plan or by any available Health Maintenance Organization (HMO) approved by the Board. The employee may elect to cover all dependent children and not elect to cover the spouse of the employee. Such election shall be made at the time the employee becomes enrolled in the Plan, under such procedures as the Board may establish. If dependent coverage is not elected or if the employee elects to cover all dependent children and not the spouse

of the employee at the time an employee becomes enrolled in the Plan, dependent coverage or coverage for the spouse cannot be elected until the next enrollment period or until a qualifying event has occurred as established by the Board. Such subsequent election of dependent coverage shall be made under such conditions as the Board may impose. If electing not to cover the spouse, the employee shall file an affidavit signed by both the employee and the spouse acknowledging their choice not to provide insurance coverage for the spouse under the Health Insurance Plan and Dental Insurance Plan or approved HMO plans.

~~(2)~~ B. Any employee with dependent coverage, as provided in this section, who has a change in the number of ~~his~~ dependents may at the time of such change increase or decrease the number of dependents covered by the Health Insurance Plan and Dental Insurance Plan or approved HMO plans, under procedures established by the Board.

~~(3)~~ C. Any employee who has no eligible dependents at the time ~~he~~ the employee becomes enrolled may elect dependent coverage at the time ~~his~~ the dependency status of the employee changes under procedures established by the Board.

SECTION 3. This act shall become effective July 1, 1999.

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 House of Representatives the 24th day of May, 1999.

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Speaker of the House of Representatives

Passed the Senate the 24th day of May, 1999.

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President of the Senate