

ENGROSSED SENATE AMENDMENT  
TO  
ENGROSSED HOUSE  
BILL NO. 1047

By: Turner of the House

and

Shurden of the Senate

An Act relating to insurance; amending 74 O.S. 1991, Section 1315, as last amended by Section 1, Chapter 338, O.S.L. 1996 (74 O.S. Supp. 2000, Section 1315), which relates to the State and Education Employees Group Insurance Act; allowing participation by employees of certain voluntary associations; expanding participation allowance; clarifying health insurance coverage for certain employees; allowing employees of certain voluntary associations to continue coverage; authorizing a change of carriers; requiring subsequent carriers to cover certain employees; allowing certain employees to retain coverage; providing an effective date; and declaring an emergency.

AMENDMENT NO. 1. Page 1, strike the stricken title, enacting clause and entire bill and insert

"[ insurance - amending 74 O.S. 1991, Section 1315, as last amended by Section 1, Chapter 338, O.S.L. 1996 (74 O.S. Supp. 2000, Section 1315) - State and Education Employees Group Insurance Act - effective date -  
emergency ]

SECTION 1. AMENDATORY 74 O.S. 1991, Section 1315, as last amended by Section 1, Chapter 338, O.S.L. 1996 (74 O.S. Supp. 2000, Section 1315), is amended to read as follows:

Section 1315. A. Upon application in writing approved by a majority action of the board of county commissioners of any county or the governing body of any city, town, county hospital, the trustees of any public trust for which the state is the primary

beneficiary, or the Oklahoma Conservation Commission on behalf of the conservation districts, all of the aforementioned groups which must be participating employers in the Oklahoma Public Employees Retirement System, or upon application in writing approved by a majority action of the board of directors of any rural water, sewer, gas or solid waste management district ~~or~~, of any nonprofit water corporation, of any conservancy district or master conservancy district authorized by the provisions of Section 541 of Title 82 of the Oklahoma Statutes, or of any voluntary associations of Oklahoma local governmental jurisdictions listed in Section 2003 of Title 62 of the Oklahoma Statutes and subject to any underwriting criteria that may be established by the Board, the Board may extend the benefits of the State and Education Employees Group Health and Life Insurance to employees who are employed in positions requiring actual performance of duty during not less than one thousand (1,000) hours per year, and to all full-time employees of such county, city, town, county hospital, public trust, conservation district, rural water, sewer, gas or solid waste management district ~~or~~, nonprofit water corporation, of any conservancy district or master conservancy district authorized by the provisions of Section 541 of Title 82 of the Oklahoma Statutes, or voluntary associations of Oklahoma local governmental jurisdictions listed in Section 2003 of Title 62 of the Oklahoma Statutes provided that such county, city, town, county hospital, public trust, conservation district, rural water, sewer, gas or solid waste management district ~~or~~, nonprofit water corporation, of any conservancy district or master conservancy district authorized by the provisions of Section 541 of Title 82 of the Oklahoma Statutes, or voluntary associations of Oklahoma local governmental jurisdictions listed in Section 2003 of Title 62 of the Oklahoma Statutes participating therein shall pay all costs attributable to its participation therein. The benefits of said plans for a participant provided coverage pursuant to this section

shall be the same and shall include the same plan options as would be made available to a state employee participating in the plan that resided at the same location. The premium for participating counties, cities, towns, county hospitals, public trusts, conservation districts, rural water, sewer, gas or solid waste management district ~~or~~, nonprofit water corporation, of any conservancy district or master conservancy district authorized by the provisions of Section 541 of Title 82 of the Oklahoma Statutes, or voluntary associations of Oklahoma local governmental jurisdictions listed in Section 2003 of Title 62 of the Oklahoma Statutes shall be the same as paid by the State and Education Employees Group Health and Life Insurance Plan. Such county, city, town, county hospital, public trust, conservation district, rural water, sewer, gas or solid waste management district ~~or~~, nonprofit water corporation, of any conservancy district or master conservancy district authorized by the provisions of Section 541 of Title 82 of the Oklahoma Statutes, or voluntary associations of Oklahoma local governmental jurisdictions listed in Section 2003 of Title 62 of the Oklahoma Statutes shall not be required to offer dental insurance as defined in paragraph ~~(k)~~ (11) of Section 1303 of this title, or other insurance as defined in paragraph ~~(l)~~ (12) of Section 1303 of this title. However, if dental insurance or any other insurance is offered, it must be provided to all eligible employees. If an employee retires and begins to receive benefits from the Oklahoma Public Employees Retirement System or terminates service and has a vested benefit with the Oklahoma Public Employees Retirement System, the employee may elect, in the manner provided in Section 1316.2 of this title, to participate in the dental insurance plan offered through the State and Education Employees Group Insurance Act, Section 1301 et seq. of this title. The employee shall pay the full cost of the dental insurance. Any employee who retires or who has a vested benefit pursuant to the Oklahoma Public Employees Retirement

System may begin the health insurance coverage only if the employer of the employee is ~~not~~ a participant of the State and Education Employees Group Insurance Act ~~if~~ and the election to begin coverage is made within thirty (30) days from the date of termination of service.

B. Any county, city, town, county hospital, public trust, conservation district, or rural water, sewer, gas or solid waste management district, or nonprofit water corporation, any of which of the aforementioned groups is not a participating employer in the Oklahoma Public Employees Retirement System, but which has employees who are participating in the health ~~or~~, dental or life insurance plans offered by or through the State and Education Employees Group Insurance Act on July 1, 1997, may continue to allow its current and future employees to participate in such health ~~or~~, dental or life insurance plans. Participation of such employees may also continue following retirement or termination of employment if the employee has completed at least eight (8) years of service and such an election to continue in force is made within thirty (30) days following retirement or termination. Provided, also, any retiree or terminated employee electing coverage pursuant to this section shall pay the full cost of the insurance.

Effective July 1, 1997, any county, city, town, county hospital, public trust, conservation district, or rural water, sewer, gas or solid waste management district, or nonprofit water corporation, any of which of the aforementioned groups is not a participating employer in the Oklahoma Public Employees Retirement System and which does not have any employees who are participating in the health ~~or~~, dental or life insurance plans offered by or through the State and Education Employees Group Insurance Board on July 1, 1997, shall be ineligible to allow its current or future employees to participate in such health ~~and~~, dental and life insurance plans.

C. Employees of any conservancy district or master conservancy district authorized by the provisions of Section 541 of Title 82 of the Oklahoma Statutes or of a participating voluntary association of Oklahoma local governmental jurisdictions listed in Section 2003 of Title 62 of the Oklahoma Statutes may also continue in force health, dental and life insurance coverage following retirement or termination of employment if the employee who has retired or terminated employment has a minimum of eight (8) years of service with the participating voluntary association and the election to continue in force is made within thirty (30) calendar days following retirement or termination.

D. An employer may cease to participate in the State and Education Employees Group Insurance Act but provide health insurance coverage for its current and former employees through another insurance carrier. The subsequent carrier shall be responsible for providing coverage to the entity's employees who terminated employment with a vested benefit, or who have eight (8) or more years of service but did not have a vested benefit through the Oklahoma Public Employees Retirement System, if the election to retain health insurance coverage was made within thirty (30) days of termination of employment. Coverage shall also be provided to the eligible dependents of the employees if an election to retain coverage is made within thirty (30) days of termination of employment. Employees who terminate employment from an employer covered by this paragraph before December 31, 2001, and elect coverage under the State and Education Employees Group Insurance Act, shall not be required to change insurance carriers in the event that the employer changes its insurance carrier to a subsequent carrier.

E. Notwithstanding the provisions of subsection B of this section, a rural water district, regardless of whether it is participating in the Oklahoma Public Employees Retirement System,

may elect on or before December 31, 2001, to become a participating employer in the plans offered under the State and Education Employees Group Insurance Act, in the same manner as any other participating county, city, town, county hospital, public trust, conservation district, or rural water, sewer, gas or solid waste management district, or nonprofit water corporation.

SECTION 2. This act shall become effective July 1, 2001.

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."

Passed the Senate the 4th day of April, 2001.

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Presiding Officer of the Senate

Passed the House of Representatives the \_\_\_\_ day of \_\_\_\_\_,  
2001.

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Presiding Officer of the House  
of Representatives