

ENROLLED SENATE  
BILL NO. 423

By: Maddox of the Senate

and

Benson of the House

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 Board; providing condition for retaining health insurance; requiring certain employers to provide insurance coverage; providing condition; requiring certain dependent coverage; providing condition; allowing certain employees to retain coverage under the State and Education Employees Group Insurance Act; providing specified persons not be required to change insurance carriers; and providing an effective date.

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

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 nonprofit water corporation 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, 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 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 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 shall not be required to offer dental insurance as defined in paragraph (k) of Section 1303 of this title, or other insurance as defined in paragraph (l) 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 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 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 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 insurance plans.

C. 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.

SECTION 2. This act shall become effective January 1, 2002.

Passed the Senate the 27th day of February, 2001.

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Presiding Officer of the Senate

Passed the House of Representatives the 3rd day of April, 2001.

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Presiding Officer of the House  
of Representatives