STATE OF OKLAHOMA

2nd Session of the 49th Legislature (2004)

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 1851 By: Pettigrew

COMMITTEE SUBSTITUTE

An Act relating to state government; amending 74 O.S. 2001, Section 1308.1, which relates to the State and Education Employees Group Insurance Act; allowing educational entities to cease participation in group plan and provide coverage through another carrier; requiring subsequent carrier be responsible for certain coverages under certain conditions; and declaring an emergency.

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

SECTION 1. AMENDATORY 74 O.S. 2001, Section 1308.1, is amended to read as follows:

Section 1308.1 (1) An educational entity may extend the benefits of the health insurance plan, the dental insurance plan, and the life insurance plan to education employees employed by said entity. The benefits of said plans for an education employee 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. Notwithstanding the provisions of Section 1308.2 of this title, a period shall exist for enrolling education entities from April 1, 1989 through October 1, 1991, whereby education employees of a participating education entity may be enrolled, pursuant to this act, during the entities' initial enrollment period, regardless of preexisting conditions. The Board shall adopt rules and regulations for enrollment by which education entities may apply to participate in said insurance plans. Once an

education entity becomes a participant in the health and dental insurance plans offered through the State and Education Employees Group Insurance Act, the education entity may withdraw from said participation, in a manner prescribed by the Board. If a school district is participating in the health and dental insurance plans pursuant to the State and Education Employees Group Insurance Act, Section 1301 et seq. of this title, the employees of the school district who are eligible to participate in the health and dental plans, at such time as the school district may withdraw from such participation, may require the board of education of the school district to call an election to allow said employees to vote as to whether the school district shall continue participation in the health and dental insurance plans offered through the State and Education Employees Group Insurance Act. Upon the filing with the board of education of a petition calling for such an election which is signed by no less than thirty percent (30%) of the eligible employees of the school district, the board of education shall call an election for the purpose of determining whether the school district shall continue participation in the health and dental insurance plans offered through the State and Education Employees Group Insurance Act. The election shall be held within thirty (30) days of the filing of the petition. If a majority of those eligible employees voting at the election vote to continue participation in the health and dental insurance plans offered through the State and Education Employees Group Insurance Act, the board of education shall be prohibited from withdrawing the school district from such participation. If a majority of those eligible employees voting at the election vote against continued participation in the health and dental insurance plans offered through the State and Education Employees Group Insurance Act, the board of education of the school district shall apply to discontinue such participation within thirty (30) days of the election and within the times the school district

is authorized to withdraw from participation in accordance with rules established for withdrawal by the State and Education Employees Group Insurance Board.

(2) Except as otherwise provided in this subsection, when an education entity participates in the health and dental insurance plans offered through the State and Education Employees Group Insurance Act, all employees shall be advised of Health Maintenance Organizations prepaid plans available as an alternative to the state self-insured health insurance plan. Eligible part-time education employees, at the option of the employee, may enroll in the plans either at the time the education entity begins participation in the plans or, if later, upon a showing of insurability to the satisfaction of the Board.

(3) Any employee of an education entity participating in the health and dental insurance plans offered through the State and Education Employees Group Insurance Act who is employed after the education entity began said participation may be enrolled in the health and dental insurance plans or HMO plans approved by the Board on the first day of the second month of employment.

(4) Upon initial enrollment of an institution of higher education to participate in the health and dental insurance plans offered through the State and Education Employees Group Insurance Act, all individuals presently insured by said institution's present group health insurance plan shall become enrolled in said state plans for the remaining period of said institution's contractual liabilities.

(5) Education employees who shall be absent from the teaching service because of election or appointment as a local, state, or national education association officer shall be allowed to retain coverage pursuant to the State and Education Employees Group Insurance Act upon the payment of the full cost of the coverage at

the rate and under such terms and conditions established by the Board.

(6) Except as otherwise provided by law, an educational entity may cease to participate in the State and Education Employees Group Insurance Act but provide health insurance coverage through another insurance carrier. The subsequent carrier shall provide coverage to the employees of the educational entity who terminated employment with a retirement benefit, with a vested benefit, or who have ten (10) or more years of service with a participating educational entity but did not have a vested benefit through the retirement system of the educational entity, 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.

SECTION 2. 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.

49-2-8420 SCE 02/11/04