

ENROLLED SENATE
BILL NO. 636

By: Corn of the Senate

and

Brannon of the House

An Act relating to the Oklahoma State Employees Benefits Council; amending 74 O.S. 2001, Section 1372, which relates to the flexible spending account benefits plan; clarifying language; deleting exception; requiring the Council to prescribe certain forms and procedures; providing right to a hearing; providing for notice; applying provisions of the Administrative Procedures Act; requiring promulgation of rules for notice of denial, requests for explanation and hearing for certain claims denial; deleting certain provisions of the notice of claim denial; 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. 2001, Section 1372, is amended to read as follows:

Section 1372. The Oklahoma State Employees Benefits Council shall be responsible for making all determinations as to the rights of any participant or any beneficiary of a participant to receive amounts under the flexible spending account benefits plan ~~except to the extent a benefit plan provides to the contrary.~~ The Council ~~may~~ shall prescribe forms and procedures for making claims for flexible spending account benefits under the plan ~~to the extent such forms or procedures are not prescribed by the terms of a benefit plan.~~ Each person making a claim for benefits under the flexible spending account benefits plan shall also furnish the Council with such documents, evidence, data or information in support of such claim as the Council considers necessary or desirable. If any claim for the flexible spending account benefits ~~under the plan~~ is wholly or partially denied, the claimant shall be given notice in writing of such denial within a reasonable period of time, but no later than forty-five (45) days after the claim is filed. ~~Such notice shall set forth the following information:~~

- ~~1. The specific reason or reasons for the denial;~~
- ~~2. Specific reference to pertinent plan provisions on which the denial is based;~~

~~3. A description of any additional materials or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary;~~

~~4. An explanation that a full and fair review by the Council of the decision denying the claim may be requested by the claimant or his or her authorized representative by filing with the Council, within ninety (90) days after notice of denial has been received, a written request for such hearing; and~~

~~5. If such request is so filed, the claimant or his authorized representative may review pertinent documents and submit issues and comments in writing within the same ninety-day period specified in paragraph 4 of this section. The hearing before the Council reviewing the Council's claim denial shall be held no later than sixty (60) days after the Council's receipt of the request for hearing, unless special circumstances require an extension of time by the claimant, in which case a hearing shall be held not later than one hundred twenty (120) days after receipt of the request for hearing. The decision on the hearing shall be in writing and shall include specific reasons for the decision, written in a manner calculated to be understood by the claimant, and shall include specific references to the pertinent plan provisions on which the decision is based~~ A claimant whose claim is denied shall have the right to a hearing before the Council's executive director or hearing officer designated by the executive director. Written notification by a claimant for a hearing must be received by the executive director within ten (10) business days of notification of claim denial. The hearing shall be conducted within thirty (30) days in accordance with the provisions of the Administrative Procedures Act. The Council shall promulgate administrative rules establishing policies and procedures specific to the notice of denial, request for explanation, and hearing for flexible spending account benefit claims denial.

SECTION 2. This act shall become effective July 1, 2003.

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 20th day of May, 2003.

Presiding Officer of the Senate

Passed the House of Representatives the 27th day of May, 2003.

Presiding Officer of the House
of Representatives