

EHB 1851

THE STATE SENATE
Monday, March 29, 2004

ENGROSSED

House Bill No. 1851

ENGROSSED HOUSE BILL NO. 1851 - By: PETTIGREW of the House and
DUNLAP of the Senate.

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

1 enrollment period, regardless of preexisting conditions. The Board
2 shall adopt rules and regulations for enrollment by which education
3 entities may apply to participate in said insurance plans. Once an
4 education entity becomes a participant in the health and dental
5 insurance plans offered through the State and Education Employees
6 Group Insurance Act, the education entity may withdraw from said
7 participation, in a manner prescribed by the Board. If a school
8 district is participating in the health and dental insurance plans
9 pursuant to the State and Education Employees Group Insurance Act,
10 Section 1301 et seq. of this title, the employees of the school
11 district who are eligible to participate in the health and dental
12 plans, at such time as the school district may withdraw from such
13 participation, may require the board of education of the school
14 district to call an election to allow said employees to vote as to
15 whether the school district shall continue participation in the
16 health and dental insurance plans offered through the State and
17 Education Employees Group Insurance Act. Upon the filing with the
18 board of education of a petition calling for such an election which
19 is signed by no less than thirty percent (30%) of the eligible
20 employees of the school district, the board of education shall call
21 an election for the purpose of determining whether the school
22 district shall continue participation in the health and dental
23 insurance plans offered through the State and Education Employees

1 Group Insurance Act. The election shall be held within thirty (30)
2 days of the filing of the petition. If a majority of those eligible
3 employees voting at the election vote to continue participation in
4 the health and dental insurance plans offered through the State and
5 Education Employees Group Insurance Act, the board of education
6 shall be prohibited from withdrawing the school district from such
7 participation. If a majority of those eligible employees voting at
8 the election vote against continued participation in the health and
9 dental insurance plans offered through the State and Education
10 Employees Group Insurance Act, the board of education of the school
11 district shall apply to discontinue such participation within thirty
12 (30) days of the election and within the times the school district
13 is authorized to withdraw from participation in accordance with
14 rules established for withdrawal by the State and Education
15 Employees Group Insurance Board.

16 (2) Except as otherwise provided in this subsection, when an
17 education entity participates in the health and dental insurance
18 plans offered through the State and Education Employees Group
19 Insurance Act, all employees shall be advised of Health Maintenance
20 Organizations prepaid plans available as an alternative to the state
21 self-insured health insurance plan. Eligible part-time education
22 employees, at the option of the employee, may enroll in the plans
23 either at the time the education entity begins participation in the

1 plans or, if later, upon a showing of insurability to the
2 satisfaction of the Board.

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

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

16 (5) Education employees who shall be absent from the teaching
17 service because of election or appointment as a local, state, or
18 national education association officer shall be allowed to retain
19 coverage pursuant to the State and Education Employees Group
20 Insurance Act upon the payment of the full cost of the coverage at
21 the rate and under such terms and conditions established by the
22 Board.

1 (6) Except as otherwise provided by law, an educational entity
2 may cease to participate in the State and Education Employees Group
3 Insurance Act but provide health insurance coverage through another
4 insurance carrier. The subsequent carrier shall provide coverage to
5 the employees of the educational entity who terminated employment
6 with a retirement benefit, with a vested benefit, or who have ten
7 (10) or more years of service with a participating educational
8 entity but did not have a vested benefit through the retirement
9 system of the educational entity, if the election to retain health
10 insurance coverage was made within thirty (30) days of termination
11 of employment. Coverage shall also be provided to the eligible
12 dependents of the employees if an election to retain coverage is
13 made within thirty (30) days of termination of employment.

14 SECTION 2. It being immediately necessary for the preservation
15 of the public peace, health and safety, an emergency is hereby
16 declared to exist, by reason whereof this act shall take effect and
17 be in full force from and after its passage and approval.

18 COMMITTEE REPORT BY: COMMITTEE ON RETIREMENT & GROUP HEALTH, dated
19 3-23-04 - DO PASS.