

3 Senate Bill No. 662

4 SENATE BILL NO. 662 - By: MONSON of the Senate and TOURE of the
5 House.

6 An Act relating to insurance; amending 36 O.S. 2001, Section
7 4509, which relates to continued coverage; requiring certain
8 continued coverage for certain participants in a group
9 health insurance plan; providing an effective date; and
10 declaring an emergency.

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

12 SECTION 1. AMENDATORY 36 O.S. 2001, Section 4509, is
13 amended to read as follows:

14 Section 4509. A. In the case of an employee whose insurance is
15 terminated under a group policy providing hospital, medical or
16 surgical, or Christian Science care and treatment expense benefits,
17 or contract of hospital or medical service or indemnity, such
18 employee and his dependents shall remain insured under the policy
19 for a period of at least thirty (30) days after such termination,
20 unless during such period the employee and his dependents shall
21 otherwise become entitled to similar insurance from some other
22 source.

23 B. If an employee has been covered for at least six (6) months
24 under any group accident and health insurance policy delivered in
25 this state, providing hospital, medical or surgical, or Christian
26 Science care and treatment expense benefits, or under a contract of

1 hospital or medical service or indemnity, and the individual
2 employee has had his employment terminated or the group itself is
3 terminated, then the termination shall not affect coverage of the
4 insured or his dependents for any continuous loss which commenced
5 while the insurance was in force. The extension of benefits beyond
6 the period the insurance was in force may be predicated upon the
7 continuous total disability of the person insured or his or her
8 dependents or the expenses incurred in connection with a plan of
9 surgical treatment, which shall include maternity care and delivery
10 expenses, which commenced prior to the termination. The coverage
11 for the extension of benefits shall be for the maximum benefits
12 under the terminated policy or for a time period of not less than
13 three (3) months in the case of basic coverage or six (6) months in
14 the case of major medical coverage. Premium monies may be charged
15 for the period of the extension of benefits. The premiums charged
16 shall be the premiums which would have been charged for the coverage
17 provided under the group policy or contract had termination not
18 occurred.

19 C. Effective July 1, 2003, the group health insurer of an
20 employer that offers a group health insurance plan to its employees
21 shall extend continued coverage as provided in the Consolidated
22 Omnibus Budget Reconciliation Act of 1985 (COBRA), as amended, to
23 all employers located in the State of Oklahoma that are

1 participating in its group health insurance plans, regardless of the
2 number of employees such employer employs.

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

4 SECTION 3. It being immediately necessary for the preservation
5 of the public peace, health and safety, an emergency is hereby
6 declared to exist, by reason whereof this act shall take effect and
7 be in full force from and after its passage and approval.

8 COMMITTEE REPORT BY: COMMITTEE ON COMMERCE, dated 2-13-03 - DO PASS,
9 As Coauthored.