

STATE OF OKLAHOMA

2nd Session of the 49th Legislature (2004)

HOUSE BILL HB2483:

Liotta

AS INTRODUCED

An Act relating to insurance; amending Section 4, Chapter 276, O.S.L. 2002 (36 O.S. Supp. 2003, Section 4524), which relates to the Employer Health Insurance Purchasing Group Act; exempting purchasing groups from requirements of the Small Employer Health Insurance Reform Act; and providing an effective date.

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

SECTION 1. AMENDATORY Section 4, Chapter 276, O.S.L. 2002 (36 O.S. Supp. 2003, Section 4524), is amended to read as follows:

Section 4524. A. Each Health Insurance Purchasing Group (HIPG), in conjunction with a HIPG health carrier, shall make available a health benefits plan in the manner described in this section to all eligible employers and eligible employees at rates, including employers' and employees' shares, on a policy- or product-specific basis which may vary only as permitted under law.

B. Subject to subsection C of this section, a HIPG shall not offer a health benefit plan which unfairly discriminates against eligible employees.

C. Nothing in this act shall be construed as requiring a HIPG health carrier to provide coverage outside the service area of the insurer or organization.

D. Each HIPG shall provide a health benefits plan only through contracts with HIPG health carriers and shall not assume insurance risk with respect to the coverage.

E. Except as provided in this act, the HIPG may develop or offer a health benefits plan for its members, in whole or in part, not subject to state-mandated health benefits.

F. The HIPG shall offer at least two types of plans to its members, including one plan providing a choice of deductibles with state-mandated health benefits.

G. The HIPG may also offer a health benefits plan not subject to state-mandated health benefits which does not contain standard provisions or rights required to be present in a health benefits plan pursuant to law or regulations unrelated to a specific illness, injury or condition of the insured, for the provisions as may be determined by rules and regulations of the Commissioner.

H. Every health benefits plan offered through a HIPG shall:

1. Be underwritten by a HIPG health carrier that:

a. is licensed or otherwise regulated under state law,

b. meets all applicable state standards relating to consumer protection, including, but not limited to, state solvency and market conduct, and

c. offers the coverage under an approved contract with the HIPG;

2. Be approved or otherwise permitted to be offered under law;

3. Provide full portability of creditable coverage for individuals who remain members of the same HIPG notwithstanding that they change the eligible employer through which they are members; and

4. Comply with the provisions of the Oklahoma Insurance Code in their sales and solicitation of insurance including, but not limited to, the Oklahoma Deceptive Trade Practices Act, and to the degree that an agent is involved in the solicitation, sale or purchase of a health benefits plan offered to a HIPG, that agent must be duly

licensed by the State Insurance Department and hold a valid license to transact the business of insurance.

I. A HIPG shall not be subject to the requirements of the Small Employer Health Insurance Reform Act.

J. Nothing in this act shall be construed as precluding a HIPG health carrier from offering a health benefits plan through a HIPG by establishing premium discounts for members, or from modifying otherwise applicable copayments or deductibles in return for adherence to programs of health promotion and disease prevention, so long as the programs are agreed to in advance by the HIPG and comply with all other provisions of this act and do not discriminate among similarly situated members.

SECTION 2. This act shall become effective November 1, 2004.

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