

CS for SB 852

THE STATE SENATE  
Wednesday, February 23, 2005

Committee Substitute for  
Senate Bill No. 852

COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 852 - By: EASON McINTYRE of the Senate and WRIGHT of the House.

[ employee benefits - continuance - benefits upon retirement - emergency ]

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

SECTION 1. AMENDATORY 74 O.S. 2001, Section 1316.2, as last amended by Section 5, Chapter 345, O.S.L. 2004 (74 O.S. Supp. 2004, Section 1316.2), is amended to read as follows:

Section 1316.2 ~~(1)~~ A. Any employee other than an education employee who retires pursuant to the provisions of the Oklahoma Public Employees Retirement System or who has a vested benefit pursuant to the provisions of the Oklahoma Public Employees Retirement System may continue in force the health and dental insurance benefits authorized by the provisions of the State and Education Employees Group Insurance Act, or other employer insurance benefits if the employer does not participate in the plans offered by the State and Education Employees Group Insurance Board, if such election to continue in force is made within thirty (30) days from the date of termination of service. ~~Health insurance benefits offered pursuant to this section shall include the state indemnity~~

1 ~~plan, managed care plans offered in alternative to the state~~  
2 ~~indemnity plan, Medicare supplements offered by the State and~~  
3 ~~Education Employees Group Insurance Board which shall include~~  
4 ~~prescription drug coverage, other employer plans if the employer~~  
5 ~~does not participate in the plans offered by the State and Education~~  
6 ~~Employees Group Insurance Board, and Medicare risk-sharing contracts~~  
7 ~~offered in alternative to the Board's Medicare supplement.~~  
8 ~~Provided, all Medicare risk-sharing contracts shall be subject to a~~  
9 ~~risk adjustment factor, based on generally accepted actuarial~~  
10 ~~principals for adverse selection which may occur. Except as~~  
11 otherwise provided for in Section 840-2.27I of this title and  
12 subsection H of this section, health and dental insurance coverage  
13 may not be reinstated at a later time if the election to continue in  
14 force is declined. Vested employees other than education employees  
15 who have terminated service and are not receiving benefits and  
16 effective July 1, 1996, nonvested persons who have terminated  
17 service with more than eight (8) years of participating service with  
18 a participating employer, who within thirty (30) days from the date  
19 of termination of service elect to continue such coverage, shall pay  
20 the full cost of said insurance premium at the rate and pursuant to  
21 the terms and conditions established by the Board. Provided also,  
22 any employee other than an education employee who commences  
23 employment with a participating employer on or after September 1,

1 1991, who terminates service with such employer on or after July 1,  
2 1996, but who otherwise has insufficient years of service to retire  
3 or terminate service with a vested benefit pursuant to the  
4 provisions of the Oklahoma Public Employees Retirement System or to  
5 elect to continue coverage as a nonvested employee as provided in  
6 this section, but who, immediately prior to employment with the  
7 participating employer was covered as a dependent on the health and  
8 dental insurance policy of a spouse who was an active employee other  
9 than an education employee, may count as part of his or her credited  
10 service for the purpose of determining eligibility to elect to  
11 continue coverage under this section, the time during which said  
12 terminating employee was covered as such a dependent.

13 ~~(2) A retired employee other than an education employee who is~~  
14 ~~receiving benefits from the Oklahoma Public Employees Retirement~~  
15 ~~System after September 30, 1988, is under sixty five (65) years of~~  
16 ~~age and is not otherwise eligible for Medicare and pursuant to~~  
17 ~~subsection (1) of this section elects to continue the health~~  
18 ~~insurance plan shall pay the premium rate for the health insurance~~  
19 ~~minus an amount equal to the premium rate of the Medicare supplement~~  
20 ~~offered by the State and Education Employees Group Insurance Board~~  
21 ~~or One Hundred Five Dollars (\$105.00), whichever is less, which~~  
22 ~~shall be paid by the Oklahoma Public Employees Retirement System to~~  
23 ~~the Board or other insurance carrier if the employer does not~~

1 ~~participate in the plans offered by the State and Education~~  
2 ~~Employees Group Insurance Board in the manner specified in~~  
3 ~~subsection (9) of this section.~~

4 ~~(3)~~ A B. 1. Health insurance benefit plans offered pursuant  
5 to this section shall include:

6 a. indemnity plans offered through the State and  
7 Education Employees Group Insurance Board,

8 b. managed care plans offered as alternatives to the  
9 indemnity plans offered through the State and  
10 Education Employees Group Insurance Board,

11 c. Medicare supplements offered pursuant to the State and  
12 Education Employees Group Insurance Act,

13 d. Medicare risk-sharing contracts offered as  
14 alternatives to the Medicare supplements offered  
15 through the State and Education Employees Group  
16 Insurance Board. All Medicare risk-sharing contracts  
17 shall be subject to a risk adjustment factor, based on  
18 generally accepted actuarial principles for adverse  
19 selection which may occur, and

20 e. for the Oklahoma Public Employee Retirement System,  
21 other employer-provided health insurance benefit plans  
22 if the employer does not participate in the plans

1                   offered pursuant to the State and Education Employees  
2                   Group Insurance Act.

3           2. Health insurance benefit plans offered pursuant to this  
4 section shall provide prescription drug benefits, except for plans  
5 designed pursuant to the Medicare Prescription Drug Improvement and  
6 Modernization Act of 2003, for which provision of prescription drug  
7 benefits is optional, and except for plans offered pursuant to  
8 subparagraph e of paragraph 1 of this subsection.

9           C. 1. Designated public retirement systems shall contribute a  
10 monthly amount towards the health insurance premium of certain  
11 individuals receiving benefits from the public retirement system as  
12 follows:

13           a. a retired employee other than an education employee  
14                                    who is receiving benefits from the Oklahoma Public  
15                                    Employees Retirement System after September 30, 1988,  
16                                    ~~is sixty-five (65) years of age or older or who is~~  
17                                    ~~under sixty-five (65) years of age and is eligible for~~  
18                                    ~~Medicare and pursuant to subsection (1) of this~~  
19                                    ~~section elects to continue the health insurance plan~~  
20                                    ~~and elects coverage under the Medicare supplement~~  
21                                    ~~offered by the State and Education Employees Group~~  
22                                    ~~Insurance Board or other employer plan if the employer~~  
23                                    ~~does not participate in the plans offered by the State~~

1 ~~and Education Employees Group Insurance Board shall~~  
2 ~~have One Hundred Five Dollars (\$105.00), or the~~  
3 ~~premium rate of the Medicare supplement health~~  
4 ~~insurance benefit plan, whichever is less, paid by the~~  
5 ~~Oklahoma Public Employees Retirement System to the~~  
6 ~~Board or other insurance carrier of the employer if~~  
7 ~~the employer does not participate in the plans offered~~  
8 ~~by the State and Education Employees Group Insurance~~  
9 ~~Board in the manner specified in subsection ~~(9)~~ G of~~  
10 ~~this section. If the amount paid by the Oklahoma~~  
11 ~~Public Employees Retirement System does not cover the~~  
12 ~~full cost of the Medicare supplement, the retired~~  
13 ~~employee shall pay to the Board or other insurance~~  
14 ~~carrier of the employer if the employer does not~~  
15 ~~participate in the plans offered by the State and~~  
16 ~~Education Employees Group Insurance Board the~~  
17 ~~remaining amount if the retired employee wants to~~  
18 ~~continue coverage. If such retiree elects coverage~~  
19 ~~under any Medicare risk sharing contract, the retiree~~  
20 ~~shall have One Hundred Five Dollars (\$105.00) or the~~  
21 ~~premium rate of the Medicare risk sharing contract~~  
22 ~~selected by the retiree, whichever is less, paid by~~  
23 ~~the Oklahoma Public Employees Retirement System to the~~

1 ~~Board or other insurance carrier of the employer if~~  
2 ~~the employer does not participate in the plans offered~~  
3 ~~by the State and Education Employees Group Insurance~~  
4 ~~Board in the manner specified in subsection (9) of~~  
5 ~~this section. If the amount paid by the Oklahoma~~  
6 ~~Public Employees Retirement System does not cover the~~  
7 ~~full cost of the Medicare risk-sharing contract, the~~  
8 ~~retired employee shall pay to the Board or other~~  
9 ~~insurance carrier of the employer if the employer does~~  
10 ~~not participate in the plans offered by the State and~~  
11 ~~Education Employees Group Insurance Board the~~  
12 ~~remaining amount if the retired employee wants to~~  
13 ~~continue coverage.~~

14 ~~(4) (a) A,~~

15 b. a retired employee or surviving spouse other than an  
16 education employee who is receiving benefits from the  
17 Oklahoma Law Enforcement Retirement System after  
18 September 30, 1988, is under sixty-five (65) years of  
19 age and is not otherwise eligible for Medicare and  
20 ~~pursuant to subsection (1) of this section elects to~~  
21 ~~continue the health insurance plan shall pay have the~~  
22 ~~premium rate for the health insurance minus an amount~~  
23 ~~equal to the premium rate of the Non-Medicare offered~~

1 by the State and Education Employees Group Insurance  
2 Board benefit plan or One Hundred Five Dollars  
3 (\$105.00), whichever is less, ~~which shall be paid by~~  
4 the Oklahoma Law Enforcement Retirement System to the  
5 Board in the manner specified in subsection ~~(9)~~ G of  
6 this section.

7 ~~(b) For any member of the System killed in the line of~~  
8 ~~duty, whether the member was killed in the line of~~  
9 ~~duty prior to the effective date of this act or on or~~  
10 ~~after the effective date of this act, or if the member~~  
11 ~~was on a disability leave status at the time of death,~~  
12 ~~the surviving spouse or dependents of such deceased~~  
13 ~~member of the Oklahoma Law Enforcement Retirement~~  
14 ~~System may elect to continue or commence health and~~  
15 ~~dental insurance benefits provided said dependents pay~~  
16 ~~the full cost of such insurance and for deaths~~  
17 ~~occurring on or after July 1, 2002, such election is~~  
18 ~~made within thirty (30) days of the date of death.~~  
19 ~~The eligibility for said benefits shall terminate for~~  
20 ~~the surviving children when said children cease to~~  
21 ~~qualify as dependents.~~

22 ~~(5)~~ A



1 ~~selected by the retiree, whichever is less, paid by~~  
2 ~~the Oklahoma Law Enforcement Retirement System to the~~  
3 ~~Board in the manner specified in subsection (9) of~~  
4 ~~this section. If the amount paid by the Oklahoma Law~~  
5 ~~Enforcement Retirement System does not cover the full~~  
6 ~~cost of the Medicare risk-sharing contract, the~~  
7 ~~retired employee shall pay to the Board the remaining~~  
8 ~~amount if the retired employee wants to continue~~  
9 ~~coverage. Effective July 1, 2004, a retired member of~~  
10 ~~the Oklahoma Law Enforcement Retirement System who~~  
11 ~~retired from the System by means of a personal and~~  
12 ~~traumatic injury of a catastrophic nature and in the~~  
13 ~~line of duty and any surviving spouse of such retired~~  
14 ~~member and any surviving spouse of a member who was~~  
15 ~~killed in the line of duty shall have one hundred~~  
16 ~~percent (100%) of the retired member's or surviving~~  
17 ~~spouse's health care premium cost, whether the member~~  
18 ~~or surviving spouse elects coverage under the Medicare~~  
19 ~~supplement or Medicare risk-sharing contract, paid by~~  
20 ~~the Oklahoma Law Enforcement Retirement System to the~~  
21 ~~Board in the manner specified in subsection (9) of~~  
22 ~~this section.~~

1       ~~(6) A retired employee other than an education employee who is~~  
2 ~~receiving benefits from the Uniform Retirement System for Justices~~  
3 ~~and Judges after September 30, 1988, is under sixty five (65) years~~  
4 ~~of age and is not otherwise eligible for Medicare and pursuant to~~  
5 ~~subsection (1) of this section elects to continue the health~~  
6 ~~insurance plan shall pay the premium rate for the health insurance~~  
7 ~~minus an amount equal to the premium rate of the Medicare supplement~~  
8 ~~offered by the State and Education Employees Group Insurance Board~~  
9 ~~or One Hundred Five Dollars (\$105.00), whichever is less, which~~  
10 ~~shall be paid by the Uniform Retirement System for Justices and~~  
11 ~~Judges to the Board in the manner specified in subsection (9) of~~  
12 ~~this section.~~

13       ~~(7) A, and~~

14           d.   a retired employee other than an education employee  
15                   who is receiving benefits from the Uniform Retirement  
16                   System for Justices and Judges after September 30,  
17                   1988, ~~is sixty five (65) years of age or older or who~~  
18                   ~~is under sixty five (65) years of age and is eligible~~  
19                   ~~for Medicare and pursuant to subsection (1) of this~~  
20                   ~~section elects to continue the health insurance plan~~  
21                   ~~and elects coverage under the Medicare supplement~~  
22                   ~~offered by the State and Education Employees Group~~  
23                   ~~Insurance Board shall have One Hundred Five Dollars~~

1 (\$105.00), or the premium rate of the Medicare  
2 ~~supplement~~ health insurance plan, whichever is less,  
3 paid by the Uniform Retirement System for Justices and  
4 Judges to the Board in the manner specified in  
5 subsection ~~(9)~~ G of this section. ~~If the amount paid~~  
6 ~~by the Uniform Retirement System for Justices and~~  
7 ~~Judges does not cover the full cost of the Medicare~~  
8 ~~supplement, the retired employee shall pay to the~~  
9 ~~Board the remaining amount if the retired employee~~  
10 ~~wants to continue coverage. If such retiree elects~~  
11 ~~coverage under any Medicare risk-sharing contract, the~~  
12 ~~retiree shall have One Hundred Five Dollars (\$105.00)~~  
13 ~~or the premium rate of the Medicare risk-sharing~~  
14 ~~contract selected by the retiree, whichever is less,~~  
15 ~~paid by the Uniform Retirement System for Justices and~~  
16 ~~Judges to the Board in the manner specified in~~  
17 ~~subsection (9) of this section. If the amount paid by~~  
18 ~~the Uniform Retirement System for Justices and Judges~~  
19 ~~does not cover the full cost of the Medicare risk-~~  
20 ~~sharing contract, the retired employee shall pay to~~  
21 ~~the Board the remaining amount if the retired employee~~  
22 ~~wants to continue coverage.~~

1        ~~(8)~~ 2. Premium payments made pursuant to this section shall be  
2 made subject to the following conditions:

3            a. the health plan shall be authorized by the provisions  
4 of the State and Education Employees Group Insurance  
5 Act, except that if an employer from which an employee  
6 retired or with a vested benefit pursuant to the  
7 provisions of the Oklahoma Public Employees Retirement  
8 System does not participate in the plans authorized by  
9 the provisions of the State and Education Employees  
10 Group Insurance Act, the health plan will be the  
11 health insurance benefits of the employer from which  
12 the individual retired or vested,

13           b. for plans offered by the State and Education Employees  
14 Group Insurance Act, the amount to be paid shall be  
15 determined pursuant to the provisions of this  
16 subsection and shall first be applied in whole or in  
17 part to the prescription drug coverage premium. Any  
18 remaining amount shall be applied toward the medical  
19 coverage premium,

20           c. for all plans, if the amount paid by the public  
21 retirement system does not cover the full cost of the  
22 elected coverage, the individual shall pay the  
23 remaining premium amount, and

1           d.    payment shall be made by the retirement systems in the  
2                   manner specified under subsection G of this section.

3           D.   For any member of the Oklahoma Law Enforcement Retirement  
4 System killed in the line of duty, whether the member was killed in  
5 the line of duty prior to the effective date of this act or on or  
6 after the effective date of this act, or if the member was on a  
7 disability leave status at the time of death, the surviving spouse  
8 or dependents of such deceased member of the Oklahoma Law  
9 Enforcement Retirement System may elect to continue or commence  
10 health and dental insurance benefits provided said dependents pay  
11 the full cost of such insurance and for deaths occurring on or after  
12 July 1, 2002, such election is made within thirty (30) days of the  
13 date of death. The eligibility for said benefits shall terminate  
14 for the surviving children when said children cease to qualify as  
15 dependents.

16           E.   Effective July 1, 2004, a retired member of the Oklahoma Law  
17 Enforcement Retirement System who retired from the System by means  
18 of a personal and traumatic injury of a catastrophic nature and in  
19 the line of duty and any surviving spouse of such retired member and  
20 any surviving spouse of a member who was killed in the line of duty  
21 shall have one hundred percent (100%) of the retired member's or  
22 surviving spouse's health care premium cost, whether the member or  
23 surviving spouse elects coverage under the Medicare supplement or

1 Medicare risk-sharing contract, paid by the Oklahoma Law Enforcement  
2 Retirement System to the Board in the manner specified in subsection  
3 ~~(9)~~ H of this section. For plans offered by the State and Education  
4 Employees Group Insurance Board, such contributions will first be  
5 applied in whole or in part to the prescription drug coverage  
6 premium, if any.

7 F. Dependents of a deceased employee who was on active work  
8 status or on a disability leave at the time of death or of a  
9 participating retardant or of any person who has elected to receive  
10 a vested benefit under the Oklahoma Public Employees Retirement  
11 System, the Uniform Retirement System for Justices and Judges or the  
12 Oklahoma Law Enforcement Retirement System may continue the health  
13 and dental insurance benefits in force provided said dependents pay  
14 the full cost of such insurance and they were covered as eligible  
15 dependents at the time of such death and such election is made  
16 within thirty (30) days of date of death. The eligibility for said  
17 benefits shall terminate for the surviving children when said  
18 children cease to qualify as dependents.

19 ~~(9)~~ G. The amounts required to be paid by the Oklahoma Public  
20 Employees Retirement System, the Uniform Retirement System for  
21 Justices and Judges and the Oklahoma Law Enforcement Retirement  
22 System pursuant to this section shall be forwarded no later than the  
23 tenth day of each month following the month for which payment is due

1 by the Oklahoma Public Employees Retirement System Board of Trustees  
2 or the Oklahoma Law Enforcement Retirement Board to the State and  
3 Education Employees Group Insurance Board for deposit in the Health,  
4 Dental and Life Insurance Reserve Fund or to another insurance  
5 carrier as provided for in subsection H of Section 1315 of this  
6 title.

7 ~~(10)~~ H. Upon retirement from employment of the Board of Regents  
8 of the University of Oklahoma, any person who was or is employed at  
9 the George Nigh Rehabilitation Institute and who transferred  
10 employment pursuant to Section 3427 of Title 70 of the Oklahoma  
11 Statutes, any person who was employed at the Medical Technology and  
12 Research Authority and who transferred employment pursuant to  
13 Section 7068 of this title, and any person who is a member of the  
14 Oklahoma Law Enforcement Retirement System pursuant to the authority  
15 of Section 2-314 of Title 47 of the Oklahoma Statutes may  
16 participate in the benefits authorized by the provisions of the  
17 State and Education Employees Group Insurance Act for retired  
18 participants, including health, dental and life insurance benefits,  
19 if such election to participate is made within thirty (30) days from  
20 the date of termination of service. Life insurance benefits for any  
21 such person who transferred employment shall not exceed the coverage  
22 the person had at the time of such transfer. Retirees who  
23 transferred employment and who participate pursuant to this

1 paragraph shall pay the premium for elected benefits less any  
2 amounts paid by a state retirement system pursuant to this section.

3 SECTION 2. AMENDATORY 74 O.S. 2001, Section 1316.3, as  
4 last amended by Section 6, Chapter 345, O.S.L. 2004 (74 O.S. Supp.  
5 2004, Section 1316.3), is amended to read as follows:

6 Section 1316.3 ~~(1)~~ A. Any person who retires pursuant to the  
7 provisions of the Teachers' Retirement System of Oklahoma with at  
8 least ten (10) years of creditable service or who has a vested  
9 benefit with at least ten (10) years of creditable service, pursuant  
10 to the provisions of the Teachers' Retirement System of Oklahoma may  
11 continue in force the health and dental insurance benefits  
12 authorized by the provisions of the State and Education Employees  
13 Group Insurance Act if such election to continue in force or begin  
14 is made within thirty (30) days from the date of termination of  
15 service. ~~Health insurance benefits offered pursuant to this section  
16 shall include the state indemnity plan, managed care plans offered  
17 in alternative to the state indemnity plan, Medicare supplements  
18 offered by the State and Education Employees Group Insurance Board  
19 which shall include prescription drug coverage, and Medicare risk-  
20 sharing contracts offered in alternative to the Board's Medicare  
21 supplement. Provided, all Medicare risk-sharing contracts shall be  
22 subject to a risk adjustment factor, based on generally accepted  
23 actuarial principals for adverse selection which may occur. Except~~

1 as provided in subsection E of Sections 5-117.5 and 14-108.1 of  
2 Title 70 of the Oklahoma Statutes and Section 840-2.27I of this  
3 title and subsection ~~(10)~~ K of this section, health and dental  
4 insurance coverage may not be reinstated at a later time if the  
5 election to continue in force or begin coverage is declined. Vested  
6 persons who have terminated service and are not receiving benefits  
7 and effective July 1, 1996, nonvested persons who have terminated  
8 service with more than ten (10) years of participating service with  
9 a qualifying employer, who within thirty (30) days from the date of  
10 termination of service, elect to continue such coverage, shall pay  
11 the full cost of said insurance premium at the rate and pursuant to  
12 the terms and conditions established by the Board.

13 ~~(2)~~ ~~(a)~~ B. 1. Health insurance benefit plans offered pursuant  
14 to this section shall include:

- 15 a. indemnity plans offered through the State and  
16 Education Employees Group Insurance Board,  
17 b. managed care plans offered as alternatives to the  
18 indemnity plans,  
19 c. Medicare supplements offered through the State and  
20 Education Employees Group Insurance Board,  
21 d. Medicare risk-sharing contracts offered as  
22 alternatives to the Medicare supplements offered

1                   through the State and Education Employees Group  
2                   Insurance Board, and  
3            e. any other employer-provided health insurance benefit  
4                   plans if the employer does not participate in the  
5                   plans offered pursuant to the State and Education  
6                   Employees Group Insurance Act.

7            2. Health insurance benefit plans offered pursuant to this  
8            section shall provide prescription drug benefits, except for plans  
9            designed pursuant to the Medicare Prescription Drug Improvement and  
10           Modernization Act of 2003, which may or may not contain prescription  
11           drug benefits, for which provision of prescription drug benefits is  
12           optional, and except for plans offered pursuant to subparagraph e of  
13           paragraph 1 of this subsection.

14            C. A retired person who ~~is~~:

15            1. Is receiving benefits from the Teachers' Retirement System  
16            of Oklahoma after September 30, 1988, is under sixty-five (65) years  
17            of age and is not otherwise eligible for Medicare and pursuant to  
18            subsection ~~(1)~~ A of this section elects to begin or to continue the  
19            health insurance plan ~~shall pay the premium rate for the health~~  
20            ~~insurance minus an amount equal to the premium rate of the Medicare~~  
21            ~~supplement offered by the State and Education Employees Group~~  
22            ~~Insurance Board or the amount determined pursuant to subsection (4)~~  
23            ~~of this section, whichever is less, which shall be paid by the~~

1 ~~Teachers' Retirement System of Oklahoma to the Board in the manner~~  
2 ~~specified in subsection (8) of this section.;~~

3 ~~(b) A retired person who is 2. Is~~ receiving benefits from the  
4 Teachers' Retirement System of Oklahoma after June 30, 1993, is  
5 under sixty-five (65) years of age and is not otherwise eligible for  
6 Medicare and participates in a health insurance plan provided by a  
7 participating education employer of the Teachers' Retirement System  
8 of Oklahoma other than a health insurance plan offered pursuant to  
9 the State and Education Employees Group Insurance Act or an  
10 alternative health plan offered pursuant to the Oklahoma State  
11 Employees Benefits Act ~~shall pay the premium rate for the health~~  
12 ~~insurance minus an amount equal to the premium rate of the Medicare~~  
13 ~~supplement offered by the State and Education Employees Group~~  
14 ~~Insurance Board or the amount determined pursuant to subsection (4)~~  
15 ~~of this section, whichever is less, which shall be paid by the~~  
16 ~~Teachers' Retirement System of Oklahoma to said education employer~~  
17 ~~that provides the health insurance plan to said retired person.;~~

18 ~~(3) (a) A retired person who is 3. Is~~ receiving benefits from  
19 the Teachers' Retirement System of Oklahoma after September 30,  
20 1988, made contributions to the system and is sixty-five (65) years  
21 of age or older, or who is under sixty-five (65) years of age and is  
22 eligible for Medicare and is a participant in the State and  
23 Education Employees Group Insurance Act and elects coverage under

1 the Medicare supplement offered by the State and Education Employees  
2 Group Insurance Board, ~~shall have the amount determined pursuant to~~  
3 ~~subsection (4) of this section, or the premium rate of the Medicare~~  
4 ~~supplement, whichever is less, paid by the Teachers' Retirement~~  
5 ~~System of Oklahoma to the Board in the manner specified in~~  
6 ~~subsection (8) of this section. If the amount paid by the Teachers'~~  
7 ~~Retirement System of Oklahoma does not cover the full cost of the~~  
8 ~~Medicare supplement, the retired person shall pay to the Board the~~  
9 ~~remaining amount if the retired person wants to continue the~~  
10 ~~coverage. If such retiree elects coverage under any Medicare risk-~~  
11 ~~sharing contract, the retiree shall have the amount determined~~  
12 ~~pursuant to subsection (4) of this section or the premium rate of~~  
13 ~~the Medicare risk-sharing contract selected by the retiree,~~  
14 ~~whichever is less, paid by the Teachers' Retirement System of~~  
15 ~~Oklahoma to the Board in the manner specified in subsection (8) of~~  
16 ~~this section. If the amount paid by the Teachers' Retirement System~~  
17 ~~of Oklahoma does not cover the full cost of the Medicare risk-~~  
18 ~~sharing contract, the retired employee shall pay to the Board the~~  
19 ~~remaining amount if the retired employee wants to continue~~  
20 ~~coverage.; or~~

21 ~~(b) A retired person who is 4. Is~~ receiving benefits from the  
22 Teachers' Retirement System of Oklahoma after June 30, 1993, made  
23 contributions to the system and is sixty-five (65) years of age or

1 older, or who is under sixty-five (65) years of age and is eligible  
2 for Medicare and participates in a health insurance plan provided by  
3 a participating education employer of the Teachers' Retirement  
4 System of Oklahoma other than a health insurance plan offered  
5 pursuant to the State and Education Employees Group Insurance Act or  
6 an alternative health plan offered pursuant to the Oklahoma State  
7 Employees Benefits Act and elects coverage under the Medicare  
8 supplement offered by the State and Education Employees Group  
9 Insurance Board,  
10 shall have the amount determined pursuant to subsection ~~(4)~~ E of  
11 this section, or the premium rate of the ~~Medicare supplement~~ health  
12 insurance benefit plan, whichever is less, paid by the Teachers'  
13 Retirement System of Oklahoma ~~to the education employer that~~  
14 ~~provides the health insurance plan to said retired person.~~ If the  
15 amount paid by the Teachers' Retirement System of Oklahoma does not  
16 cover the full cost of the ~~Medicare supplement~~ health insurance  
17 premium, the retired person shall pay ~~to said employer~~ the remaining  
18 amount if the retired person wants to continue the coverage. ~~If~~  
19 ~~such retiree elects coverage under any Medicare risk-sharing~~  
20 ~~contract, the retiree shall have the amount determined pursuant to~~  
21 ~~subsection (4) of this section or the premium rate of the Medicare~~  
22 ~~risk-sharing contract selected by the retiree, whichever is less,~~  
23 ~~paid by the Teachers' Retirement System of Oklahoma to the Board in~~

1 ~~the manner specified in subsection (8) of this section. If the~~  
2 ~~amount paid by the Teachers' Retirement System of Oklahoma does not~~  
3 ~~cover the full cost of the Medicare risk-sharing contract, the~~  
4 ~~retired employee shall pay to the Board the remaining amount if the~~  
5 ~~retired employee wants to continue coverage.~~

6 (4) D. The Teachers' Retirement System shall pay the amount due  
7 pursuant to the provisions of subsection C of this section as  
8 follows:

9 1. For those individuals participating in plans provided  
10 through the State and Education Employees Group Insurance Act,  
11 payment shall be made to the Board pursuant to the provisions of  
12 subsection I of this section; or

13 2. For those individuals participating in plans provided  
14 through a participating education employer of the Teachers'  
15 Retirement System of Oklahoma other than a health insurance plan  
16 offered pursuant to the State and Education Employees Group  
17 Insurance Act, payment shall be made to the education employer.

18 E. Beginning July 1, 2000, the maximum benefit payable by the  
19 Teachers' Retirement System of Oklahoma on behalf of a retired  
20 person toward said person's monthly premium for health insurance  
21 shall be determined in accordance with the following schedule:

22 LESS THAN  
23 25 YEARS BUT GREATER

	LESS THAN	GREATER THAN	THAN 24.99
AVERAGE SALARY	15 YEARS OF	14.99 YEARS OF	YEARS OF
USED FOR DETERMINING	CREDITABLE	CREDITABLE	CREDITABLE
RETIREMENT ALLOWANCE	SERVICE	SERVICE	SERVICE
Less than \$20,000.00	\$103.00	\$104.00	\$105.00
Less than \$30,000.00 but			
greater than \$19,999.99	\$102.00	\$103.00	\$104.00
Less than \$40,000.00 but			
greater than \$29,999.99	\$101.00	\$102.00	\$103.00
\$40,000.00 or greater	\$100.00	\$101.00	\$102.00

11 For plans offered by the State and Education Employees Group  
 12 Insurance Board, the amount paid pursuant to this subsection shall  
 13 first be applied to the prescription drug coverage premium, if any.  
 14 Any remaining amounts shall be applied towards the medical coverage  
 15 premium.

16 ~~(5)~~ F. If a person retires and begins to receive benefits from  
 17 the Teachers' Retirement System of Oklahoma or terminates service  
 18 and has a vested benefit with the Teachers' Retirement System of  
 19 Oklahoma, the person may elect, in the manner provided in subsection  
 20 ~~(1)~~ A of this section, to participate in the dental insurance plan  
 21 offered through the State and Education Employees Group Insurance  
 22 Act. The person shall pay the full cost of the dental insurance.

1       ~~(6)~~ G. Those persons who are receiving benefits from the  
2 Teachers' Retirement System of Oklahoma and have health insurance  
3 coverage which on the operative date of this section is being paid  
4 by the education entity from which the person retired shall make the  
5 election required in subsection ~~(1)~~ A of this section within thirty  
6 (30) days of the termination of said health insurance coverage. The  
7 person making the election shall give the Board certified  
8 documentation satisfactory to the Board of the termination date of  
9 the other health insurance coverage.

10       ~~(7)~~ H. Dependents of a deceased education employee who was on  
11 active work status or on a disability leave at the time of death or  
12 of a participating retirant or of any person who has elected to  
13 receive a vested benefit under the Teachers' Retirement System of  
14 Oklahoma may continue the health and dental insurance benefits in  
15 force provided said dependents pay the full cost of such insurance  
16 and they were covered as eligible dependents at the time of such  
17 death and such election is made within thirty (30) days of date of  
18 death. The eligibility for said benefits shall terminate for the  
19 surviving children when said children cease to qualify as  
20 dependents.

21       ~~(8)~~ I. The amounts required to be paid by the Teachers'  
22 Retirement System of Oklahoma pursuant to this section shall be  
23 forwarded no later than the tenth day of each month following the

1 month for which payment is due by the Board of Trustees of the  
2 Teachers' Retirement System of Oklahoma to the State and Education  
3 Employees Group Insurance Board for deposit in the Education  
4 Employees Group Insurance Reserve Fund.

5 ~~(9)~~ J. The Teachers' Retirement System of Oklahoma shall  
6 provide the State and Education Employees Group Insurance Board  
7 information concerning the employers of retired and vested members  
8 necessary to allow the State and Education Employees Group Insurance  
9 Board to track eligibility for continued coverage.

10 ~~(10)~~ K. Upon retirement from employment with the Board of  
11 Regents of the University of Oklahoma, any person who is or was  
12 employed at the George Nigh Rehabilitation Institute and who  
13 transferred employment pursuant to Section 3427 of Title 70 of the  
14 Oklahoma Statutes, any person who was employed at the Medical  
15 Technology and Research Authority and who transferred employment  
16 pursuant to Section 7068 of this title, and any person who is a  
17 member of the Oklahoma Law Enforcement Retirement System pursuant to  
18 the authority of Section 2-314 of Title 47 of the Oklahoma Statutes  
19 may participate in the benefits authorized by the provisions of the  
20 State and Education Employees Group Insurance Act for retired  
21 participants, including health, dental and life insurance benefits,  
22 if such election to participate is made within thirty (30) days from  
23 the date of termination of employment. Life insurance benefits for

1 any such person who transferred employment shall not exceed the  
2 coverage the person had at the time of such transfer. Retirees who  
3 are persons transferred employment and who participate pursuant to  
4 this paragraph shall pay the premium for elected benefits less any  
5 amounts paid by the retirement system pursuant to this section.

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

10 COMMITTEE REPORT BY: COMMITTEE ON RETIREMENT AND GROUP HEALTH, dated  
11 2-15-05 - DO PASS, As Amended and Coauthored.