

1 STATE OF OKLAHOMA

2 2nd Session of the 51st Legislature (2008)

3 COMMITTEE SUBSTITUTE  
4 FOR ENGROSSED  
5 SENATE BILL NO. 1404

By: Brown and Ford of the  
Senate

6 and

7 Wright of the House

8  
9 COMMITTEE SUBSTITUTE

10 An Act relating to poor persons; amending 56 O.S.  
11 2001, Section 1010.1, as last amended by Section 27  
12 of Enrolled Senate Bill No. 1830 of the 2nd Session  
13 of the 51st Oklahoma Legislature, which relates to  
14 the premium assistance program; expanding certain  
15 program for specified persons; defining terms; and  
16 providing an effective date.

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

18 SECTION 1. AMENDATORY 56 O.S. 2001, Section 1010.1, as  
19 last amended by Section 27 of Enrolled Senate Bill No. 1830 of the  
20 2nd Session of the 51st Oklahoma Legislature, is amended to read as  
21 follows:

22 Section 1010.1 A. Sections 1010.1 ~~through 1010.7~~ et seq. of  
23 this title shall be known and may be cited as the "Oklahoma Medicaid  
24 Program Reform Act of 2003".

1 B. Recognizing that many Oklahomans do not have health care  
2 benefits or health care coverage, that many small businesses cannot  
3 afford to provide health care benefits to their employees, and that,  
4 under federal law, barriers exist to providing Medicaid benefits to  
5 the uninsured, the Oklahoma Legislature hereby establishes  
6 provisions to lower the number of uninsured, assist businesses in  
7 their ability to afford health care benefits and coverage for their  
8 employees, and eliminate barriers to providing health coverage to  
9 eligible enrollees under federal law.

10 C. Unless otherwise provided by law, the Oklahoma Health Care  
11 Authority shall provide coverage under the state Medicaid program to  
12 children under the age of eighteen (18) years whose family incomes  
13 do not exceed one hundred eighty-five percent (185%) of the federal  
14 poverty level.

15 D. 1. The Authority is directed to apply for a waiver or  
16 waivers to the Centers for Medicaid and Medicare Services (CMS) that  
17 will accomplish the purposes outlined in subsection B of this  
18 section. The Authority is further directed to negotiate with CMS to  
19 include in the waiver authority provisions to:

- 20 a. increase access to health care for Oklahomans,
- 21 b. reform the Oklahoma Medicaid Program to promote  
22 personal responsibility for health care services and  
23 appropriate utilization of health care benefits  
24 through the use of public-private cost sharing,

- 1 c. enable small employers, and/or employed, uninsured  
2 adults with or without children to purchase employer-  
3 sponsored, state-approved private, or state-sponsored  
4 health care coverage through a state premium  
5 assistance payment plan. If by January 1, 2012, the  
6 Employer/Employee Partnership for Insurance Coverage  
7 Premium Assistance Program is not consuming more than  
8 seventy-five percent (75%) of its dedicated source of  
9 funding, then the program will be expanded to include  
10 parents of children eligible for Medicaid, and  
11 d. develop flexible health care benefit packages based  
12 upon patient need and cost.

13 2. The Authority may phase in any waiver or waivers it receives  
14 based upon available funding.

15 3. The Authority is authorized to develop and implement a  
16 premium assistance plan to assist small businesses and/or their  
17 eligible employees to purchase employer-sponsored insurance or "buy-  
18 in" to a state-sponsored benefit plan.

19 4. The Authority is authorized to seek from the Centers for  
20 Medicare and Medicaid Services any waivers or amendments to existing  
21 waivers necessary to accomplish an expansion of the premium  
22 assistance program to:

1           a.   include for-profit employers with two hundred fifty  
2                   employees or less up to any level supported by  
3                   existing funding resources; and

4           b.   include not-for-profit employers with five hundred  
5                   employees or less up to any level supported by  
6                   existing funding resources.

7           For purposes of this paragraph, "for-profit employer" shall mean  
8 an entity which is not exempt from taxation pursuant to the  
9 provisions of Section 501(c) (3) of the Internal Revenue Code and  
10 "not-for-profit employer" shall mean an entity which is exempt from  
11 taxation pursuant to the provisions of Section 501(c) (3) of the  
12 Internal Revenue Code.

13           5. The Authority is authorized to seek from the Centers for  
14 Medicare and Medicaid Services any waivers or amendments to existing  
15 waivers necessary to accomplish an extension of the premium  
16 assistance program to include qualified employees whose family  
17 income does not exceed two hundred fifty percent (250%) of the  
18 federal poverty level, subject to the limit of federal financial  
19 participation.

20           E. 1. There is hereby created in the State Treasury a  
21 revolving fund to be designated the "Health Employee and Economy  
22 Improvement Act (HEEIA) Revolving Fund".

23           2. The fund shall be a continuing fund, not subject to fiscal  
24 year limitations, and shall consist of:

- 1 a. all monies received by the Authority pursuant to this  
2 section and otherwise specified or authorized by law,  
3 b. monies received by the Authority due to federal  
4 financial participation pursuant to Title XIX of the  
5 Social Security Act, and  
6 c. interest attributable to investment of money in the  
7 fund.

8 3. All monies accruing to the credit of the fund are hereby  
9 appropriated and shall be budgeted and expended by the Authority to  
10 implement a premium assistance plan, unless otherwise provided by  
11 law.

12 SECTION 2. This act shall become effective November 1, 2008.

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