

SB 1404

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THE STATE SENATE  
Monday, February 25, 2008

Senate Bill No. 1404  
As Amended

SENATE BILL NO. 1404 - By: BROWN of the Senate and WRIGHT of the House.

[ poor persons - premium assistance program - effective date ]

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

SECTION 1. AMENDATORY 56 O.S. 2001, Section 1010.1, as last amended by Section 1, Chapter 230, O.S.L. 2007 (56 O.S. Supp. 2007, Section 1010.1), is amended to read as follows:

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

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

1 C. The Oklahoma Health Care Authority shall provide coverage  
2 under the state Medicaid program to children under the age of  
3 eighteen (18) years whose family incomes do not exceed one hundred  
4 eighty-five percent (185%) of the federal poverty level.

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

- 10 a. increase access to health care for Oklahomans,
- 11 b. reform the Oklahoma Medicaid Program to promote  
12 personal responsibility for health care services and  
13 appropriate utilization of health care benefits  
14 through the use of public-private cost sharing,
- 15 c. enable small employers, and/or employed, uninsured  
16 adults with or without children to purchase employer-  
17 sponsored, state-approved private, or state-sponsored  
18 health care coverage through a state premium  
19 assistance payment plan. If by January 1, 2012, the  
20 Employer/Employee Partnership for Insurance Coverage  
21 Premium Assistance Program is not consuming more than  
22 seventy-five percent (75%) of its dedicated source of

1 funding, then the program will be expanded to include  
2 parents of children eligible for Medicaid, and  
3 d. develop flexible health care benefit packages based  
4 upon patient need and cost.

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

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

11 4. The Authority is authorized to seek from the Centers for  
12 Medicare and Medicaid Services any waivers or amendments to existing  
13 waivers necessary to accomplish an expansion of the premium  
14 assistance program to:

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

18 b. include not-for-profit employers with five hundred  
19 employees or less up to any level supported by  
20 existing funding resources.

21 For purposes of this paragraph, "for-profit employer" shall mean  
22 an entity which is not exempt from taxation pursuant to the  
23 provisions of Section 501(c)(3) of the Internal Revenue Code and

1 "not-for-profit employer" shall mean an entity which is exempt from  
2 taxation pursuant to the provisions of Section 501(c)(3) of the  
3 Internal Revenue Code.

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

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

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

- 16           a. all monies received by the Authority pursuant to this  
17 section and otherwise specified or authorized by law,  
18           b. monies received by the Authority due to federal  
19 financial participation pursuant to Title XIX of the  
20 Social Security Act, and  
21           c. interest attributable to investment of money in the  
22 fund.

1           3. All monies accruing to the credit of the fund are hereby  
2 appropriated and shall be budgeted and expended by the Authority to  
3 implement a premium assistance plan.

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

5 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS, dated 2-20-08 - DO  
6 PASS, As Amended and Coauthored.