

1 THE STATE SENATE  
2 Monday, February 25, 2008

3 Committee Substitute for  
4 Senate Bill No. 1458

5 COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 1458 - By: RICE, SPARKS,  
6 LEFTWICH, BASS and RILEY of the Senate and McCARTER, INMAN, KIESEL  
7 and PITTMAN of the House.

8 [ soldiers and sailors - Veterans' Health Insurance Program  
9 - codification - effective date -  
10 emergency ]

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

12 SECTION 1. NEW LAW A new section of law to be codified  
13 in the Oklahoma Statutes as Section 501 of Title 72, unless there is  
14 created a duplication in numbering, reads as follows:

15 This act shall be known and may be cited as the "Veterans'  
16 Health Insurance Program Act".

17 SECTION 2. NEW LAW A new section of law to be codified  
18 in the Oklahoma Statutes as Section 502 of Title 72, unless there is  
19 created a duplication in numbering, reads as follows:

20 As used in the Veterans' Health Insurance Program Act:

- 21 1. "Program" means the Veterans' Health Insurance Program; and
- 22 2. "Veteran" means any person who has served in a branch of the  
23 United States military for greater than one hundred eighty (180)  
24 consecutive days after initial training.

1 SECTION 3. NEW LAW A new section of law to be codified  
2 in the Oklahoma Statutes as Section 503 of Title 72, unless there is  
3 created a duplication in numbering, reads as follows:

4 A. The Veterans' Health Insurance Program is hereby created.  
5 Enrollment shall be based on the availability of funds, and  
6 enrollment may be capped based on funds approved for the program.  
7 Coverage under the Program shall begin on or before July 1, 2009.

8 B. The Program shall be administered by the Oklahoma Health  
9 Care Authority. The Oklahoma Health Care Authority shall coordinate  
10 the Program with other medical assistance programs operated by other  
11 state and federal agencies.

12 C. The Oklahoma Health Care Authority may take any appropriate  
13 action to limit spending or enrollment into the Program, including,  
14 but not limited to, ceasing to accept or process applications,  
15 reviewing eligibility more frequently than annually, adjusting cost-  
16 sharing, or reducing the income threshold for eligibility as  
17 necessary to control expenditures for the Program.

18 SECTION 4. NEW LAW A new section of law to be codified  
19 in the Oklahoma Statutes as Section 504 of Title 72, unless there is  
20 created a duplication in numbering, reads as follows:

21 A. To be eligible for the Veterans' Health Insurance Program, a  
22 person must:

- 1           1. Be a veteran who is not on active duty and who has not been  
2 dishonorably discharged from service;
- 3           2. Be a resident of the state;
- 4           3. Be at least nineteen (19) years of age and no older than  
5 sixty-four (64) years of age;
- 6           4. Be uninsured, as determined by the Oklahoma Health Care  
7 Authority, for a period of time to be established by the Oklahoma  
8 Health Care Authority, which shall be no less than six (6) months,  
9 provided that such period shall be waived if the person lost  
10 coverage due to:
- 11           a. expiration of military post-active duty benefits, or  
12           b. loss of an employee-sponsored plan because the person  
13                 was laid off or because the employer no longer offered  
14                 benefits;
- 15           5. Not be eligible for medical assistance through the state  
16 Medicaid program;
- 17           6. Not be eligible for health care benefits through the federal  
18 Veterans Health Administration; and
- 19           7. a. have a household income no greater than the sum of:  
20                 (1) an amount equal to twenty-five percent (25%) of  
21                 the federal poverty level, plus

- 1                   (2) an amount equal to the federal Veterans Health  
2                   Administration means test income threshold at the  
3                   time of initiation of the program;
- 4           b.    depending on the availability of funds, this level may  
5           be increased to an amount equal to:
- 6                   (1) the sum of an amount equal to fifty percent (50%)  
7                   of the federal poverty level, plus
- 8                   (2) an amount equal to the federal Veterans Health  
9                   Administration means test income threshold after  
10                  six (6) months of operation.

11           The means test income threshold is subject to alteration by the  
12   Oklahoma Health Care Authority as set forth in subsection C of  
13   Section 3 of this act.

14           B. A veteran who is determined eligible for the Program shall  
15   remain eligible for twelve (12) months, provided that the veteran  
16   remains a resident of the state and is not excluded under subsection  
17   C of this section and provided that the Oklahoma Health Care  
18   Authority has not limited the enrollment period as set forth in  
19   subsection C of Section 3 of this act.

20           C. A veteran shall not be eligible for coverage under the  
21   program if:

22           1. The premium required under Section 8 of this act has not  
23   been timely paid. If the required premiums are not paid, the

1 liability of the Program shall be limited to benefits incurred under  
2 the Program for the time period for which premiums have been paid  
3 and for grace periods as established in Section 10 of this act. If  
4 the required monthly premium is not paid, the veteran is ineligible  
5 for reenrollment for a minimum period of three (3) months; or

6 2. The veteran is a resident of a nursing facility or an inmate  
7 of a correctional facility.

8 SECTION 5. NEW LAW A new section of law to be codified  
9 in the Oklahoma Statutes as Section 505 of Title 72, unless there is  
10 created a duplication in numbering, reads as follows:

11 Whenever the Oklahoma Health Care Authority decides to either  
12 deny or terminate eligibility under this act, the veteran shall have  
13 a right to notice and a hearing as provided by rules to be  
14 promulgated by the Oklahoma Health Care Authority Board.

15 SECTION 6. NEW LAW A new section of law to be codified  
16 in the Oklahoma Statutes as Section 506 of Title 72, unless there is  
17 created a duplication in numbering, reads as follows:

18 The Oklahoma Health Care Authority shall assist veterans when  
19 applying for the program. All applications shall be reviewed for  
20 federal Veterans Health Administration eligibility, state Medicaid  
21 program eligibility or other existing medical benefits prior to  
22 consideration for the Veterans' Health Insurance Program.

1 SECTION 7. NEW LAW A new section of law to be codified  
2 in the Oklahoma Statutes as Section 507 of Title 72, unless there is  
3 created a duplication in numbering, reads as follows:

4 A. For veterans eligible and enrolled, the Oklahoma Health Care  
5 Authority shall purchase or provide medical assistance for eligible  
6 veterans that is identical to the benefits provided to adults under  
7 the state Medicaid program, except for nursing facility services and  
8 nonemergency transportation.

9 B. Providers shall be subject to approval by the Oklahoma  
10 Health Care Authority to provide medical assistance and shall be  
11 reimbursed at the same rates as providers are reimbursed under the  
12 state Medicaid program.

13 C. As an alternative to the benefits set forth in subsection A  
14 of this section and when cost-effective, the Oklahoma Health Care  
15 Authority may offer veterans subsidies toward the cost of privately  
16 sponsored health insurance, including employer-sponsored health  
17 insurance.

18 SECTION 8. NEW LAW A new section of law to be codified  
19 in the Oklahoma Statutes as Section 508 of Title 72, unless there is  
20 created a duplication in numbering, reads as follows:

21 The Oklahoma Health Care Authority shall set forth requirements  
22 through rules to be promulgated by the Oklahoma Health Care  
23 Authority Board concerning copayments and monthly premiums for

1 medical assistance. This cost-sharing shall be based on household  
2 income and is subject to alteration by the Oklahoma Health Care  
3 Authority as set forth in subsection C of Section 3 of this act.

4 SECTION 9. NEW LAW A new section of law to be codified  
5 in the Oklahoma Statutes as Section 509 of Title 72, unless there is  
6 created a duplication in numbering, reads as follows:

7 The Oklahoma Health Care Authority shall prepare and submit a  
8 report to the Legislature by December 31, 2009. The report shall  
9 include information regarding implementation of the Veterans' Health  
10 Insurance Program, including the number of veterans enrolled, and  
11 any available information regarding other benefits derived from the  
12 Program, including screening for and acquisition of other veterans'  
13 benefits. This report may also include recommendations regarding  
14 improvements that may be made to the Program.

15 SECTION 10. NEW LAW A new section of law to be codified  
16 in the Oklahoma Statutes as Section 510 of Title 72, unless there is  
17 created a duplication in numbering, reads as follows:

18 The Oklahoma Health Care Authority Board shall promulgate rules  
19 as necessary to implement the provisions of this act, including, but  
20 not limited to, rules relating to eligibility, reenrollment, grace  
21 periods, notice requirements, hearing procedures, cost-sharing,  
22 covered services, and provider requirements.

23 SECTION 11. This act shall become effective July 1, 2008.

1           SECTION 12. It being immediately necessary for the preservation  
2 of the public peace, health and safety, an emergency is hereby  
3 declared to exist, by reason whereof this act shall take effect and  
4 be in full force from and after its passage and approval.

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