

SB 424

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THE STATE SENATE
Monday, February 26, 2007

Senate Bill No. 424
As Amended

SENATE BILL NO. 424 - By: ADELSON and CRAIN of the Senate and COX of the House.

[insurance - creating the All Kids Act - specifying portion of funding for program - codification - effective date]

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1009.1 of Title 56, unless there is created a duplication in numbering, reads as follows:

A. This act shall be known and may be cited as the "All Kids Act".

B. The Legislature finds that, for the economic and social benefit of all residents of the State of Oklahoma, it is important to enable all children of this state to access affordable health insurance that offers comprehensive coverage and emphasizes preventative health care. Numerous studies, including the Institute of Medicine's report, Health Insurance Matters, demonstrate that lack of insurance negatively affects health status. The Legislature further finds that access to health care is a key component for children's healthy development and successful education. The effects of lack of insurance also negatively impact those who are

1 insured because the cost of paying for care for the uninsured is
2 shifted to those who have insurance in the form of higher health
3 insurance premiums. A Families USA 2005 report indicates that by
4 2010, family premiums in Oklahoma will increase by Two Thousand
5 Eleven Dollars (\$2,011.00) due to cost-shifting from the uninsured.
6 It is, therefore, the intent of the All Kids Act to provide access
7 to affordable health insurance to all children in Oklahoma.

8 SECTION 2. NEW LAW A new section of law to be codified
9 in the Oklahoma Statutes as Section 1009.2 of Title 56, unless there
10 is created a duplication in numbering, reads as follows:

11 A. The Oklahoma Health Care Authority shall establish and
12 maintain a program to provide medical coverage assistance to
13 children, eighteen (18) years of age or younger, whose family
14 incomes are between one hundred eighty-five percent (185%) and three
15 hundred percent (300%) of the federal poverty level.

16 B. To be eligible for the program, the child must:

17 1. Be a resident of the State of Oklahoma;

18 2. Be ineligible for medical assistance under the state
19 Medicaid program; and

20 3. Have been without health insurance coverage for a period set
21 forth by the Authority, but not less than six (6) months during the
22 first month of operation of the program, except in the following
23 situations:

- 1 a. loss of employment by a parent which made available
2 affordable dependent health insurance coverage, until
3 such time as affordable employer-sponsored dependent
4 health insurance coverage is again available for the
5 child as set forth by the Authority,
6 b. affordable private or employer-sponsored health
7 insurance is unavailable to the responsible relative
8 of a newborn, or
9 c. loss of medical benefits under the state Medicaid
10 program within one year of applying for coverage under
11 the All Kids Act.

12 C. The Authority shall provide assistance to families in
13 gaining health care benefits for children in the program by offering
14 subsidies toward the cost of privately sponsored health insurance,
15 including, but not limited to, employer-sponsored health insurance
16 provided through the state's premium assistance program.

17 D. If privately sponsored health insurance is not available,
18 the Authority may allow applicants to purchase access to the state-
19 administered health care benefit under the premium assistance
20 program.

21 E. The Authority is authorized to offer partial coverage to
22 children who are enrolled in a high-deductible private health
23 insurance plan or to offer a limited package of benefits to children

1 in families who have private or employer-sponsored health insurance
2 coverage which does not cover certain benefits, including, but not
3 limited to, dental or vision benefits.

4 F. The families of children who are enrolled in this program
5 shall be subject to the following cost-sharing requirements:

6 1. Cost-sharing provisions stated in privately sponsored health
7 insurance plans for children enrolled in such plans; and

8 2. Cost-sharing methods and levels to be set forth by the
9 Authority for individuals participating in the state-administered
10 premium assistance program. Such cost-sharing shall be on a sliding
11 scale based on family income and may be periodically modified by the
12 Authority.

13 Notwithstanding paragraphs 1 and 2 of this subsection, there
14 shall be no co-payment required for well-baby or well-child health
15 care for children enrolled in the program, including, but not
16 limited to, age-appropriate immunizations as required under state or
17 federal law.

18 G. The Authority shall promulgate rules to determine
19 eligibility and enrollment of children in the program.

20 H. The Authority shall submit to the federal Centers for
21 Medicare and Medicaid Services an application for any waivers or any
22 state plan amendments required to amend the state Medicaid plan to
23 enact the provisions of the All Kids Act.

1 I. Up to twenty percent (20%) of the interest earnings from the
2 Oklahoma Tobacco Settlement Trust shall be appropriated to pay for
3 the program.

4 SECTION 3. This act shall become effective November 1, 2007.

5 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS, dated 2-21-07 - DO
6 PASS, As Amended and Coauthored.