

1 ENGROSSED HOUSE
2 BILL NO. 2777

By: Steele, Denney, Cox and
Tibbs of the House

3 and

4 Crain of the Senate

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6
7 An Act relating to poor persons; amending 56 O.S.
8 2001, Section 1010.1, as last amended by Section 5,
9 Chapter 128, O.S.L. 2009 (56 O.S. Supp. 2009, Section
10 1010.1), which relates to the Oklahoma Medicaid
Program Reform Act of 2003; establishing procedure to
verify applicant's income; providing for cooperation
by state agencies; and providing an effective date.

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

13 SECTION 1. AMENDATORY 56 O.S. 2001, Section 1010.1, as
14 last amended by Section 5, Chapter 128, O.S.L. 2009 (56 O.S. Supp.
15 2009, Section 1010.1), is amended to read as follows:

16 Section 1010.1 A. Section 1010.1 et seq. of this title shall
17 be known and may be cited as the "Oklahoma Medicaid Program Reform
18 Act of 2003".

19 B. Recognizing that many Oklahomans do not have health care
20 benefits or health care coverage, that many small businesses cannot
21 afford to provide health care benefits to their employees, and that,
22 under federal law, barriers exist to providing Medicaid benefits to
23 the uninsured, the Oklahoma Legislature hereby establishes
24 provisions to lower the number of uninsured, assist businesses in

1 their ability to afford health care benefits and coverage for their
2 employees, and eliminate barriers to providing health coverage to
3 eligible enrollees under federal law.

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

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

- 14 a. increase access to health care for Oklahomans,
- 15 b. reform the Oklahoma Medicaid Program to promote
16 personal responsibility for health care services and
17 appropriate utilization of health care benefits
18 through the use of public-private cost sharing,
- 19 c. enable small employers, and/or employed, uninsured
20 adults with or without children to purchase employer-
21 sponsored, state-approved private, or state-sponsored
22 health care coverage through a state premium
23 assistance payment plan. If by January 1, 2012, the
24 Employer/Employee Partnership for Insurance Coverage

1 Premium Assistance Program is not consuming more than
2 seventy-five percent (75%) of its dedicated source of
3 funding, then the program will be expanded to include
4 parents of children eligible for Medicaid, and

5 d. develop flexible health care benefit packages based
6 upon patient need and cost.

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

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

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

17 (1) include for-profit employers with two hundred
18 fifty employees or less up to any level supported
19 by existing funding resources, and

20 (2) include not-for-profit employers with five
21 hundred employees or less up to any level
22 supported by existing funding resources.

23 b. Foster parents employed by employers with greater than
24 two hundred fifty employees shall be exempt from the

1 qualifying employer requirement provided for in this
2 paragraph and shall be eligible to qualify for the
3 premium assistance program provided for in this
4 section if supported by existing funding.

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

11 F. 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 extension of the premium
14 assistance program to include qualified employees whose family
15 income does not exceed two hundred fifty percent (250%) of the
16 federal poverty level, subject to the limit of federal financial
17 participation.

18 G. The Authority is authorized to create as part of the premium
19 assistance program an option to purchase a high-deductible health
20 insurance plan that is compatible with a health savings account.

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

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

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

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

14 I. 1. The Authority shall establish a procedure for verifying
15 an applicant's income by utilizing available Oklahoma Tax Commission
16 records, new hire report data collected by the Oklahoma Employment
17 Security Commission, and child support payment data collected by the
18 Department of Human Services.

19 2. The Oklahoma Tax Commission, Oklahoma Employment Security
20 Commission, and Department of Human Services shall cooperate with
21 the Authority to establish procedures for the secure electronic
22 transmission of applicant income data to the Authority.

23 SECTION 2. This act shall become effective November 1, 2010.
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