

STATE OF OKLAHOMA

2nd Session of the 52nd Legislature (2010)

HOUSE BILL 3265

By: Jackson

AS INTRODUCED

An Act relating to state government; amending 74 O.S. 2001, Section 1308.1, as amended by Section 1, Chapter 41, O.S.L. 2004 (74 O.S. Supp. 2009, Section 1308.1), which relates to certain insurance plans; providing insurance coverage not to be terminated without certain affirmative approval; providing for certain membership rights; prescribing period for reacquisition of insurance coverage by certain persons; prescribing procedures related to insurance coverage for employees hired on or after certain date; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 74 O.S. 2001, Section 1308.1, as amended by Section 1, Chapter 41, O.S.L. 2004 (74 O.S. Supp. 2009, Section 1308.1), is amended to read as follows:

Section 1308.1 (1) An educational entity may extend the benefits of the health insurance plan, the dental insurance plan, and the life insurance plan to education employees employed by said entity. The benefits of said plans for an education employee shall be the same and shall include the same plan options as would be made

1 available to a state employee participating in the plan that resided
2 at the same location. Notwithstanding the provisions of Section
3 1308.2 of this title, a period shall exist for enrolling education
4 entities from April 1, 1989 through October 1, 1991, whereby
5 education employees of a participating education entity may be
6 enrolled, pursuant to this act, during the entities' initial
7 enrollment period, regardless of preexisting conditions. The Board
8 shall adopt rules and regulations for enrollment by which education
9 entities may apply to participate in said insurance plans. Once an
10 education entity becomes a participant in the health and dental
11 insurance plans offered through the State and Education Employees
12 Group Insurance Act, the education entity may withdraw from said
13 participation, in a manner prescribed by the Board. If a school
14 district is participating in the health and dental insurance plans
15 pursuant to the State and Education Employees Group Insurance Act,
16 Section 1301 et seq. of this title, the employees of the school
17 district who are eligible to participate in the health and dental
18 plans, at such time as the school district may withdraw from such
19 participation, may require the board of education of the school
20 district to call an election to allow said employees to vote as to
21 whether the school district shall continue participation in the
22 health and dental insurance plans offered through the State and
23 Education Employees Group Insurance Act. Upon the filing with the
24 board of education of a petition calling for such an election which

1 is signed by no less than thirty percent (30%) of the eligible
2 employees of the school district, the board of education shall call
3 an election for the purpose of determining whether the school
4 district shall continue participation in the health and dental
5 insurance plans offered through the State and Education Employees
6 Group Insurance Act. The election shall be held within thirty (30)
7 days of the filing of the petition. If a majority of those eligible
8 employees voting at the election vote to continue participation in
9 the health and dental insurance plans offered through the State and
10 Education Employees Group Insurance Act, the board of education
11 shall be prohibited from withdrawing the school district from such
12 participation. If a majority of those eligible employees voting at
13 the election vote against continued participation in the health and
14 dental insurance plans offered through the State and Education
15 Employees Group Insurance Act, the board of education of the school
16 district shall apply to discontinue such participation within thirty
17 (30) days of the election and within the times the school district
18 is authorized to withdraw from participation in accordance with
19 rules established for withdrawal by the State and Education
20 Employees Group Insurance Board.

21 (2) Except as otherwise provided in this subsection, when an
22 education entity participates in the health and dental insurance
23 plans offered through the State and Education Employees Group
24 Insurance Act, all employees shall be advised of Health Maintenance

1 Organizations prepaid plans available as an alternative to the state
2 self-insured health insurance plan. Eligible part-time education
3 employees, at the option of the employee, may enroll in the plans
4 either at the time the education entity begins participation in the
5 plans or, if later, upon a showing of insurability to the
6 satisfaction of the Board.

7 (3) Any employee of an education entity participating in the
8 health and dental insurance plans offered through the State and
9 Education Employees Group Insurance Act who is employed after the
10 education entity began said participation may be enrolled in the
11 health and dental insurance plans or HMO plans approved by the Board
12 on the first day of the second month of employment.

13 (4) Upon initial enrollment of an institution of higher
14 education to participate in the health and dental insurance plans
15 offered through the State and Education Employees Group Insurance
16 Act, all individuals presently insured by said institution's present
17 group health insurance plan shall become enrolled in said state
18 plans for the remaining period of said institution's contractual
19 liabilities.

20 (5) Education employees who shall be absent from the teaching
21 service because of election or appointment as a local, state, or
22 national education association officer shall be allowed to retain
23 coverage pursuant to the State and Education Employees Group
24 Insurance Act upon the payment of the full cost of the coverage at

1 the rate and under such terms and conditions established by the
2 Board.

3 (6) Except as otherwise provided by law, an educational entity
4 may cease to participate in the State and Education Employees Group
5 Insurance Act but provide health insurance coverage through another
6 insurance carrier. The subsequent carrier shall provide coverage to
7 the employees of the educational entity who terminated employment
8 with a retirement benefit, with a vested benefit, or who have ten
9 (10) or more years of service with a participating educational
10 entity but did not have a vested benefit through the retirement
11 system of the educational entity, if the election to retain health
12 insurance coverage was made within thirty (30) days of termination
13 of employment. Coverage shall also be provided to the eligible
14 dependents of the employees if an election to retain coverage is
15 made within thirty (30) days of termination of employment.

16 (7) Nothing in the above shall be interpreted to mean that said
17 college retirees already members and insured under any of the
18 state's health or other insurance programs can have their membership
19 or coverage terminated without their expressed personal written
20 consent as a result of the actions of institutions at which they
21 were previously employed leaving the Oklahoma state insurance
22 program. Said retirees shall be deemed to have individual
23 membership rights, not contingent on actions of their former
24 employing institutions. Further, any retirees who have been

1 terminated from the state's insurance programs as a result of any
2 different interpretation than that provided herein shall have a
3 window of three (3) calendar years from the date of their
4 termination to rejoin the state insurance programs without prejudice
5 and as fully privileged members. In addition, new retirees of any
6 colleges not a part of the system and provided insurance by said
7 colleges shall have the option of joining the state insurance
8 program within three (3) calendar years of their separation or
9 retirement from said institutions.

10 SECTION 2. This act shall become effective July 1, 2010.

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

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16 52-2-8979 MAH 12/30/09

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January 13, 2010

Representative Jackson
Room 441

Re: RBH No. 8979

RBH No. 8979 prevents health insurance coverage either the program provided by the State or education employer for a college retiree terminated without the individual's written consent.

RBH No. 8979 is a nonfiscal retirement bill as defined by the Oklahoma Pension Legislation Actuarial Analysis Act.

Thomas E. Cummins

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