

1 STATE OF OKLAHOMA

2 1st Session of the 52nd Legislature (2009)

3 SENATE BILL 1039

By: Jolley

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6 AS INTRODUCED

7 An Act relating to insurance; amending Section 4,
8 Chapter 276, O.S.L. 2002 (36 O.S. Supp. 2008, Section
9 4524), which relates to the Health Insurance
10 Purchasing Group Act; exempting a Health Insurance
11 Purchasing Group from the Small Employer Health
12 Insurance Reform Act; and declaring an emergency.

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

14 SECTION 1. AMENDATORY Section 4, Chapter 276, O.S.L.
15 2002 (36 O.S. Supp. 2008, Section 4524), is amended to read as
16 follows:

17 Section 4524. A. Each Health Insurance Purchasing Group
18 (HIPG), in conjunction with a HIPG health carrier, shall make
19 available a health benefits plan in the manner described in this
20 section to all eligible employers and eligible employees at rates,
21 including employers' and employees' shares, on a policy- or product-

22 B. Subject to subsection C of this section, a HIPG shall not
23 offer a health benefit plan which unfairly discriminates against
24 eligible employees.

1 C. Nothing in this act shall be construed as requiring a HIPG
2 health carrier to provide coverage outside the service area of the
3 insurer or organization.

4 D. Each HIPG shall provide a health benefits plan only through
5 contracts with HIPG health carriers and shall not assume insurance
6 risk with respect to the coverage.

7 E. Except as provided in this act, the HIPG may develop or
8 offer a health benefits plan for its members, in whole or in part,
9 not subject to state-mandated health benefits.

10 F. The HIPG shall offer at least two types of plans to its
11 members, including one plan providing a choice of deductibles with
12 state-mandated health benefits.

13 G. The HIPG may also offer a health benefits plan not subject
14 to state-mandated health benefits which does not contain standard
15 provisions or rights required to be present in a health benefits
16 plan pursuant to law or regulations unrelated to a specific illness,
17 injury or condition of the insured, for the provisions as may be
18 determined by rules and regulations of the Commissioner.

19 H. Every health benefits plan offered through a HIPG shall:

- 20 1. Be underwritten by a HIPG health carrier that:
- 21 a. is licensed or otherwise regulated under state
22 law,

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- 1 b. meets all applicable state standards relating to
2 consumer protection, including, but not limited
3 to, state solvency and market conduct, and
4 c. offers the coverage under an approved contract
5 with the HIPG;

6 2. Be approved or otherwise permitted to be offered under law;

7 3. Provide full portability of creditable coverage for
8 individuals who remain members of the same HIPG notwithstanding that
9 they change the eligible employer through which they are members;
10 and

11 4. Comply with the provisions of the Oklahoma Insurance Code in
12 their sales and solicitation of insurance including, but not limited
13 to, the Trade Practices Act, and to the degree that an agent is
14 involved in the solicitation, sale or purchase of a health benefits
15 plan offered to a HIPG, that agent must be duly licensed by the
16 State Insurance Department and hold a valid license to transact the
17 business of insurance.

18 I. A HIPG shall not be subject to the requirements of the Small
19 Employer Health Insurance Reform Act.

20 J. Nothing in this act shall be construed as precluding a HIPG
21 health carrier from offering a health benefits plan through a HIPG
22 by establishing premium discounts for members, or from modifying
23 otherwise applicable copayments or deductibles in return for
24 adherence to programs of health promotion and disease prevention, so

1 long as the programs are agreed to in advance by the HIPG and comply
2 with all other provisions of this act and do not discriminate among
3 similarly situated members.

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

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