

1 STATE OF OKLAHOMA

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

3 SENATE BILL 59

By: Rice, Burrage, Sweeden,  
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Eason McIntyre and Corn

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6  
7 AS INTRODUCED

8 An Act relating to poor persons; amending 56 O.S.  
2001, Section 1010.1, as last amended by Section 412,  
9 Chapter 1, O.S.L. 2008 (56 O.S. Supp. 2008, Section  
1010.1), which relates to the premium assistance  
10 program; clarifying language; authorizing the  
Oklahoma Health Care Authority to seek a waiver to  
11 include veterans in the premium assistance program;  
providing for eligibility; and providing an effective  
12 date.

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14  
15 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

16 SECTION 1. AMENDATORY 56 O.S. 2001, Section 1010.1, as  
17 last amended by Section 412, Chapter 1, O.S.L. 2008 (56 O.S. Supp.  
18 2008, Section 1010.1), is amended to read as follows:

19 Section 1010.1 A. Sections 1010.1 et seq. of this title shall  
20 be known and may be cited as the "Oklahoma Medicaid Program Reform  
21 Act of 2003".

22 B. Recognizing that many Oklahomans do not have health care  
23 benefits or health care coverage, that many small businesses cannot  
24 afford to provide health care benefits to their employees, and that,

1 under federal law, barriers exist to providing Medicaid benefits to  
2 the uninsured, the Oklahoma Legislature hereby establishes  
3 provisions to lower the number of uninsured, assist businesses in  
4 their ability to afford health care benefits and coverage for their  
5 employees, and eliminate barriers to providing health coverage to  
6 eligible enrollees under federal law.

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

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

- 17 a. increase access to health care for Oklahomans,
- 18 b. reform the Oklahoma Medicaid Program to promote  
19 personal responsibility for health care services and  
20 appropriate utilization of health care benefits  
21 through the use of public-private cost sharing,
- 22 c. enable small employers, and/or employed, uninsured  
23 adults with or without children to purchase employer-  
24 sponsored, state-approved private, or state-sponsored

1 health care coverage through a state premium  
2 assistance payment plan. If by January 1, 2012, the  
3 Employer/Employee Partnership for Insurance Coverage  
4 Premium Assistance Program is not consuming more than  
5 seventy-five percent (75%) of its dedicated source of  
6 funding, then the program will be expanded to include  
7 parents of children eligible for Medicaid, and

- 8 d. develop flexible health care benefit packages based  
9 upon patient need and cost.

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

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

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

20 ~~(1) include~~

- 21 a. for-profit employers with two hundred fifty employees  
22 or less up to any level supported by existing funding  
23 resources; ~~and.~~ For purposes of this subparagraph,  
24 "for-profit employer" shall mean an entity which is

1 not exempt from taxation pursuant to the provisions of  
2 Section 501(c) (3) of the Internal Revenue Code,

3 ~~(2) include~~

4 b. not-for-profit employers with five hundred employees  
5 or less up to any level supported by existing funding  
6 resources. For purposes of this subparagraph, "not-  
7 for-profit employer" shall mean an entity which is  
8 exempt from taxation pursuant to the provisions of  
9 Section 501(c) (3) of the Internal Revenue Code,

10 ~~b. Foster~~

11 c. foster parents employed by employers with greater than  
12 two hundred fifty employees. Foster parents shall be  
13 exempt from the qualifying employer requirement  
14 ~~provided for in this paragraph~~ and shall be eligible  
15 to qualify for the premium assistance program provided  
16 for in this section if supported by existing funding,  
17 and

18 d. veterans, up to any level supported by existing  
19 funding resources, who:

20 (1) are not on active duty and who have not been  
21 dishonorably discharged from service,

22 (2) are a resident of the state,

23 (3) are at least nineteen (19) years of age and no  
24 older than sixty-four (64) years of age,

1           (4) are uninsured, as determined by the Oklahoma  
2           Health Care Authority, for a period of time to be  
3           established by the Oklahoma Health Care  
4           Authority, which shall be no less than six (6)  
5           months, provided that such period shall be waived  
6           if the person lost coverage due to:

7           (a) expiration of military post-active duty  
8           benefits, or

9           (b) loss of an employee-sponsored plan because  
10           the person was laid off or because the  
11           employer no longer offered benefits,

12           (5) are not eligible for medical assistance through  
13           the state Medicaid program,

14           (6) are not eligible for health care benefits through  
15           the federal Veterans Health Administration, and

16           (7) (a) have a household income no greater than the  
17           sum of:

18           i. an amount equal to twenty-five percent  
19           (25%) of the federal poverty level,

20           plus

21           ii. an amount equal to the federal Veterans  
22           Health Administration means test income  
23           threshold at the time of initiation of  
24           the program.

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

11                   **(c)** The means test income threshold is subject  
12   to alteration by the Oklahoma Health Care  
13   Authority.

14           E. ~~For purposes of this paragraph, "for profit employer" shall~~  
15 ~~mean an entity which is not exempt from taxation pursuant to the~~  
16 ~~provisions of Section 501(c)(3) of the Internal Revenue Code and~~  
17 ~~"not for profit employer" shall mean an entity which is exempt from~~  
18 ~~taxation pursuant to the provisions of Section 501(c)(3) of the~~  
19 ~~Internal Revenue Code.~~

20           F. The Authority is authorized to seek from the Centers for  
21 Medicare and Medicaid Services any waivers or amendments to existing  
22 waivers necessary to accomplish an extension of the premium  
23 assistance program to include qualified employees whose family  
24 income does not exceed two hundred fifty percent (250%) of the

1 federal poverty level, subject to the limit of federal financial  
2 participation.

3 ~~G.~~ F. 1. There is hereby created in the State Treasury a  
4 revolving fund to be designated the "Health Employee and Economy  
5 Improvement Act (HEEIA) Revolving Fund".

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

8 a. all monies received by the Authority pursuant to this  
9 section and otherwise specified or authorized by law,

10 b. monies received by the Authority due to federal  
11 financial participation pursuant to Title XIX of the  
12 Social Security Act, and

13 c. interest attributable to investment of money in the  
14 fund.

15 3. All monies accruing to the credit of the fund are hereby  
16 appropriated and shall be budgeted and expended by the Authority to  
17 implement a premium assistance plan, unless otherwise provided by  
18 law.

19 SECTION 2. This act shall become effective November 1, 2009.

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21 52-1-195 JM 3/6/2009 5:30:11 AM

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