

DETAILED BILL SUMMARY
(Section by Section Summary)

MEASURE: SB2052 (CCS)

AUTHOR: Speaker Bengte and President Pro Tempore Coffee

SUBJECT: Government, State Employees, Insurance

SHORT TITLE: State government; relating to the Oklahoma State and Education Employees Group Insurance Board; modifying agency designation. Emergency.

PROVISIONS:

Section 1. AMENDATORY Clarifies reference to statutory citations and modifies statutory reference to the newly created Oklahoma Health and Wellness Board (Board) and strikes reference to the State and Education Employees Group Insurance Board (OSEEGIB), in relation to hospital, health, life, and accident insurance for municipal employees.

Section 2. AMENDATORY Modifies statutory references to the newly created Board and strikes reference to OSEEGIB, regarding creation of the Medical Expense Liability Revolving Fund.

Section 3. AMENDATORY Modifies statutory references to the newly created Board and strikes reference to OSEEGIB, regarding county claims to the Board from the Medical Expense Liability Revolving Fund.

Section 4. AMENDATORY Modifies statutory reference to the newly created Board and strikes reference to OSEEGIB, regarding the Council's on Judicial Complaints employees' eligibility in the Board's employee benefit programs.

Section 5. AMENDATORY Modifies statutory reference to the newly created Board and strikes reference to OSEEGIB, for definition of "insurer" as used in the Unfair Claims Settlement Practices Act.

Section 6. AMENDATORY Modifies statutory reference to the newly created Board and strikes reference to OSEEGIB, for definition of "insurer" regarding coverage of a child under parent's health plan.

Section 7. AMENDATORY Modifies statutory reference to the newly created Board and strikes reference to OSEEGIB, for definition of "health benefit plan" regarding mandated coverage for child immunizations.

Section 8. AMENDATORY Modifies statutory reference to the newly created Board and strikes reference to OSEEGIB, regarding rates set by the Board for charges under the Health Insurance High Risk Pool Act.

Section 9. AMENDATORY Modifies statutory references to the newly created Board and strikes reference to OSEEGIB, regarding the Board's exemption from the Hospital and Medical Services Utilization Review Act.

Section 10. AMENDATORY Clarifies references to statutory citations; modifies statutory references to the newly created Board and strikes reference to OSEEGIB; and modifies reference to single health maintenance organization (HMO) plan, regarding transferred state employees retaining membership in Board plans.

Section 11. AMENDATORY Modifies statutory reference to the newly created Board and strikes reference to OSEEGIB, regarding health care providers' reimbursement rates in the Department of Corrections network in conjunction with the Board.

Section 12. AMENDATORY Modifies statutory reference to the newly created Board and strikes reference to OSEEGIB, regarding hospitals' reimbursement rates in the Department of Corrections network in conjunction with the Board.

Section 13. AMENDATORY Modifies statutory reference to the newly created Board and strikes reference to OSEEGIB, regarding exemption from the special agency account for the Board's investment funds since such funds are deposited with a respective custodian bank or trust company.

Section 14. AMENDATORY Modifies statutory reference to recent citation re-codification and statutory references to the newly created Board and strikes reference to OSEEGIB, regarding agency clearing account exemption for the Board's investment funds since such funds are deposited with a respective custodian bank or trust company.

Section 15. AMENDATORY Modifies statutory reference to the newly created Board and strikes reference to OSEEGIB, regarding reference to rules of the Board for survivor coverage of employees.

Section 16. AMENDATORY Modifies statutory reference to the newly created Board and strikes reference to OSEEGIB, regarding member from Board serving on the Health Information Infrastructure Advisory Board.

Section 17. AMENDATORY Modifies statutory reference to the newly created Board and strikes reference to OSEEGIB, in the definition of “managed care plan” as used in the Managed Care Referral chapter.

Section 18. AMENDATORY Modifies statutory reference to the newly created Board and strikes reference to OSEEGIB, in the definition of “medical savings account program” as used in the Medical Savings Account Act.

Section 19. AMENDATORY Modifies statutory reference to the newly created Board and strikes reference to OSEEGIB, regarding Board approved fee for immunization against Hepatitis A for food service establishment tax credit for cost of immunization.

Section 20. AMENDATORY Clarifies statutory references to the Title, modifies statutory reference to the newly created Board, and strikes reference to OSEEGIB, regarding certified school personnel who participate in the health insurance plan offered by the Board.

Section 21. AMENDATORY Clarifies statutory reference to the Board of Education and CareerTech Board and modifies statutory references to the newly created Board and strikes reference to OSEEGIB, regarding appropriation to the Department of Education based upon the number of school district employees participating in the health insurance plan offered by the Board.

Section 22. AMENDATORY Adds provision that all new school district employees, as of November 1, 2010, are required to participate in the cafeteria plan for major medical coverage and new employees’ benefit allowance must be used for health insurance. Any excess (unused) benefit allowance must be transferred to a health savings account (HSA), flexible spending account (FSA), an annuity account, or any Section 125 plan offered by a district. New school district employees are prohibited from receiving any excess benefit as taxable income. Current certified and support personnel, hired prior to November 1, 2010, may still receive the cash in lieu payments as outlined in statute.

Modifies statutory references to the newly created Board and strikes reference to OSEEGIB, regarding the formula for certified school personnel’s flexible benefit allowance based upon the HealthChoice (Hi) option plan offered by the Board.

Section 23. AMENDATORY Modifies statutory references to the newly created Board and strikes references to OSEEGIB, regarding competitive bidding procedure exemption for the Board’s contracts for

investment purposes and regarding Department of Central Services (DCS) providing assistance in selection of investment managers.

Section 24. AMENDATORY Modifies statutory reference to the newly created Board and strikes reference to OSEEGIB, regarding exemption of DCS to administer risk management plans for the Board.

Section 25. AMENDATORY Modifies statutory references to the newly created Board and strikes references to OSEEGIB, regarding state audits of the Board and that cost of the audit shall be paid by the Board.

Section 26. AMENDATORY Clarifies reference to statutory citations; modifies statutory references to the newly created Board and strikes reference to OSEEGIB, regarding rules for the Disability Insurance Program promulgated by the Board.

Section 27. AMENDATORY Modifies statutory references to the newly created Board and strikes references to OSEEGIB, regarding 18-month coverage extension administered by the COBRA office of the Board.

Section 28. AMENDATORY Modifies statutory reference to the newly created Board and strikes reference to OSEEGIB, regarding rate cost for reinstatement of health insurance coverage pursuant to rules established by the Board.

Section 29. AMENDATORY Modifies statutory references to the newly created Board and strikes references to OSEEGIB, regarding classification of Board employees and newly created divisions of the Board employees.

Section 30. AMENDATORY Modifies statutory reference to the newly created Employee Benefits Council Division of the Board and strikes reference to the Oklahoma State Employee Benefits Council (EBC), regarding the Contracts Administrator of the newly created Employee Benefits Division of the Board to be in the unclassified service. Modifies statutory reference to the newly created Board and strikes reference to OSEEGIB, regarding the one Information Systems Data Management Analyst to be in the unclassified service.

Section 31. AMENDATORY Modifies statutory references to the newly created HealthChoice Division of the Board and strikes references to OSEEGIB, specifying that the newly created HealthChoice Division shall be under the Merit System and making same modifications regarding the classification of HealthChoice Division employees.

Section 32. AMENDATORY A. Modifies references to the Executive Director of the Board of Trustees of the Oklahoma Public Employees Retirement System (OPERS) for gender neutrality.

E. Modifies statutory reference to the newly created Board and strikes reference to OSEEGIB, regarding legal services from the Board of Trustees for OPERS provided to the newly created Board; and clarifies reference to statutory citations.

Section 33. AMENDATORY Modifies statutory reference to the newly created Board and strikes references to OSEEGIB, regarding pre-Medicare retiree health insurance premiums for Board plans.

Section 34. AMENDATORY Renames the “State and Education Employees Group Insurance Act” as the “Oklahoma Health and Wellness Act”.

Section 35. AMENDATORY Modifies the purpose of the newly named Oklahoma Health and Wellness Act to provide uniformity in benefits coverage for all state employees, striking language specifying accident and health insurance and life insurance.

Section 36. AMENDATORY Modifies statutory references to the newly named Act and newly created Board and strikes references to OSEEGIB, regarding definitions in the Oklahoma Health and Wellness Act; and modifies references to single HMO plan.

Section 37. NEW LAW A.-B. Creates the Oklahoma Health and Wellness Board, requires the chair, vice-chair, and secretary to be elected from among the Board members at the first meeting.

C. The eleven-member Board shall be composed of four members appointed by the Governor, including an actuary, an Oklahoma-licensed attorney, and two with experience in the administration of private sector health plans; the Insurance Commissioner or designee; three members appointed by the Speaker, one to be an Oklahoma-licensed physician with a rural practice, and one nonvoting member whose presence will not affect the quorum of the Board that represents the largest statewide organization which advocates on behalf of public education employees; and three members appointed by the President Pro Tempore, one to be an Oklahoma-licensed physician with an urban practice, and one nonvoting member whose presence will not affect quorum that represents the largest statewide organization which advocates on behalf of public employees.

D. Prohibits no more than one member appointed to the new Board by each appointing authority to currently be serving on OSEEGIB or EBC.

E. Establishes Board terms to be four years.

F. Provides travel reimbursement to Board members, to be paid from the Health Insurance Reserve Fund. Prohibits individual or personal liability for any Board action.

G. Authorizes the Board to meet as often as necessary, but requires no less than four meetings a year, with an organizational meeting to be held before December 1, 2010. Requires the Insurance Commissioner to call the first, organizational meeting.

H. Prohibits any member of the Board from being an Oklahoma-registered lobbyist or an employee of any firm or health care provider under contract to OSEEGIB, EBC, or the Oklahoma Health and Wellness Board, or any benefit program under its purview, an exception is provided for any physician appointed to the Board. The nonvoting members of the Board may be registered lobbyists if employed by the organization they are representing on the Board.

J. Makes the Board subject to the Oklahoma Open Meeting Act, the Oklahoma Open Records Act, and the Administrative Procedures Act.

K. Exempts the Board from the Oklahoma Sunset Law.

L. Requires the Board to adopt rules it deems necessary to carry out its duties, including rules ensuring plan participants due process.

M. Requires the Board to contract with a vendor that offers a HIPAA compliant, internet-based, doctor-patient accountability incentive program for Plan Year 2011. The contract will be for a pilot project to determine the potential value of a program that offers financial incentives to the entity providing health care services and the patient. The program includes evidence-based medical treatment guidelines for the health care provider, information therapy for the patient, and other proven medical interventions. The health care provider will have flexibility in using clinical judgment to determine adherence or deviation from the program's treatment guidelines and still be eligible for financial incentives, provided the provider prescribes information therapy to the patient that includes an explanation for the provider's decision.

The program will include financial incentives for patients responding to the information therapy by demonstrating understanding of their condition, declaring or demonstrating adherence to recommended care, and by determining the quality of care received. Participation of the health care provider and the patient shall be on a case-by-case basis. The

program shall be offered and administered by the program vendor. The pilot project must include enough participants over two years in order to determine the program's effectiveness. The Board is required to continue the contract with the vendor if the program is determined to be effective, by making the program available to all Board beneficiaries.

Section 38. AMENDATORY Clarifies statutory reference to the newly named Board and reference that a majority of the Board membership is required to call a special meeting. Prohibits Board members from accepting gifts or gratuities of any value from an individual organization, currently limited to gifts with a value under \$50.

Section 39. AMENDATORY A.-B. Repeals duties of OSEEGIB, due to re-codification under the jurisdiction of the HealthChoice Health Insurance Division created in Section 42 of the CCS; clarifies statutory reference to the newly named Board; and amends the composition of the investment committee to be three members, instead of five members of the Board.

G. Requires the Board to consolidate the personnel and facilities of the Board and the Board's Divisions and identify inefficient or duplicative services; requires the Board to eliminate such services or assets. Requires the Board to report such actions to the newly named Joint Liaison Committee on Oklahoma Health and Wellness by November 1, 2011; the report shall include statutory modifications necessary for optimal efficiency.

H. Requires the Board to annually utilize all amounts from the fund equity of the Health and Dental Fund that are in excess of 175% of the Experience Fluctuation Risk Component of the National Association of Insurance Commissioners (NAIC) Health Risk-Based Capital (RBC) calculation for HSAs, FSAs, and the wellness program at the Board's discretion. The Board is required to annually report the use of these funds to the newly named Joint Liaison Committee.

I. Requires the Board to use the current Employee Benefits Council (EBC) surplus to funding HSAs, FSA, and the wellness program at the Board's discretion.

J. Requires the Board to establish a wellness program for all plan participants, including financial incentives for participation in the wellness programs and healthy living practices.

Section 40. AMENDATORY Modifies statutory reference to the newly created Board and strikes reference to OSEEGIB, regarding fiduciary duties of the Board.

Section 41. NEW LAW A. Requires the newly created Board to develop a strategy and program to promote personal responsibility for overall good health and wellness among all state and education employees enrolled in any health benefit plans offered by the Board.

B. The Board is required to promote and coordinate medical home providers by expanding the existing medical home infrastructure and providers into a statewide, multi-payer delivery system, including coverage in rural and urban parts of Oklahoma and an electronic medical records system.

Section 42. NEW LAW A. Requires the newly created Board to create and oversee two divisions for procuring, administering and managing health benefit plans, including a health maintenance organization (HMO). The divisions are the HealthChoice Health Insurance Division and the Employee Benefits Division.

B. Requires the HealthChoice Health Insurance Division to discharge its duties as the OSEEGIB formerly was charged (Section 39), including those duties with respect to the now renamed Oklahoma Health and Wellness Act, Flexible Benefits Act, and the State Employees Disability Program Act, to provide benefits to participants and dependents, defray expenses, and diversify investments.

C. Money received by the HealthChoice Division is required to be invested for legal reserve life insurance companies in Oklahoma.

Section 43. AMENDATORY Modifies statutory references to the newly created HealthChoice Division of the Board and strikes references to OSEEGIB and modifies statutory references to the newly named act, regarding the powers and duties of the HealthChoice Division to administer and manage group insurance plans and the flexible benefits plan (formerly OSEEGIB's powers and duties). The duty to select and contract with federally qualified HMOs as an alternative to the state self-insured health plan is repealed.

The newly created Board is required to contract with an actuary to provide the required actuarial services (rather than EBC). The HealthChoice Division is required to report to the Board information regarding premiums and changes in liabilities by March 1 of each year. The Board is required to make written comment on the HealthChoice Division's annual financial condition report for the insurance plans offered by the HealthChoice Division.

The Joint Liaison Committee on State and Education Employees Group Insurance Benefits is renamed the Joint Liaison Committee on Oklahoma Health and Wellness, to continue to serve as a liaison with the newly created Board regarding advice, policy, plans, programs and fiscal needs of the Board.

Section 44. AMENDATORY Modifies statutory reference to the newly named HealthChoice Division and strikes reference to OSEEGIB and requires submission of utilization review information to the newly created Board, as already required for the Insurance Commissioner.

Section 45. AMENDATORY Modifies statutory references to the newly named Joint Liaison Committee, modifies statutory references to the newly created Board, and strikes references to OSEEGIB, regarding the Payment Rate Review Task Force. Requires the Task Force to have unrestricted access to all payment rate information of both Divisions of the newly created Board.

Section 46. AMENDATORY Modifies statutory reference to the newly created Board and strikes reference to OSEEGIB, regarding amendment of network provider facility or physician contract.

Section 47. AMENDATORY Modifies statutory reference to the newly created Board and strikes reference to OSEEGIB, regarding administration of the Medical Expense Liability Revolving Fund; and clarifies reference to statutory citation.

Section 48. AMENDATORY Modifies statutory reference to the newly named HealthChoice Division and strikes reference to OSEEGIB, regarding specifications for comprehensive hospital medical and surgical benefits.

Section 49. AMENDATORY Modifies statutory reference to single HMO through the newly named Employee Benefits Division of the newly created Board, regarding right to change of primary care physician.

Section 50. AMENDATORY Modifies statutory reference to health benefit plans, including the HMO, offered by the newly created Board, regarding required coverage for gestational diabetes.

Section 51. AMENDATORY Requires new state employees hired after November 1, 2010 to have any excess benefit allowance deposited into a HSA, a FSA, or the Oklahoma State Employees Deferred Compensation or Oklahoma State Employees Deferred Savings Incentive Plan (SoonerSave) to be used for purposes authorized by federal and state law.

Section 52. AMENDATORY Modifies statutory reference to the newly created Board and strikes reference to OSEEGIB, regarding insurance benefits to education employees be same as offered to state employees; modifies references to the newly named act; and clarifies references to statutory citations.

Section 53. AMENDATORY Modifies statutory reference to the newly named act, regarding specific prohibition of exclusion for preexisting conditions.

Section 54. AMENDATORY Modifies statutory reference to the newly named act, regarding coverage for dependents up to age 25.

Section 55. AMENDATORY Modifies statutory references to the newly created Board and strikes references to OSEEGIB, regarding agency payments to reserve funds as set by the newly created Board.

Section 56. AMENDATORY Modifies statutory reference to the newly created Board and strikes reference to OSEEGIB, regarding a plan offered by the Board; modifies statutory reference to the newly named HealthChoice Division, regarding the HealthChoice (HI) option plan; and modifies statutory reference to the newly named act, regarding premium coverage for employees of education entities.

Section 57. AMENDATORY Modifies statutory reference to the newly created Board and strikes reference to OSEEGIB, regarding percentage covered by school districts for employees not otherwise covered.

Section 58. AMENDATORY Clarifies statutory reference to the newly created Board, regarding payroll deductions for employees' monthly contributions.

Section 59. AMENDATORY Clarifies reference to statutory citation and clarifies statutory reference to the newly created Board, regarding contributions made for monthly disability benefits.

Section 60. AMENDATORY Modifies statutory reference to the newly named HealthChoice Division and strikes reference to OSEEGIB, regarding deposits into the Health and Dental Insurance Reserve Fund and administration of the life insurance plan; and clarifies statutory reference to the newly named Board, regarding the Board's duty to invest such funds.

Section 61. AMENDATORY Modifies statutory reference to the

newly created Revolving Fund for Oklahoma Health and Wellness Insurance Plans and strikes reference to OSEEGIB plans; and modifies statutory reference to the newly created Board and strikes reference to OSEEGIB, regarding the Board's control and management of the revolving fund.

Section 62. AMENDATORY Modifies statutory reference to the newly named HealthChoice Division and strikes reference to OSEEGIB, regarding administration of the life insurance plan and health and dental plans; clarifies statutory reference to the newly created Board, regarding investment of reserve fund.

Section 63. AMENDATORY Modifies statutory reference to the newly created Board, regarding the State Employees Group Insurance Clearing Fund.

Section 64. AMENDATORY Modifies statutory reference to the newly named act, regarding exemption of higher education officers and employees from the act; and clarifies reference to statutory citation.

Section 65. AMENDATORY Clarifies reference to statutory citations and modifies statutory reference to the newly named act, as used in the definition of "state plan".

Section 66. AMENDATORY Modifies statutory references to the newly named act, created Board and newly named Divisions, as applicable, regarding the Oklahoma Employment Security Commission (OESC) premiums paid.

Section 67. AMENDATORY Modifies statutory references to the newly created Board and strikes references to OSEEGIB, regarding OESC contracting with the Board for supplemental health insurance and payment for actuarial costs.

Section 68. AMENDATORY Modifies statutory reference to the newly created Board and strikes reference to OSEEGIB, regarding extension of benefits to employees of political subdivisions, local service agencies, and public trusts; and modifies references to the newly named act.

Section 69. AMENDATORY Modifies statutory reference to the newly created Board and strikes reference to OSEEGIB, regarding extension of benefits to secretaries of county election boards.

Section 70. AMENDATORY Clarifies references to statutory citations; modifies statutory reference to the newly named HealthChoice

Division, regarding life insurance retirement benefits; and modifies reference to the newly named act.

Section 71. AMENDATORY Modifies statutory references to the newly named act, regarding continuation of insurance benefits for retired members of the Oklahoma Public Employees Retirement System and premium payments; and modifies statutory references to the newly created Board and strikes references to OSEEGIB, regarding indemnity plans, managed care plans, Medicare supplements, and Medicare risk-sharing contracts.

Section 72. AMENDATORY Modifies statutory references to the newly named act, regarding continuation of benefits for retired members of the Teachers' Retirement System of Oklahoma and premium payments; and modifies statutory references to the newly created Board and strikes references to OSEEGIB, regarding indemnity plans, Medicare supplements, and Medicare risk-sharing contracts.

Section 73. AMENDATORY Modifies statutory reference to the newly named act and statutory reference to the newly created Board and strikes reference to OSEEGIB, regarding eligibility of blind vending stand operators for membership in health benefit, dental insurance and life insurance plans under the act.

Section 74. AMENDATORY Modifies statutory reference to the newly named act, regarding maximum insurance coverage for reemployed public employees; and clarifies reference to statutory citation.

Section 75. AMENDATORY Modifies statutory reference to the newly created Board and strike references to OSEEGIB, regarding hiring of a Board administrator and other necessary employees.

Section 76. AMENDATORY Modifies statutory reference to the newly created Board and strike references to OSEEGIB, regarding the Board's authority to determine rates and life, dental and health benefits; modifies statutory reference to the newly named Employee Benefits Division and strikes reference to EBC, regarding established bid submission date for the HMO.

Section 77. AMENDATORY Modifies statutory reference to the newly named act; clarifies reference to statutory citation; and modifies reference to newly created Board and strikes reference to OSEEGIB, regarding verification of eligibility for any member and/or dependent and penalties for false statement.

Section 78. AMENDATORY Modifies statutory reference to the

newly created Board and strikes reference to OSEEGIB, regarding coverage for prostrate related conditions.

Section 79. AMENDATORY Modifies statutory reference to the newly created Board and strikes reference to OSEEGIB, regarding hearing prior to adoption of change in reimbursement rates.

Section 80. AMENDATORY Modifies statutory reference to the newly created Board and strikes reference to OSEEGIB, regarding providing copies of relevant fee schedules to participating providers.

Section 81. AMENDATORY Modifies statutory references to the newly created Board and strikes references to OSEEGIB, regarding plans for vision care services.

Section 82. AMENDATORY Modifies statutory references to the newly created Board and strikes references to OSEEGIB, regarding reimbursement of clean claims.

Section 83. AMENDATORY A.-D. Recreates the State Employee Health Insurance Review Working Group until January 1, 2011, adds two more legislative members to be appointed by the respective house's leaders, and requires currently serving members and co chairs to continue serving in their respective role on the Working Group.

G. The Working Group is required to continue its study and to provide oversight and monitor the efforts relating to implementation of the recommendations made by the consultant. The Working Group is authorized to select a consultant to assist in the implementation of the recommendations.

H. The Working Group is required to recommend a qualified consultant to the newly created Board to jointly contract with the recommended consultant; such contract is exempt from the Oklahoma Central Purchasing Act.

I. The consultant is required to advise the Working Group on the progress of the implementation of the recommendations.

J. The Working Group is authorized to request information, records, or reports necessary to provide proper oversight and monitoring of the recommendations of the consultant.

L. The Working Group is required to produce a final written report of its findings and recommendations regarding the oversight and implementation of the recommendations of the consultant by December

31, 2010.

Section 84. AMENDATORY Modifies statutory reference to the newly created Board and strikes reference to OSEEGIB, regarding establishment of a Disability Insurance Program for state employees.

Section 85. AMENDATORY Modifies statutory reference to the newly created Board and strikes references to OSEEGIB, regarding collection from state agencies for the Disability Insurance Program.

Section 86. AMENDATORY Modifies statutory reference to the newly created Board and strikes reference to OSEEGIB, regarding OESC participation in the Disability Insurance Program.

Section 87. AMENDATORY Clarifies references to statutory citations and modifies statutory reference to the newly created Board and strikes reference to OSEEGIB, regarding the State Employees Disability Insurance Reserve Fund.

Section 88. AMENDATORY Modifies statutory reference to the newly created Board and strikes references to OSEEGIB, regarding counties' participation in the Disability Insurance Program.

Section 89. AMENDATORY Clarifies references to statutory citations and modifies statutory reference to the newly created Board and strikes references to OSEEGIB, regarding definitions as used in the State Employees Flexible Benefits Act.

Section 90. AMENDATORY Clarifies statutory reference to the newly created Board, regarding the establishment of a flexible benefits plan; and modifying reference to statutory citation due to re-codification.

Section 91. AMENDATORY Modifies statutory reference to the newly created Board and strikes references to OSEEGIB, regarding the creation of the Flexible Benefit Revolving Fund.

Section 92. AMENDATORY Modifies statutory references to the newly named Employee Benefits Division and strikes references to EBC, regarding what were formerly EBC's duties with respect to the administration of the HMO plan; modifies references to the newly named act; and modifies references to the HealthChoice Division for former OSEEGIB duties; modifies required duties to contract with a single HMO; and clarifies reference to statutory citation. The newly created Board is authorized to determine if an executive director position for the Employee Benefits Division is necessary.

Section 93. NEW LAW Requires the Oklahoma Health and Wellness Board to remit annually to the General Revenue Fund fifteen percent of the combined administrative costs of the Oklahoma Health and Wellness Board for FY10. The Board is also required to report all administrative savings to the Joint Liaison Committee each year.

Section 94. AMENDATORY Modifies statutory references to the newly named Employee Benefits Division and strikes references to EBC, regarding the establishment of a flexible benefits plan; and clarifies references to statutory citations.

Section 95. AMENDATORY Modifies statutory reference to the newly created Board and strikes reference to OSEEGIB and EBC, regarding requirements for the statewide HMO contract.

Section 96. AMENDATORY Modifies statutory reference to the newly named Employee Benefits Division and strikes reference to EBC, regarding the creation of the Benefits Division Administration Revolving Fund.

Section 97. AMENDATORY A. Modifies statutory reference to the newly named Employee Benefits Division and strikes reference to EBC, regarding flexible benefit dollars for benefits offered under the flexible benefits plan.

C. Beginning in 2011, state employees' benefit allowance shall never be less than provided in the 2010 plan year; and for future plan years state employees' benefit allowance shall be benchmarked at the amount equal to the monthly premium of the basic preferred provider organization plan offered, plus the monthly premium of the dental plan offered, plus the disability plan premium, and the basic life insurance plan premium.

F. Requires new state employees, hired on or after November 1, 2010 to have any excess benefit allowance deposited into a HSA, a FSA, or SoonerSave account to be used for purposes authorized by federal and state law.

G. Requires any excess benefit allowance which is a result of any increase in the benefit allowance after November 1, 2010, to be deposited into a HSA, a FSA, or a SoonerSave account to be used for purposes authorized by federal and state law.

Section 98. AMENDATORY Modifies statutory references to the newly named Employee Benefits Division and strikes references to EBC, regarding design of basic plan for adequate coverage for all participants.

Requires that premium rates for the HMO be actuarially sound and reviewed by an actuary chosen by the newly created Board. Requires the Board to set enrollment period dates annually, set procedures for advance election process, and prescribe the forms for elections.

Section 99. AMENDATORY Modifies statutory references to the newly named Employee Benefits Division and strikes references to EBC, regarding rights of participants or beneficiaries for receipt of amounts under the flexible spending account benefits plan.

Section 100. AMENDATORY Modifies statutory references to the newly named Employee Benefits Division and strikes references to EBC, regarding coverage for prostrate related conditions.

Section 101. AMENDATORY Modifies statutory reference to the newly created Board and strikes references to OSEEGIB, regarding vision plan requirements.

Section 102. AMENDATORY Modifies statutory reference to the newly created Board and strikes references to OSEEGIB, regarding offering of high deductible health plans for availability of health savings accounts.

Section 103. AMENDATORY Modifies statutory reference to the newly created Board and strikes reference to EBC, regarding the creation of the Wellness Council. Requires the newly created Board to designate a person to serve as the State Government Wellness Coordinator.

Section 104. AMENDATORY Requires all state employees to be enrolled in a wellness program beginning November 1, 2010. The Wellness Council is required to establish financial incentives for successful participation in the program and to encourage participation of employees' dependents in the wellness program. Modifies reference to the newly created Board and strikes reference to OSEEGIB and EBC, regarding coordination of wellness efforts.

Section 105. AMENDATORY Modifies reference to the newly created Board and strikes reference to EBC, regarding creation of the Wellness Program Fund; and modifies reference to the newly named Employee Benefits Division, regarding approval of funds transfer from Benefits Division Administration Revolving Fund.

Section 106. AMENDATORY Modifies reference to the newly named HealthChoice Division, regarding the maximum number of full-time-equivalent employees currently allowed for OSEEGIB; and modifies reference to the newly named Employee Benefits Division, regarding the

maximum number of full-time-equivalent employees currently allowed for EBC.

Section 107. AMENDATORY Modifies reference to the newly named HealthChoice Division and strikes reference to OSEEGIB, regarding the salary cap for the chief executive officer; and modifies reference to the newly named Employee Benefits Division, regarding the salary cap for the chief executive officer.

Section 108. AMENDATORY Modifies reference to the newly created Board and strikes reference to OSEEGIB, regarding Grand River Dam Authority retirees' health insurance premiums.

Section 109. REPEALER Repeals the section creating the State and Education Employees Group Insurance Board (OSEEGIB) due to the creation of the Oklahoma Health and Wellness Board in Section 37 of the CCS.

Section 110. REPEALER Repeals the section naming the Oklahoma State Employees Benefits Act, the section stating the purpose of the act, the section creating the Oklahoma State Employees Benefits Council (EBC) due to the creation of the Oklahoma Health and Wellness Board in Section 37 of the CCS, and the section regarding duties for the HMO contract due to duplicate sections.

EFFECTIVE

DATE: Emergency Clause

PREPARED BY:

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DATE:

May 27, 2010