

1 ENGROSSED SENATE  
2 BILL NO. 1397

By: Crain of the Senate

3 and

4 Cox of the House

5  
6  
7 [ assistance program - sliding scale - effective  
8 date ]  
9

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

11 SECTION 1. AMENDATORY 56 O.S. 2011, Section 1010.1, is  
12 amended to read as follows:

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

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

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

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

- 11 a. increase access to health care for Oklahomans,
- 12 b. reform the Oklahoma Medicaid Program to promote  
13 personal responsibility for health care services and  
14 appropriate utilization of health care benefits  
15 through the use of public-private cost sharing,
- 16 c. enable small employers, and/or employed, uninsured  
17 adults with or without children to purchase employer-  
18 sponsored, state-approved private, or state-sponsored  
19 health care coverage through a state premium  
20 assistance payment plan. If by January 1, 2012, the  
21 Employer/Employee Partnership for Insurance Coverage  
22 Premium Assistance Program is not consuming more than  
23 seventy-five percent (75%) of its dedicated source of  
24

1 funding, then the program will be expanded to include  
2 parents of children eligible for Medicaid, and

3 d. develop flexible health care benefit packages based  
4 upon patient need and cost.

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

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

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

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

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

21 b. Foster parents employed by employers with greater than  
22 two hundred fifty employees shall be exempt from the  
23 qualifying employer requirement provided for in this  
24 paragraph and shall be eligible to qualify for the

1 premium assistance program provided for in this  
2 section if supported by existing funding.

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

9 F. The Authority is authorized to seek from the Centers for  
10 Medicare and Medicaid Services any waivers or amendments to existing  
11 waivers necessary to accomplish an extension of the premium  
12 assistance program to include qualified employees whose family  
13 income does not exceed two hundred fifty percent (250%) of the  
14 federal poverty level, subject to the limit of federal financial  
15 participation.

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

19 H. In administering the premium assistance program, the  
20 Authority shall create a sliding scale for premium assistance  
21 whereby the premium assistance provided to an employee is reduced as  
22 the employee's salary is increased.

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

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

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

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

17        ~~I.~~ J. 1. The Authority shall establish a procedure for  
18 verifying an applicant's individual income by utilizing available  
19 Oklahoma Tax Commission records, new hire report data collected by  
20 the Oklahoma Employment Security Commission, and child support  
21 payment data collected by the Department of Human Services in  
22 accordance with federal and state law.

23        2. The Oklahoma Tax Commission, Oklahoma Employment Security  
24 Commission, and Department of Human Services shall cooperate in

