

FLOOR AMENDMENT  
HOUSE OF REPRESENTATIVES  
State of Oklahoma

SPEAKER :

CHAIR :

I move to amend SB305  
Page 1 Section 1 Lines 17  
Of the printed Bill  
Of the Engrossed Bill

By deleting Section 1 and by inserting the attached Section 1 in lieu thereof.

"(SEE ATTACHED)"

AMEND TITLE TO CONFORM TO AMENDMENTS

Adopted: \_\_\_\_\_

Amendment submitted by: Glen Mulready

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Reading Clerk

1 "SECTION 1. AMENDATORY 74 O.S. 2001, Section 1370, as  
2 last amended by Section 2, Chapter 28, O.S.L. 2009 (74 O.S. Supp.  
3 2010, Section 1370), is amended to read as follows:

4 Section 1370. A. Subject to the requirement that a participant  
5 must elect the default benefits, the basic plan, or is a person who  
6 has retired from a branch of the United States military and has been  
7 provided with health care through a federal plan, to the extent that  
8 it is consistent with federal law, and provides proof of this  
9 coverage, flexible benefit dollars may be used to purchase any of  
10 the benefits offered by the Oklahoma State Employees Benefits  
11 Council under the flexible benefits plan. A participant who has  
12 provided proof of other coverage as described in this subsection  
13 shall not receive flexible benefit dollars if the person elects not  
14 to purchase any benefits. A participant's flexible benefit dollars  
15 for a plan year shall consist of the sum of (1) flexible benefit  
16 allowance credited to a participant by the participating employer,  
17 and (2) pay conversion dollars elected by a participant.

18 B. Each participant shall be credited annually with a specified  
19 amount as a flexible benefit allowance which shall be available for  
20 the purchase of benefits. The amount of the flexible benefit  
21 allowance credited to each participant shall be communicated to him  
22 or her prior to the enrollment period for each plan year.

23 C. For the plan year ending December 31, 2001, and each plan  
24 year thereafter, the amount of a participant's benefit allowance,

1 which shall be the total amount the employer contributes for the  
2 payment of insurance premiums or other benefits, shall be:

3 1. The greater of Two Hundred Sixty-two Dollars and nineteen  
4 cents (\$262.19) per month or an amount equal to the sum of the  
5 average monthly premiums of all high option health insurance plans,  
6 excluding the point-of-service plans, the average monthly premiums  
7 of the dental plans, the monthly premium of the disability plan, and  
8 the monthly premium of the basic life insurance plan offered to  
9 state employees or the amount determined by the Council based on a  
10 formula for determining a participant's benefit credits consistent  
11 with the requirements of 26 U.S.C., Section 125(g)(2) and  
12 regulations thereunder; or

13 2. The greater of Two Hundred Twenty-four Dollars and sixty-  
14 nine cents (\$224.69) per month or an amount equal to the sum of the  
15 average monthly premiums of all high option health insurance plans,  
16 excluding the point-of-service plans, the average monthly premiums  
17 of the dental plans, the monthly premium of the disability plan, and  
18 the monthly premium of the basic life insurance plan offered to  
19 state employees plus one of the additional amounts as follows for  
20 participants who elect to include one or more dependents:

21 a. for a spouse, seventy-five percent (75%) of the  
22 average price of all high option benefit plans,  
23 excluding the point-of-service plans, available for  
24 coverage of a spouse,

- 1           b.    for one child, seventy-five percent (75%) of the  
2                   average price of all high option benefit plans  
3                   available, excluding the point-of-service plans, for  
4                   coverage of one child,
- 5           c.    for two or more children, seventy-five percent (75%)  
6                   of the average price of all high option benefit plans  
7                   available, excluding the point-of-service plans, for  
8                   coverage of two or more children,
- 9           d.    for a spouse and one child, seventy-five percent (75%)  
10                  of the average price of all high option benefit plans  
11                  available, excluding the point-of-service plans, for  
12                  coverage of a spouse and one child, or
- 13           e.    for a spouse and two or more children, seventy-five  
14                  percent (75%) of the average price of all high option  
15                  benefit plans available, excluding the point-of-  
16                  service plans, for coverage of a spouse and two or  
17                  more children.

18           D.   The State and Education Employees Group Insurance Board and  
19 the Office of State Finance shall contract with a vendor to make  
20 available a health savings account to all enrollees in  
21 the HealthChoice qualified high-deductible health plan. Any  
22 employer or employee contributions for the health savings account  
23 shall be allowable as a remittance to the vendor through  
24 payroll deduction in conjunction with the employer's Section 125

1 Plan and shall not be subject to any assessment of administrative  
2 fees by the Board, the Office or any state agency for remittance  
3 to the vendor. The State of Oklahoma, the Board, the Office and the  
4 Oklahoma State Employees Benefits Council shall take necessary  
5 measures to make any employer or employee health savings  
6 account contributions permissible under the state's Section 125  
7 Plan.

8 E. This section shall not prohibit payments for supplemental  
9 health insurance coverage made pursuant to Section 1314.4 of this  
10 title or payments for the cost of providing health insurance  
11 coverage for dependents of employees of the Grand River Dam  
12 Authority.

13 ~~E.~~ F. If a participant desires to buy benefits whose sum total  
14 of benefit prices is in excess of his or her flexible benefit  
15 allowance, the participant may elect to use pay conversion dollars  
16 to purchase such excess benefits. Pay conversion dollars may be  
17 elected through a salary reduction agreement made pursuant to the  
18 election procedures of Section 1371 of this title. The elected  
19 amount shall be deducted from the participant's compensation in  
20 equal amounts each pay period over the plan year. On termination of  
21 employment during a plan year, a participant shall have no  
22 obligation to pay the participating employer any pay conversion  
23 dollars allocated to the portion of the plan year after the  
24 participant's termination of employment.

1        ~~F.~~ G. If a participant elects benefits whose sum total of  
2 benefit prices is less than his or her flexible benefit allowance,  
3 he or she shall receive any excess flexible benefit allowance as  
4 taxable compensation. Such taxable compensation will be paid in  
5 substantially equal amounts each pay period over the plan year. On  
6 termination during a plan year, a participant shall have no right to  
7 receive any such taxable cash compensation allocated to the portion  
8 of the plan year after the participant's termination. Nothing  
9 herein shall affect a participant's obligation to elect the minimum  
10 benefits or to accept the default benefits of the plan with  
11 corresponding reduction in the sum of his or her flexible benefit  
12 allowance equal to the sum total benefit price of such minimum  
13 benefits or default benefits."

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