

1 STATE OF OKLAHOMA

2 2nd Session of the 53rd Legislature (2012)

3 SENATE BILL 1208

By: Adelson

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5
6 AS INTRODUCED

7 An Act relating to health insurance coverage;
8 requiring an insurer to issue at least one child-only
9 plan as a condition of issuing coverage in the
10 individual market; providing for open enrollment
11 periods; specifying time period for open enrolment
12 periods; requiring coverage to be offered to all
13 applicants under the age of nineteen on a guaranteed-
14 issue basis; requiring insurer to place specified
15 information regarding the enrollment period on their
16 web site; specifying when coverage may be canceled or
17 denied; authorizing insurer to impose surcharge under
18 certain conditions; requiring insurer to annually
19 submit certain information to the Insurance
20 Commissioner; defining terms; specifying when child-
21 only coverage requirement is no longer in effect;
22 providing for codification; and declaring an
23 emergency.

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

SECTION 1. NEW LAW A new section of law to be codified
in the Oklahoma Statutes as Section 4416 of Title 36, unless there
is created a duplication in numbering, reads as follows:

A. As a condition of issuing coverage in the individual
accident and health insurance market, an insurer shall issue at
least one child-only plan. The insurer shall issue every child-only

1 plan pursuant to this section. An insurer shall accept an
2 application for child-only plan coverage only during the enrollment
3 periods provided for in this section unless the application is
4 received within thirty (30) days after a qualifying event.

5 B. 1. Except as specified in paragraph 2 of subsection C of
6 this section, there shall be two open enrollment periods each year
7 during which insurers shall accept applications for child-only plan
8 coverage. The first open enrollment period shall begin on the first
9 of the month closest to ninety (90) days after the effective date of
10 this act. In each year thereafter, the open enrollment periods
11 shall be in January and July. Each period shall last one month and
12 shall be followed by a thirty-day waiting period for the child-only
13 plan to take effect.

14 2. During any period of open enrollment, insurers shall offer
15 child-only plan coverage to all applicants under nineteen (19) years
16 of age on a guaranteed-issue basis.

17 3. Each insurer shall continuously and prominently display, on
18 its website, notice of each open enrollment period and instructions
19 on how to enroll a child in a child-only plan, including information
20 regarding the ability to enroll due to a qualifying event. Each
21 insurer shall also provide a link to the public programs
22 administered by the Oklahoma Health Care Authority so that
23 individuals considering enrolling child-only plans have access to
24 eligibility information for the public programs.

1 C. 1. An insurer may cancel coverage for a dependent in the
2 individual market if the parent insured cancels his or her
3 individual coverage. The insurer shall allow the dependent to apply
4 for child-only plan coverage during the next open enrollment period
5 with no surcharge.

6 2. An insurer may deny coverage to an applicant for enrollment
7 in a child-only plan if other creditable coverage is available. For
8 purposes of this paragraph, creditable coverage does not include
9 eligibility for a high-risk pool insurance plan, but includes
10 current enrollment in a high-risk pool insurance plan.

11 3. An insurer may impose a surcharge for up to twelve (12)
12 months on an individual who enrolls in a child-only plan if the
13 individual was previously enrolled in a child-only plan,
14 subsequently dropped the coverage, and the lapse in coverage is
15 greater than sixty-three (63) days. The surcharge may be up to an
16 additional fifty percent (50%) of the amount that would be charged
17 for the same child demonstrating continuous coverage.

18 D. Each insurer that participates in the individual market in
19 this state shall annually submit to the Insurance Commissioner the
20 following information:

- 21 1. The number of applicants for a child-only plan;
- 22 2. The number of individuals enrolled in a child-only plan; and
- 23 3. The number of applicants denied enrollment in a child-only
24 plan and the reasons for the denials.

1 E. As used in this section:

2 1. "Child-only plan" means an individual health benefit plan
3 that is issued on or after the effective date of this section and
4 that provides coverage to an individual under nineteen (19) years of
5 age. A child-only plan does not include coverage provided to a
6 dependent under an individual or group health benefit plan; and

7 2. "Qualifying event" means birth, adoption, marriage,
8 dissolution of marriage, loss of employer-sponsored insurance, loss
9 of eligibility in the SoonerCare or SoonerStart Programs
10 administered by the Oklahoma Health Care Authority, for any reason
11 other than fraud, misrepresentation or failure to pay premium.
12 Qualifying event shall also mean entry of a valid court order
13 mandating the child be covered if there is no employer-sponsored
14 coverage available to the parent ordered to provide health insurance
15 coverage to the child.

16 F. The provisions of this section shall cease to have the force
17 and effect of law on January 1, 2014.

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

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