

1 STATE OF OKLAHOMA

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

3 SENATE BILL 1396

By: Barrington

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5  
6 AS INTRODUCED

7 An Act relating to state group insurance plans;  
8 amending 74 O.S. 2011, Section 1374, which relates to  
9 vision plans; modifying criteria; modifying the  
10 offering of certain vision plans; requiring certain  
11 vendor to be offered as an option; defining term;  
12 authorizing the selection of certain vendors;  
13 providing an effective date; and declaring an  
14 emergency.

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

16 SECTION 1. AMENDATORY 74 O.S. 2011, Section 1374, is  
17 amended to read as follows:

18 Section 1374. A. For the plan year beginning January 1, ~~2005~~  
19 2013, and for each year thereafter, it shall be the fiduciary  
20 responsibility of the Oklahoma State Employees Benefits Council and  
21 the State and Education Employees Group Insurance Board to ensure  
22 that participants have the option to choose which vision plan best  
23 meets their individual needs by offering ~~every~~ vision ~~plan~~ plans  
24 that ~~notifies~~ notify the Employees Benefits Council and the State  
and Education Employees Group Insurance Board of their desire to

1 participate no later than July 1 of each year and ~~meets~~ meet or  
2 ~~exceeds~~ exceed the following criteria:

3 1. ~~Has~~ Have in place a statewide network of at least one  
4 hundred fifty providers. "Providers", for purposes of this section,  
5 means Optometrists (OD), Ophthalmologists (MD), and Ophthalmologists  
6 (DO) which shall be counted once regardless of the number of  
7 locations where they may practice. Optical shops and retail optical  
8 locations shall not be listed as providers. The company offering  
9 the vision plan must have a direct relationship with each provider  
10 on its panel, and may not lease, borrow, or otherwise obtain use of  
11 a provider panel from another company. This would not prevent a  
12 company from offering their plan through one corporate entity and  
13 administering the plan or provider panel through another legal  
14 entity of the same organization. Providers must be actively engaged  
15 in providing the services offered under the vision plan they  
16 represent;

17 2. ~~Has~~ Have operated in Oklahoma for at least five (5) years;

18 3. ~~Is licensed~~ Are authorized to do business in the State of  
19 Oklahoma by the Insurance Department, or certified by the State  
20 Department of Health, ~~or licensed as a third-party administrator by~~  
21 ~~the Insurance Department~~. Vision plans must be offered by the  
22 company administering the plan, not by an agent or third party. A  
23 company shall offer only one vision plan and rate schedule for each  
24 plan year;

1 4. ~~Presents~~ Present accurate product information in a  
2 reproducible format not to exceed two pages; and

3 5. Vision plans must provide an examination, frames and lenses,  
4 and/or contact lenses and some form of indemnified payment to the  
5 contracted providers for each component of the benefits, i.e., the  
6 exam, frames and lenses and/or contact lenses. This does not  
7 eliminate discounted supplementary benefits under a qualified plan.

8 B. Any Oklahoma-based vendor who meets the criteria as  
9 specified in paragraphs 1 through 5 of subsection A of this section  
10 shall be offered as an option for enrollment. For purposes of this  
11 section an "Oklahoma-based vendor" means a vision care benefit  
12 company whose home office, customer service, and administration are  
13 located within the State of Oklahoma and is subject to Oklahoma  
14 income taxes.

15 C. The Oklahoma State Employees Benefits Council and the State  
16 and Education Employees Group Insurance Board or any successor  
17 agency, may select up to one additional out-of-state vision care  
18 benefits company as an offered vendor if the company meets the  
19 criteria as specified in paragraphs 1 through 5 of subsection A of  
20 this section. If an Oklahoma-based vendor fails to meet or exceed  
21 the criteria as specified in paragraphs 1 though 5 of subsection A  
22 of this section, the Oklahoma State Employees Benefits Council and  
23 the State and Education Employees Group Insurance Board may select  
24 any out-of-state vision care benefits company as an offered vendor

1 if the company meets the criteria as specified in paragraphs 1  
2 through 5 of subsection A of this section.

3 D. Any administrative fees imposed by the Oklahoma State  
4 Employees Benefits Council or the State and Education Employees  
5 Group Insurance Board shall be applied equally to all qualified  
6 vision plans. There shall be no additional requirements imposed on  
7 a vision plan other than the proper licensing or certification by  
8 the appropriate state agency.

9 SECTION 2. This act shall become effective July 1, 2012.

10 SECTION 3. It being immediately necessary for the preservation  
11 of the public peace, health and safety, an emergency is hereby  
12 declared to exist, by reason whereof this act shall take effect and  
13 be in full force from and after its passage and approval.

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