

1 STATE OF OKLAHOMA

2 2nd Session of the 54th Legislature (2014)

3 COMMITTEE SUBSTITUTE

4 FOR

5 SENATE BILL 1370

6 By: Standridge

7 COMMITTEE SUBSTITUTE

8 An Act relating to state government; amending 74 O.S.  
9 2011, Section 1374, as amended by Section 982,  
10 Chapter 304, O.S.L. 2012 (74 O.S. Supp. 2013, Section  
11 1374), which relates to vision plans; extending  
12 certain date; deleting certain duty; requiring Office  
13 of Management and Enterprise Services to offer  
14 certain vision plans; modifying requirements for  
15 certain plans; modifying certain requirements for  
16 providers; requiring certain plans to be offered;  
17 providing definition; permitting Office of Management  
18 and Enterprise Services to select certain out-of-  
19 state companies for provisions of certain plans; and  
20 providing an effective date.

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

22 SECTION 1. AMENDATORY 74 O.S. 2011, Section 1374, as  
23 amended by Section 982, Chapter 304, O.S.L. 2012 (74 O.S. Supp.  
24 2013, Section 1374), is amended to read as follows:

25 Section 1374. For the plan year beginning January 1, ~~2005~~ 2015,  
26 and for each year thereafter, it shall be the ~~fiduciary~~  
27 responsibility of the Office of Management and Enterprise Services  
28 ~~to ensure that participants have the option to choose which vision~~

1 ~~plan best meets their individual needs by offering every vision plan~~  
2 ~~that notifies the Office of its desire to participate~~ to offer a  
3 vision plan or plans to state employee and retiree beneficiaries  
4 during their open enrollment period. Plans eligible for selection  
5 must submit appropriate information requested no later than July 1  
6 of each year and meets or exceeds the following criteria:

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

21 2. Has operated in Oklahoma for at least ~~five (5)~~ ten (10)  
22 years and has served at least Five Thousand (5,000) residents for  
23 each of the previous five (5) years;  
24

1       3. Is licensed, registered, certified, or authorized to conduct  
2 business in this state by the Insurance Department, ~~certified by the~~  
3 ~~or the~~ State Department of Health, ~~or licensed as a third party~~  
4 ~~administrator by the Insurance Department.~~ Vision plans must be  
5 offered by the company administering the plan, not by an agent or  
6 third party. A company shall offer only one vision plan and rate  
7 schedule for each plan year;

8       4. Presents accurate product information in a reproducible  
9 format not to exceed two pages; and

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

15       Any administrative fees imposed by the Oklahoma Employees  
16 Insurance and Benefits Board shall be applied equally to all  
17 qualified vision plans. There shall be no additional requirements  
18 imposed on a vision plan other than the proper licensing or  
19 certification by the appropriate state agency.

20       Any Oklahoma-based vendor who meets the criteria as specified  
21 herein shall be offered for enrollment in any state employee benefit  
22 offering. A "Oklahoma-based vendor" shall be defined as a vision  
23 care benefit company whose home office, customer service, and  
24 administration are located within this state and subject to state

1 income taxes. The Office of Management and Enterprise Services, or  
2 any subordinate agency or agency that may succeed their functions  
3 during any reorganization, may at their discretion select up to one  
4 out-of-state vision care benefits company as an offered vendor,  
5 provided they also meet the criteria as specified herein. In the  
6 event a Oklahoma-based vendor fails to meet or exceed the criteria  
7 as specified herein, the Office of Management and Enterprise  
8 Services may offer any out-of-state vision care benefits company or  
9 companies as an offered vendor, provided they meet the criteria  
10 specified herein.

11 SECTION 2. This act shall become effective November 1, 2014.

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