HOUSE OF REPRESENTATIVES - FLOOR VERSION

STATE OF OKLAHOMA

2nd Session of the 54th Legislature (2014)

HOUSE BILL 3282 By: Mulready

AS INTRODUCED

An Act relating to insurance; amending 36 O.S. 2011, Section 4509.2, which relates to group and blanket accident and health insurance; deleting requirement to advise certain applicant of the high risk pool; repealing 36 O.S. 2011, Sections 6531, 6532, 6533, 6534, 6535, 6536, 6537, 6538, 6538.1, 6539, 6540, 6541, 6542, 6543, 6544 and 6545, which relate to the Health Insurance High Risk Pool Act; and providing an effective date.

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

SECTION 1. AMENDATORY 36 O.S. 2011, Section 4509.2, is amended to read as follows:

Section 4509.2 A. When an insured individual or a dependent who was covered by group insurance pursuant to the provisions of the Health Insurance Portability and Accountability Act of 1996, 29 U.S.C.A., Section 1181 et seq., gains employment with an employer who provides for health insurance through a group plan, the succeeding group carrier shall accept the insured individual and dependents of the insured individual who were covered under the

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~~Strike thru~~ language denotes deletion from present Statutes.

prior coverage and shall not apply limitations or exclusions based on preexisting conditions or apply waiting-period requirements for the insured individual or the dependents of the insured individual beyond the time when any surviving exclusion or waiting period with the prior carrier would have been fulfilled. The insured individual and any dependents of such individual must apply for the new coverage within sixty-three (63) days following the date of termination of prior creditable coverage.

B. When an insured individual or dependent who was covered by individual insurance pursuant to the provisions of the Health Insurance Portability and Accountability Act of 1996, 29 U.S.C.A., Section 1181 et seq., gains employment with an employer who provides for health insurance through a group plan, the succeeding group carrier shall accept the insured individual and dependents of the insured individual who were covered under the prior coverage and shall not apply limitations or exclusions based on preexisting conditions or apply waiting-period requirements for the insured individual or the dependents of the insured individual beyond the time when any surviving exclusion or waiting period with the prior carrier would have been fulfilled. The insured individual and any dependents of such individual must apply for the new coverage within sixty-three (63) days following the date of termination of prior creditable coverage.

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C. Insurance carriers receiving an application for individual insurance may underwrite the risk or decline coverage based on the underwriting guidelines of the insurance carrier. ~~Upon denial of coverage, insurance carriers shall advise the applicant of the existence of, and how to apply for coverage under, the Health Insurance High Risk Pool.~~

D. When there is a lapse in the coverage of the insured individual or a dependent of the insured individual provided for by subsections A, B, and C of this section for any reason other than a probationary period or similar waiting period imposed pursuant to personnel policies of an employer, the provisions of subsections A, B, and C of this section shall not apply to the person whose coverage lapsed.

E. When an individual employee who was covered under a group health insurance plan terminates employment with an employer and gains employment with another employer who provides for health insurance through a group plan, the carrier of the succeeding employer shall not apply preexisting conditions limitations or exclusions of preexisting conditions or apply waiting-period requirements for the individual employee or his dependents covered under the group plan of the previous employer beyond the time when any surviving exclusion or waiting period with the prior carrier would have been fulfilled, provided the individual employee applies for the new coverage within thirty-one (31) days following the date

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of eligibility for participation in the plan in accordance with the employment or personnel policies of the employer of such participation.

F. When there is a lapse in the coverage of the individual employee provided for by subsection E of this section for any reason other than a probationary period or similar waiting period imposed by the employment or personnel policies of the employer, the provisions of subsection E of this section shall not apply.

SECTION 2. REPEALER 36 O.S. 2011, Sections 6531, 6532, 6533, 6534, 6535, 6536, 6537, 6538, 6538.1, 6539, 6540, 6541, 6542, 6543, 6544 and 6545, are hereby repealed.

SECTION 3. This act shall become effective November 1, 2014.

COMMITTEE REPORT BY: COMMITTEE ON INSURANCE, dated 02/24/2014 - DO PASS.

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