

1 **SENATE FLOOR VERSION**

2 February 24, 2014

3 COMMITTEE SUBSTITUTE  
4 FOR

5 SENATE BILL NO. 1370

By: Standridge of the Senate

and

Turner of the House

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7  
8  
9 [ state government - certain vision plans - certain  
10 out-of-state companies - effective date ]

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

13 SECTION 1. AMENDATORY 74 O.S. 2011, Section 1374, as  
14 amended by Section 982, Chapter 304, O.S.L. 2012 (74 O.S. Supp.  
15 2013, Section 1374), is amended to read as follows:

16 Section 1374. For the plan year beginning January 1, ~~2005~~ 2015,  
17 and for each year thereafter, it shall be the ~~fiduciary~~  
18 responsibility of the Office of Management and Enterprise Services  
19 ~~to ensure that participants have the option to choose which vision~~  
20 ~~plan best meets their individual needs by offering every vision plan~~  
21 ~~that notifies the Office of its desire to participate~~ to offer a  
22 vision plan or plans to state employee and retiree beneficiaries  
23 during their open enrollment period. Plans eligible for selection

1 must submit appropriate information requested no later than July 1  
2 of each year and meets or exceeds the following criteria:

3 1. Has in place a statewide network of at least ~~one~~ two hundred  
4 ~~fifty~~ providers. "Providers", for purposes of this section, means  
5 Optometrists (OD), Ophthalmologists (MD), and Ophthalmologists (DO)  
6 which shall be counted once regardless of the number of locations  
7 where they may practice. Optical shops and retail optical locations  
8 shall not be listed as providers. The company offering the vision  
9 plan must have a direct relationship with each provider on its  
10 panel, and may not lease, borrow, or otherwise obtain use of a  
11 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 operated in Oklahoma for at least ~~five (5)~~ ten (10)  
18 years and has served at least Five Thousand (5,000) residents for  
19 each of the previous five (5) years;

20 3. Is licensed, registered, certified, or authorized to conduct  
21 business in this state by the Insurance Department, ~~certified by the~~  
22 or the State Department of Health, ~~or licensed as a third-party~~  
23 ~~administrator by the Insurance Department.~~ Vision plans must be  
24 offered by the company administering the plan, not by an agent or

1 third party. A company shall offer only one vision plan and rate  
2 schedule for each plan year;

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

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

10 Any administrative fees imposed by the Oklahoma Employees  
11 Insurance and Benefits Board shall be applied equally to all  
12 qualified vision plans. There shall be no additional requirements  
13 imposed on a vision plan other than the proper licensing or  
14 certification by the appropriate state agency.

15 Any Oklahoma-based vendor who meets the criteria as specified  
16 herein shall be offered for enrollment in any state employee benefit  
17 offering. A "Oklahoma-based vendor" shall be defined as a vision  
18 care benefit company whose home office, customer service, and  
19 administration are located within this state and subject to state  
20 income taxes. The Office of Management and Enterprise Services, or  
21 any subordinate agency or agency that may succeed their functions  
22 during any reorganization, may at their discretion select up to one  
23 out-of-state vision care benefits company as an offered vendor,  
24 provided they also meet the criteria as specified herein. In the

1 event a Oklahoma-based vendor fails to meet or exceed the criteria  
2 as specified herein, the Office of Management and Enterprise  
3 Services may offer any out-of-state vision care benefits company or  
4 companies as an offered vendor, provided they meet the criteria  
5 specified herein.

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

7 COMMITTEE REPORT BY: COMMITTEE ON HEALTH AND HUMAN SERVICES  
8 February 24, 2014 - DO PASS AS AMENDED  
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