

1 ENGROSSED SENATE
2 BILL NO. 1033

By: Stanislawski of the Senate

3 and

4 Denney of the House

5
6 An Act relating to the Oklahoma Employees Insurance
7 and Benefits Plans; amending 74 O.S. 2011, Section
8 1315, as last amended by Section 959, Chapter 304,
9 O.S.L. 2012 (74 O.S. Supp. 2015, Section 1315), which
10 relates to participation by political subdivisions,
11 public trusts, utility districts, nonprofit entities,
and other local service agencies; including nonprofit
entities that represent health care providers to list
of groups that may apply for participation in the
Oklahoma Employees Insurance and Benefits Plans; and
providing an effective date.

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

15 SECTION 1. AMENDATORY 74 O.S. 2011, Section 1315, as
16 amended by Section 959, Chapter 304, O.S.L. 2012 (74 O.S. Supp.
17 2015, Section 1315), is amended to read as follows:

18 Section 1315. A. Upon application in writing and subject to
19 any underwriting criteria that may be established by the Office of
20 Management and Enterprise Services, the Office may extend the
21 benefits of the Oklahoma Employees Insurance and Benefits Plans to
22 employees who are employed in positions requiring actual performance
23 of duty during not less than one thousand (1,000) hours per year and
24 to all full-time employees of:

1 1. Any of the following groups which participate in the
2 Oklahoma Public Employees Retirement System:

- 3 a. county,
- 4 b. city,
- 5 c. town,
- 6 d. public trust for which the state is the primary
7 beneficiary, or
- 8 e. conservation districts; and

9 2. Any of the following groups:

- 10 a. county hospital,
- 11 b. rural water district, including employees and board
12 members,
- 13 c. sewer district,
- 14 d. gas district,
- 15 e. solid waste management district,
- 16 f. nonprofit water corporation employees and board
17 members,
- 18 g. conservancy district or master conservancy district
19 authorized by the provisions of Section 541 of Title
20 82 of the Oklahoma Statutes,
- 21 h. voluntary organization of Oklahoma local government
22 jurisdictions listed in Section 2003 of Title 62 of
23 the Oklahoma Statutes including any council created by
24 the voluntary organizations,

1 i. voluntary association designated to administer the
2 County Government Council as authorized in Section 7
3 of Title 19 of the Oklahoma Statutes,

4 j. statewide nonprofit entities representing employees of
5 the state or employees of local political subdivisions
6 who are eligible for insurance benefits authorized by
7 the provisions of the Oklahoma Employees Insurance and
8 Benefits Act, ~~or~~

9 k. statewide nonprofit entities receiving state funds to
10 provide no cost legal services to low income and
11 senior citizens, or

12 l. statewide nonprofit entities that represent health
13 care providers.

14 B. Applications to participate in the Oklahoma Employees
15 Insurance and Benefits Plans shall be approved by majority action of
16 the governing body of the groups listed in subsection A of this
17 section.

18 C. Groups listed in subsection A of this section participating
19 in the Oklahoma Employees Insurance and Benefits Plans shall pay all
20 costs attributable to their participation. The benefits of said
21 plans for a participant provided coverage pursuant to this section
22 shall be the same and shall include the same plan options as would
23 be made available to a state employee participating in the plan that
24 resided at the same location. The premium for participating groups

1 listed in subsection A of this section shall be the same as paid by
2 state and education employees.

3 D. Participating groups listed in subsection A of this section
4 shall not be required to offer dental insurance as defined in
5 paragraph 11 of Section 1303 of this title, or other insurance as
6 defined in paragraph 12 of Section 1303 of this title. However, if
7 dental insurance or any other insurance is offered, it must be
8 provided to all eligible employees. If an employee retires and
9 begins to receive benefits from the Oklahoma Public Employees
10 Retirement System or terminates service and has a vested benefit
11 with the Oklahoma Public Employees Retirement System, the employee
12 may elect, in the manner provided in Section 1316.2 of this title,
13 to participate in the dental insurance plan offered through the
14 Oklahoma Employees Insurance and Benefits Act within thirty (30)
15 days from the date of termination of employment. The employee shall
16 pay the full cost of the dental insurance.

17 E. 1. Any employee of a group listed in subsection A of this
18 section who retires or who has a vested benefit pursuant to the
19 Oklahoma Public Employees Retirement System may begin the health
20 insurance coverage if the employer of the employee is not a
21 participant of the Oklahoma Employees Insurance and Benefits Act and
22 does not offer health insurance to its employees. Such election by
23 the employee to begin coverage shall be made within thirty (30) days
24 from the date of termination of service.

1 2. Any employee of a group listed in subsection A of this
2 section who retires or who has a vested benefit pursuant to the
3 Oklahoma Public Employees Retirement System may begin or continue
4 the health insurance coverage if the employer of the employee is a
5 participant of the Oklahoma Employees Insurance and Benefits Act and
6 the election to begin or continue coverage is made within thirty
7 (30) days from the date of termination of service.

8 F. Any county, city, town, county hospital, public trust,
9 conservation district, or rural water, sewer, gas or solid waste
10 management district, or nonprofit water corporation, any of which of
11 the aforementioned groups is not a participating employer in the
12 Oklahoma Public Employees Retirement System, but which has employees
13 who are participating in the health, dental or life insurance plans
14 offered by or through the Oklahoma Employees Insurance and Benefits
15 Act on July 1, 1997, may continue to allow its current and future
16 employees to participate in such health, dental or life insurance
17 plans. Participation of such employees may also continue following
18 termination of employment if the employee has completed at least
19 eight (8) years of service with a participating employer and such an
20 election to continue in force is made within thirty (30) days
21 following termination of employment. Any retiree or terminated
22 employee electing coverage pursuant to this section shall pay the
23 full cost of the insurance.

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1 G. An employee of a group listed in paragraph 2 of subsection A
2 of this section may continue in force health, dental and life
3 insurance coverage following termination of employment if the
4 employee has a minimum of eight (8) years of service with a
5 participating employer and the election to continue in force is made
6 within thirty (30) calendar days following termination of
7 employment.

8 H. Notwithstanding other provisions in this section, an
9 employer listed in subsection A of this section may cease to
10 participate in the Oklahoma Employees Insurance and Benefits Act but
11 provide health insurance coverage for its current and former
12 employees through another insurance carrier. The subsequent carrier
13 shall be responsible for providing coverage to the entity's
14 employees who terminated employment with a retirement benefit, with
15 a vested benefit, or who have eight (8) or more years of service
16 with a participating employer but did not have a vested benefit
17 through the Oklahoma Public Employees Retirement System, if the
18 election to retain health insurance coverage was made within thirty
19 (30) days of termination of employment. Coverage shall also be
20 provided to the eligible dependents of the employees if an election
21 to retain coverage is made within thirty (30) days of termination of
22 employment. Employees who terminate employment from an employer
23 covered by this paragraph before December 31, 2001, and elect
24 coverage under the Oklahoma Employees Insurance and Benefits Act,

1 shall not be required to change insurance carriers in the event that
2 the employer changes its insurance carrier to a subsequent carrier.
3 The provisions of this subsection shall become effective January 1,
4 2002.

5 I. Employers pursuant to subsection A of this section who
6 participate in the Oklahoma Public Employees Retirement System and
7 who offer health insurance coverage to their active employees, shall
8 offer health insurance coverage to those employees who retire from
9 the employer and also to those employees who terminate employment
10 and are eligible to elect a vested benefit in the System. Such
11 employers shall begin offering coverage to such employees on or
12 before January 1, 2004. Such employees who wish to continue
13 coverage shall make an election to retain health insurance coverage
14 within thirty (30) days of termination of employment. However,
15 former employees of such employers who have already retired or who
16 have terminated and are eligible to elect a vested benefit under the
17 Oklahoma Public Employees Retirement System, during the period
18 beginning January 1, 2002, and ending December 31, 2003, may make an
19 election to begin participation in the plans offered by the Office
20 on or before December 31, 2003, in the same manner as other
21 participating retired or vested members. The employer, assisted by
22 the Oklahoma Public Employees Retirement System shall notify by
23 October 1, 2003, all members who have either retired from the System
24 or who are eligible to elect a vested benefit in the System between

1 January 1, 2002, through December 31, 2003, and who were employed by
2 an employer listed in subsection A of this section of the member's
3 potential eligibility to participate in such plans. Each employer
4 shall notify the Oklahoma Public Employees Retirement System when an
5 employee is retiring and makes the election pursuant to this
6 subsection to continue coverage under a plan offered by such
7 employer and when an employee terminates employment and is eligible
8 to elect a vested benefit in the System and such employee elects to
9 continue coverage under a plan offered by such employer. Such
10 employer shall also notify the Oklahoma Public Employees Retirement
11 System if a retired employee or an employee who is eligible to elect
12 a vested benefit in the System terminates such continued coverage.

13 J. Any group that begins participation in the Oklahoma
14 Employees Insurance and Benefits Plans after the effective date of
15 this act and that is not composed of state or education employees
16 must have one hundred percent (100%) participation in the health
17 plan offered pursuant to the Oklahoma Employees Insurance and
18 Benefits Act.

19 SECTION 2. This act shall become effective November 1, 2016.
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