STATE OF OKLAHOMA

2nd Session of the 55th Legislature (2016)

SENATE BILL 1033 By: Stanislawski

AS INTRODUCED

An Act relating to the Oklahoma Employees Insurance and Benefits Plans; amending 74 O.S. 2011, Section 1315, as last amended by Section 959, Chapter 304, O.S.L. 2012 (74 O.S. Supp. 2015, Section 1315), which relates to participation by political subdivisions, public trusts, utility districts, nonprofit entities, and other local service agencies; including statewide 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.

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

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

Section 1315. A. Upon application in writing and subject to any underwriting criteria that may be established by the Office of Management and Enterprise Services, the Office may extend the benefits of the Oklahoma Employees Insurance and Benefits Plans to employees who are employed in positions requiring actual performance

of duty during not less than one thousand (1,000) hours per year and to all full-time employees of:

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

a. county,

b. city,

c. town,

d. public trust for which the state is the primary beneficiary, or

e. conservation districts; and

2. Any of the following groups:

a. county hospital,

b. rural water district, including employees and board members,

c. sewer district,

d. gas district,

e. solid waste management district,

f. nonprofit water corporation employees and board members,

g. conservancy district or master conservancy district authorized by the provisions of Section 541 of Title 82 of the Oklahoma Statutes,

h. voluntary organization of Oklahoma local government jurisdictions listed in Section 2003 of Title 62 of

the Oklahoma Statutes including any council created by the voluntary organizations,

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

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

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

l. statewide nonprofit entities that represent health care providers.

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

C. Groups listed in subsection A of this section participating in the Oklahoma Employees Insurance and Benefits Plans shall pay all costs attributable to their participation. The benefits of said plans for a participant provided coverage pursuant to this section shall be the same and shall include the same plan options as would

be made available to a state employee participating in the plan that resided at the same location. The premium for participating groups listed in subsection A of this section shall be the same as paid by state and education employees.

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

E. 1. Any employee of a group listed in subsection A of this section who retires or who has a vested benefit pursuant to the Oklahoma Public Employees Retirement System may begin the health insurance coverage if the employer of the employee is not a participant of the Oklahoma Employees Insurance and Benefits Act and does not offer health insurance to its employees. Such election by

the employee to begin coverage shall be made within thirty (30) days from the date of termination of service.

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

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

employee electing coverage pursuant to this section shall pay the full cost of the insurance.

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

H. Notwithstanding other provisions in this section, an employer listed in subsection A of this section may cease to participate in the Oklahoma Employees Insurance and Benefits Act but provide health insurance coverage for its current and former employees through another insurance carrier. The subsequent carrier shall be responsible for providing coverage to the entity's employees who terminated employment with a retirement benefit, with a vested benefit, or who have eight (8) or more years of service with a participating employer but did not have a vested benefit through the Oklahoma Public Employees Retirement System, if the election to retain health insurance coverage was made within thirty (30) days of termination of employment. Coverage shall also be provided to the eligible dependents of the employees if an election to retain coverage is made within thirty (30) days of termination of employment. Employees who terminate employment from an employer

covered by this paragraph before December 31, 2001, and elect coverage under the Oklahoma Employees Insurance and Benefits Act, shall not be required to change insurance carriers in the event that the employer changes its insurance carrier to a subsequent carrier. The provisions of this subsection shall become effective January 1, 2002.

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

October 1, 2003, all members who have either retired from the System or who are eligible to elect a vested benefit in the System between January 1, 2002, through December 31, 2003, and who were employed by an employer listed in subsection A of this section of the member's potential eligibility to participate in such plans. Each employer shall notify the Oklahoma Public Employees Retirement System when an employee is retiring and makes the election pursuant to this subsection to continue coverage under a plan offered by such employer and when an employee terminates employment and is eligible to elect a vested benefit in the System and such employee elects to continue coverage under a plan offered by such employer. Such employer shall also notify the Oklahoma Public Employees Retirement System if a retired employee or an employee who is eligible to elect a vested benefit in the System terminates such continued coverage.

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

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

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