

FLOOR AMENDMENT

HOUSE OF REPRESENTATIVES
State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB3053 Of the printed Bill
Page 62 Section 25 Lines 18 1/2
Of the Engrossed Bill

By inserting the following language and renumbering subsequent sections:

AMEND TITLE TO CONFORM TO AMENDMENTS

Adopted: _____

Amendment submitted by: Kris Steele

Reading Clerk

1 "SECTION 1. AMENDATORY 74 O.S. 2011, Section 1370, is
2 amended to read as follows:

3 Section 1370. A. Subject to the requirement that a participant
4 must elect the default benefits, the basic plan, or is a person who
5 has retired from a branch of the United States military and has been
6 provided with health care through a federal plan, to the extent that
7 it is consistent with federal law, or is an active employee who is
8 eligible to participate and who is a participant who has opted out
9 of the state's basic plan according to the provisions of Section 2
10 1308.3 of this ~~act~~ title, and provides proof of this coverage,
11 flexible benefit dollars may be used to purchase any of the benefits
12 offered by the Oklahoma State Employees Benefits Council under the
13 flexible benefits plan. A participant who has opted out of the
14 state's basic plan and provided proof of other coverage as described
15 in this subsection shall receive One Hundred Fifty Dollars (\$150.00)
16 in lieu of the flexible benefit monthly. A participant's flexible
17 benefit dollars for a plan year shall consist of the sum of ~~(1)~~
18 flexible:

19 1. Flexible benefit allowance credited to a participant by the
20 participating employer; and ~~(2) pay~~

21 2. Pay conversion dollars elected by a participant.

22 B. Each participant shall be credited annually with a specified
23 amount as a flexible benefit allowance which shall be available for
24 the purchase of benefits. The amount of the flexible benefit

1 allowance credited to each participant shall be communicated to him
2 or her prior to the enrollment period for each plan year.

3 C. Except as provided in subsection D of this section, for the
4 plan year ~~ending December 31, 2012, and each beginning January 1,~~
5 2013, the benefit allowance shall not be increased or decreased for
6 one (1) consecutive plan year thereafter. Each plan year
7 thereafter, the amount of a participant's the employee's and
8 eligible dependent's benefit allowance, which shall be the total
9 amount the employer contributes for the payment of insurance
10 premiums or other benefits, shall be:

11 1. The greater of Two Hundred Sixty-two Dollars and nineteen
12 cents (\$262.19) per month or an amount equal to the sum of the
13 average monthly premiums of all high option health insurance plans,
14 excluding the point-of-service plans, the average monthly premiums
15 of the dental plans, the monthly premium of the disability plan, and
16 the monthly premium of the basic life insurance plan offered to
17 state employees or the amount determined by the Council based on a
18 formula for determining a participant's benefit credits consistent
19 with the requirements of 26 U.S.C., Section 125(g)(2) and
20 regulations thereunder; or

21 2. The greater of Two Hundred Twenty-four Dollars and sixty-
22 nine cents (\$224.69) per month or an amount equal to the sum of the
23 average monthly premiums of all high option health insurance plans,
24 excluding the point-of-service plans, the average monthly premiums

1 of the dental plans, the monthly premium of the disability plan, and
2 the monthly premium of the basic life insurance plan offered to
3 state employees plus one of the additional amounts as follows for
4 participants who elect to include one or more dependents:

- 5 a. for a spouse, seventy-five percent (75%) of the
6 average price of all high option benefit plans,
7 excluding the point-of-service plans, available for
8 coverage of a spouse,
- 9 b. for one child, seventy-five percent (75%) of the
10 average price of all high option benefit plans
11 available, excluding the point-of-service plans, for
12 coverage of one child,
- 13 c. for two or more children, seventy-five percent (75%)
14 of the average price of all high option benefit plans
15 available, excluding the point-of-service plans, for
16 coverage of two or more children,
- 17 d. for a spouse and one child, seventy-five percent (75%)
18 of the average price of all high option benefit plans
19 available, excluding the point-of-service plans, for
20 coverage of a spouse and one child, or
- 21 e. for a spouse and two or more children, seventy-five
22 percent (75%) of the average price of all high option
23 benefit plans available, excluding the point-of-

service plans, for coverage of a spouse and two or more children.

D. To the extent that it is consistent with federal laws and regulations, and in particular the regulations set forth by the Secretary of Defense in 32 C.F.R. Section 199.8(d)(6), a benefit may be provided to an employee who is an eligible TRICARE beneficiary whereby he or she may purchase a group TRICARE Supplemental product under a qualifying cafeteria plan consistent with the requirements of 26 U.S.C., Section 125, provided that ~~(i) the:~~

1. The State, as employer may not provide any payment for nor receive any consideration or compensation for offering the benefit,
(ii) the;

2. The employer's only involvement is in providing the administrative support for the benefit under the cafeteria plan; and
(iii) the

3. The employee's participation in the plan is completely voluntary.

The benefit allowance under paragraph 2 of subsection C of this section of an employee whose plan participation includes a group TRICARE Supplemental benefit shall not include any allowance or portion thereof for such TRICARE Supplemental benefit.

E. This section shall not prohibit payments for supplemental health insurance coverage made pursuant to Section 1314.4 of this title or payments for the cost of providing health insurance

1 coverage for dependents of employees of the Grand River Dam
2 Authority.

3 F. If a participant desires to buy benefits whose sum total of
4 benefit prices is in excess of his or her flexible benefit
5 allowance, the participant may elect to use pay conversion dollars
6 to purchase such excess benefits. Pay conversion dollars may be
7 elected through a salary reduction agreement made pursuant to the
8 election procedures of Section 1371 of this title. The elected
9 amount shall be deducted from the participant's compensation in
10 equal amounts each pay period over the plan year. On termination of
11 employment during a plan year, a participant shall have no
12 obligation to pay the participating employer any pay conversion
13 dollars allocated to the portion of the plan year after the
14 participant's termination of employment.

15 G. If a participant elects benefits whose sum total of benefit
16 prices is less than his or her flexible benefit allowance, he or she
17 shall receive any excess flexible benefit allowance as taxable
18 compensation. Such taxable compensation will be paid in
19 substantially equal amounts each pay period over the plan year. On
20 termination during a plan year, a participant shall have no right to
21 receive any such taxable cash compensation allocated to the portion
22 of the plan year after the participant's termination. Nothing
23 herein shall affect a participant's obligation to elect the minimum
24 benefits or to accept the default benefits of the plan with

1 corresponding reduction in the sum of his or her flexible benefit
2 allowance equal to the sum total benefit price of such minimum
3 benefits or default benefits."

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