

## FLOOR AMENDMENT

HOUSE OF REPRESENTATIVES

State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB3053

			Of the printed Bill
Page	<u>62</u>	Section	<u>25</u>
		Lines	<u>18 1/2</u>
			Of the Engrossed Bill

By inserting the following language and renumbering subsequent sections:

**AMEND TITLE TO CONFORM TO AMENDMENTS**

Amendment submitted by: Kris Steele

Adopted: \_\_\_\_\_

\_\_\_\_\_  
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-

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

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

10 1. The State, as employer may not provide any payment for nor  
11 receive any consideration or compensation for offering the benefit, ~~7~~  
12 ~~(ii) the~~ ;

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

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

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

22 E. This section shall not prohibit payments for supplemental  
23 health insurance coverage made pursuant to Section 1314.4 of this  
24 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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