

FLOOR AMENDMENT

HOUSE OF REPRESENTATIVES

State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB3244

| | | | |
|------|----------|---------|-----------------------|
| | | | Of the printed Bill |
| Page | <u>1</u> | Section | <u>1</u> |
| | | Lines | <u>15-18</u> |
| | | | Of the Engrossed Bill |

By deleting Section 1 in its entirety and inserting in lieu thereof new Sections 1, 2 and 3 to read as follows and renumbering the subsequent Section:

AMEND TITLE TO CONFORM TO AMENDMENTS

Amendment submitted by: Glen Mulready

Adopted: _____

Reading Clerk

1 SECTION 1. AMENDATORY Section 5, Chapter 383, O.S.L.
2 2017 (36 O.S. Supp. 2017, Section 6530.5), is amended to read as
3 follows:

4 Section 6530.5 A. The Board of Directors of the Oklahoma
5 Individual Health Insurance Market Stabilization Program shall:

6 1. Develop, implement and administer the Program.
7 Implementation of the Program shall be contingent upon Oklahoma's
8 approval for and receipt of federal funds to implement and sustain
9 the Program;

10 2. ~~Levy and collect all assessments from all health insurers~~
11 ~~and reinsurers~~ Apply for and utilize federal funding for the
12 reinsurance program as provided in subsection C of this section;

13 3. Make payments to provide for the market stabilization
14 activities authorized by this act and for administrative expenses
15 incurred or estimated to be incurred during the period for which
16 assessment is made;

17 4. Establish administrative and accounting processes and
18 procedures for the operation of the Program and create operating
19 rules to effectuate the provisions of this act including but not
20 limited to:

- 21 a. determine eligibility of individuals to receive
22 coverage under the Program,
23 b. establish standards for qualification based upon
24 health status, health conditions, prior or current

- 1 insurance coverage status, health costs as a result of
2 utilization of consuming health care,
- 3 c. ~~determine amount of the assessment and~~ the amount or
4 percentage of the premiums paid to health insurance
5 plans for health insurance coverage by eligible
6 individuals, that shall be collected and deposited to
7 the credit of, and available for use by, the Program,
- 8 d. establish the dollar amount of claims for eligible
9 individuals after which the Program will provide
10 payments to health insurance plans and the proportion
11 of such claims above such dollar amount that the
12 Program will pay,
- 13 e. establish the rate at which the Program will reimburse
14 a health insurance plan for claims incurred for an
15 enrolled individual's claims, above the attachment
16 point and below the reinsurance cap,
- 17 f. determine the threshold amount for claims costs
18 incurred by a health insurance plan for an enrolled
19 individual's claims, after which the claims costs for
20 benefits are no longer eligible for reinsurance
21 payments, and
- 22 g. determine the diagnosed health condition of an
23 eligible individual for which the Program will provide
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1 payments to health insurance plans for claims incurred
2 after such diagnosis is made; and

3 5. Apply for, accept and receive federal funding for the
4 operation of the Program, including the following:

5 a. approval of a waiver provided by Section 1332 of the
6 Patient Protection and Affordable Care Act, "1332
7 State Innovation Waiver", authorizing federal funding
8 to support market stabilization program payments,

9 b. Oklahoma's participation in any federal grant program
10 or programs, or

11 c. any combination of the above approaches.

12 B. In the event Oklahoma is unable to secure federal approval
13 of a 1332 State Innovation Waiver or secure funding from federal
14 grant programs within two (2) years from the effective date of this
15 act, the Oklahoma Individual Health Insurance Market Stabilization
16 Program shall sunset, and any remaining monies shall be returned to
17 insurers on a pro rata basis based on the amount each insurer has
18 paid in assessments since the creation of the Program.

19 C. To the extent that federal funds become available under
20 federal law, regulation or executive action, the Board may:

21 1. Apply for such funds; and

22 2. Use such funds to establish and administer a reinsurance
23 program for the purposes of the Oklahoma Individual Health Insurance
24 Market Stabilization Act.

1 D. The Board shall not have the authority to assess insurers,
2 employers or any other entity to fund the Program. The Board may
3 accept funding from other sources for the purposes of the Oklahoma
4 Individual Health Insurance Market Stabilization Act.

5 SECTION 2. AMENDATORY Section 6, Chapter 383, O.S.L.
6 2017 (36 O.S. Supp. 2017, Section 6530.6), is amended to read as
7 follows:

8 Section 6530.6 The Board may:

9 1. Exercise powers granted to insurers under the laws of this
10 state;

11 2. Sue or be sued;

12 3. ~~In addition to imposing assessments under Sections 5 and 7~~
13 ~~of this act, levy interim assessments against insurers and~~
14 ~~reinsurers to ensure the financial ability of the Program to cover~~
15 ~~the market stabilization activities authorized by this act and any~~
16 ~~administrative expenses incurred or estimated to be incurred in the~~
17 ~~operation of the Program prior to the end of a calendar year. Any~~
18 ~~interim assessment shall be due and payable within thirty (30) days~~
19 ~~of the receipt of the assessment notice by the insurer. Interim~~
20 ~~assessments shall be credited against the insurer's and reinsurer's~~
21 ~~annual assessment; and~~

22 4. Request the Insurance Commissioner to check the reports,
23 records, books and papers of the Insurance Department to determine
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1 the financial condition of an insurer ~~for purposes of Section 8 of~~
2 ~~this act.~~

3 SECTION 3. REPEALER Sections 7, Chapter 383, O.S.L. 2017
4 and 8, Chapter 383, O.S.L. 2017 (36 O.S. Supp. 2017, Sections 6530.7
5 and 6530.8), are hereby repealed.

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