

STATE OF OKLAHOMA

2nd Session of the 59th Legislature (2024)

SENATE BILL 1752

By: Garvin

AS INTRODUCED

An Act relating to the state Medicaid program; amending Section 1, Chapter 309, O.S.L. 2022 (36 O.S. Supp. 2023, Section 6012), which relates to health care plan recognition; modifying certain authority of the Insurance Department; requiring the Department to recognize certain health care plans for specified purpose; modifying conditions for recognition; amending 56 O.S. 2021, Section 1010.1, as amended by Section 2, Chapter 309, O.S.L. 2022 (56 O.S. Supp. 2023, Section 1010.1), which relates to premium assistance program; modifying certain deadline and requirements for participation by certain health care plans; updating statutory reference; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY Section 1, Chapter 309, O.S.L. 2022 (36 O.S. Supp. 2023, Section 6012), is amended to read as follows:

Section 6012. ~~A health care plan recognized by the~~ The Insurance Department that participates shall recognize self-funded or self-insured health care plans for the exclusive purpose of participation in the premium assistance program created under Section 1010.1 of Title 56 of the Oklahoma Statutes ~~as of the~~

1 ~~effective date of this act that at a later date becomes a self-~~
2 ~~funded or self-insured health care plan may continue to be~~
3 ~~recognized by the Insurance Department as a health care plan if such~~
4 ~~plan meets~~ if such plans meet the requirements under subsection J of
5 Section 1010.1 of Title 56 of the Oklahoma Statutes. ~~The~~ A self-
6 funded or self-insured health care plan recognized by the Department
7 under this section shall only be considered a health care plan for
8 the exclusive purposes of the premium assistance program created
9 under Section 1010.1 of Title 56 of the Oklahoma Statutes.

10 SECTION 2. AMENDATORY 56 O.S. 2021, Section 1010.1, as
11 amended by Section 2, Chapter 309, O.S.L. 2022 (56 O.S. Supp. 2023,
12 Section 1010.1), is amended to read as follows:

13 Section 1010.1. A. Section 1010.1 et seq. of this title shall
14 be known and may be cited as the "Oklahoma Medicaid Program Reform
15 Act of 2003".

16 B. Recognizing that many Oklahomans do not have health care
17 benefits or health care coverage, that many small businesses cannot
18 afford to provide health care benefits to their employees, and that,
19 under federal law, barriers exist to providing Medicaid benefits to
20 the uninsured, the Legislature hereby establishes provisions to
21 lower the number of uninsured, assist businesses in their ability to
22 afford health care benefits and coverage for their employees, and
23 eliminate barriers to providing health coverage to eligible
24 enrollees under federal law.

1 C. Unless otherwise provided by law, the Oklahoma Health Care
2 Authority shall provide coverage under the state Medicaid program to
3 children under the age of eighteen (18) years whose family incomes
4 do not exceed one hundred eighty-five percent (185%) of the federal
5 poverty level.

6 D. 1. The Authority is directed to apply for a waiver or
7 waivers to the Centers for Medicare and Medicaid Services (CMS) that
8 will accomplish the purposes outlined in subsection B of this
9 section. The Authority is further directed to negotiate with CMS to
10 include in the waiver authority provisions to:

- 11 a. increase access to health care for Oklahomans,
- 12 b. reform the Oklahoma Medicaid Program to promote
13 personal responsibility for health care services and
14 appropriate utilization of health care benefits
15 through the use of public-private cost sharing,
- 16 c. enable small employers, and/or employed, uninsured
17 adults with or without children to purchase employer-
18 sponsored, state-approved private, or state-sponsored
19 health care coverage through a state premium
20 assistance payment plan. If by January 1, 2012, the
21 Employer/Employee Partnership for Insurance Coverage
22 Premium Assistance Program is not consuming more than
23 seventy-five percent (75%) of its dedicated source of
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1 funding, then the program will be expanded to include
2 parents of children eligible for Medicaid, and
3 d. develop flexible health care benefit packages based
4 upon patient need and cost.

5 2. The Authority may phase in any waiver or waivers it receives
6 based upon available funding.

7 3. The Authority is authorized to develop and implement a
8 premium assistance plan to assist small businesses and/or their
9 eligible employees to purchase employer-sponsored insurance or "buy-
10 in" to a state-sponsored benefit plan.

11 4. a. The Authority is authorized to seek from the Centers
12 for Medicare and Medicaid Services any waivers or
13 amendments to existing waivers necessary to accomplish
14 an expansion of the premium assistance program to:
15 (1) include for-profit employers with two hundred
16 fifty employees or less up to any level supported
17 by existing funding resources, and
18 (2) include not-for-profit employers with five
19 hundred employees or less up to any level
20 supported by existing funding resources.

21 b. Foster parents employed by employers with greater than
22 two hundred fifty employees shall be exempt from the
23 qualifying employer requirement provided for in this
24 paragraph and shall be eligible to qualify for the
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1 premium assistance program provided for in this
2 section if supported by existing funding.

3 E. For purposes of this paragraph, "for-profit employer" shall
4 mean an entity which is not exempt from taxation pursuant to the
5 provisions of Section 501(c)(3) of the Internal Revenue Code and
6 "not-for-profit employer" shall mean an entity which is exempt from
7 taxation pursuant to the provisions of Section 501(c)(3) of the
8 Internal Revenue Code.

9 F. The Authority is authorized to seek from the Centers for
10 Medicare and Medicaid Services any waivers or amendments to existing
11 waivers necessary to accomplish an extension of the premium
12 assistance program to include qualified employees whose family
13 income does not exceed two hundred fifty percent (250%) of the
14 federal poverty level, subject to the limit of federal financial
15 participation.

16 G. The Authority is authorized to create as part of the premium
17 assistance program an option to purchase a high-deductible health
18 insurance plan that is compatible with a health savings account.

19 H. 1. There is hereby created in the State Treasury a
20 revolving fund to be designated the "Health Employee and Economy
21 Improvement Act (HEEIA) Revolving Fund".

22 2. The fund shall be a continuing fund, not subject to fiscal
23 year limitations, and shall consist of:

- a. all monies received by the Authority pursuant to this section and otherwise specified or authorized by law,
- b. monies received by the Authority due to federal financial participation pursuant to Title XIX of the Social Security Act, and
- c. interest attributable to investment of money in the fund.

3. All monies accruing to the credit of the fund are hereby appropriated and shall be budgeted and expended by the Authority to implement a premium assistance plan and to fund the state share for the Oklahoma Medicaid program on or after July 1, 2020, unless otherwise provided by law.

I. 1. The Authority shall establish a procedure for verifying an applicant's individual income by utilizing available Oklahoma Tax Commission records, new hire report data collected by the Oklahoma Employment Security Commission, and child support payment data collected by the Department of Human Services in accordance with federal and state law.

2. The Oklahoma Tax Commission, Oklahoma Employment Security Commission, and Department of Human Services shall cooperate in accordance with federal and state law with the Authority to establish procedures for the secure electronic transmission of an applicant's individual income data to the Authority.

1 3. The Department of Public Safety shall cooperate in
2 accordance with federal and state law with the Authority to
3 establish procedures for the secure electronic transmission of an
4 applicant's individual identification data to the Authority.

5 J. ~~A health care plan~~ An employer participating in the premium
6 assistance program created under this section as of ~~the effective~~
7 ~~date of this act that at a later date becomes~~ November 1, 2024, may
8 utilize a self-funded or self-insured health care plan ~~may continue~~
9 ~~to participate in the premium assistance program~~ as a participating
10 health care plan if:

11 1. ~~The health care plan has continuously participated in the~~
12 ~~premium assistance program without interruption up to the date it~~
13 ~~becomes a self-funded or self-insured health care plan;~~

14 2. The self-funded or self-insured health care plan ~~continues~~
15 ~~to be recognized as a health care plan~~ is recognized by the
16 Insurance Department under ~~Section 1 of this act~~ Section 6012 of
17 Title 36 of the Oklahoma Statutes;

18 ~~3.~~ 2. The self-funded or self-insured health care plan
19 ~~continues to cover~~ covers all essential health benefits as required
20 by the ~~Centers for Medicare and Medicaid Services~~ Authority and all
21 other health benefits required under applicable federal laws;

22 3. The self-funded or self-insured health care plan otherwise
23 complies with all applicable federal laws including but not limited
24 to the Employee Retirement Income Security Act of 1974 (ERISA); and

1 4. The Authority receives the necessary federal approval for
2 self-funded or self-insured health care plans to participate in the
3 premium assistance program.

4 SECTION 3. This act shall become effective July 1, 2024.

5 SECTION 4. It being immediately necessary for the preservation
6 of the public peace, health or safety, an emergency is hereby
7 declared to exist, by reason whereof this act shall take effect and
8 be in full force from and after its passage and approval.

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