

STATE OF OKLAHOMA

2nd Session of the 59th Legislature (2024)

SENATE BILL 1310

By: McCortney

AS INTRODUCED

An Act relating to state employee benefits; amending 74 O.S. 2021, Sections 1304.1, 1305.1, 1306.1, 1306.2, 1306.5, 1306.6, 1307.1, 1308.1, 1309, 1310.1, 1310.2, 1312, 1314.3, 1314.5, 1315, 1315.1, 1316.1, 1316.2, 1316.3, 1317, 1318, 1321, 1323, 1371, and 1374, which relate to the Oklahoma Employees Insurance and Benefits Act; transferring certain powers and duties to the Oklahoma Employees Insurance and Benefits Board; directing implementation; providing for certain state-offered plans to be maintained within Office of Management and Enterprise Services; modifying requirements of Board membership; conforming language; modifying plan selection requirements by Board; updating statutory language; updating statutory references; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 74 O.S. 2021, Section 1304.1, is amended to read as follows:

Section 1304.1. A. The State and Education Employees Group Insurance Board and the Oklahoma State Employees Benefits Council are hereby abolished. Wherever the State and Education Employees Group Insurance Board and the Oklahoma State Employees Benefits

1 Council are referenced in law, that reference shall be construed to  
2 mean the Oklahoma Employees Insurance and Benefits Board.

3 B. 1. There is hereby created the Oklahoma Employees Insurance  
4 and Benefits Board. The Board shall have authority to administer  
5 and negotiate benefits plans pursuant to the Oklahoma Employees  
6 Insurance and Benefits Act. On and after the effective date of this  
7 act, all powers and duties existing within the Office of Management  
8 and Enterprise Services for the purposes described herein shall be  
9 transferred to the Board.

10 2. The provisions of this act shall apply to the plan year  
11 beginning January 1, 2025.

12 3. The Office shall provide staff and administrative support as  
13 needed to the Board. Any reference herein to staff members of the  
14 Board shall be construed as staff of the Office provided to the  
15 Board.

16 4. The Office shall continue to offer and maintain the state-  
17 administered health insurance plan, life insurance plan, and dental  
18 benefits plan and shall be subject to the requirements of this act.

19 C. The chair and ~~vice-chair~~ vice chair shall be elected by the  
20 Board members at the first meeting of the Board and shall preside  
21 over meetings of the Board and perform other duties as may be  
22 required by the Board. Upon the resignation or expiration of the  
23 term of the chair or ~~vice-chair~~ vice chair, the members shall elect  
24

1 a chair or ~~vice-chair~~ vice chair. The Board shall elect one of its  
2 members to serve as secretary.

3 D. The Board shall consist of seven (7) members to be appointed  
4 as follows:

5 1. The ~~State~~ Insurance Commissioner, or designee;

6 2. Four members shall be appointed by the Governor, one of whom  
7 shall be presently insured by a plan administered by the Board;

8 3. One member shall be appointed by the Speaker of the ~~Oklahoma~~  
9 House of Representatives; and

10 4. One member shall be appointed by the President Pro Tempore  
11 of the ~~State~~ Senate.

12 E. ~~The appointed members shall~~ All appointed members of the  
13 Board, except for the appointee who is presently insured as  
14 referenced in paragraph 2 of subsection D, shall:

15 1. Have demonstrated professional experience in investment or  
16 funds management, public funds management, public or private group  
17 health or pension fund management, or group health insurance  
18 management;

19 2. Be licensed to practice law in this state and have  
20 demonstrated professional experience in commercial matters; or

21 3. Be licensed by the Oklahoma Accountancy Board to practice in  
22 this state as a public accountant or a certified public accountant.

23 In making appointments that conform to the requirements of this  
24 subsection, at least one but not more than three members shall be

1 appointed each from paragraphs 2 and 3 of this subsection by the  
2 combined appointing authorities.

3 F. Each member of the Board shall serve a term of four (4)  
4 years from the date of appointment.

5 G. Members of the Board shall be subject to the following:

6 1. The appointed members shall each receive compensation of  
7 Five Hundred Dollars (\$500.00) per month. Appointed members who  
8 fail to attend a regularly scheduled meeting of the Board shall not  
9 receive the related compensation;

10 2. The appointed members shall be reimbursed for their  
11 expenses, according to the State Travel Reimbursement Act, as are  
12 incurred in the performance of their duties, which shall be paid  
13 from the Health and Dental Insurance Reserve Fund;

14 3. In the event an appointed member does not attend at least  
15 seventy-five percent (75%) of the regularly scheduled meetings of  
16 the Board during a calendar year, the appointing authority may  
17 remove the member;

18 4. A member may also be removed for any other cause as provided  
19 by law;

20 5. No Board member shall be individually or personally liable  
21 for any action of the Board; and

22 6. Participation on the Board is contingent upon maintaining  
23 all necessary annual training as may be required through the Health  
24 Insurance Portability and Accountability Act of 1996, Medicare

1 contracting requirements or other statutory or regulatory  
2 guidelines.

3 H. The Board shall meet as often as necessary to conduct  
4 business but shall meet no less than four times a year, with an  
5 organizational meeting to be held prior to December 1, 2012. The  
6 organizational meeting shall be called by the Insurance  
7 Commissioner. A majority of the members of the Board shall  
8 constitute a quorum for the transaction of business, and any  
9 official action of the Board must have a favorable vote by a  
10 majority of the members of the Board present.

11 I. Except as otherwise provided in this subsection, no member  
12 of the Board shall be a lobbyist registered in this state as  
13 provided by law, or be employed directly or indirectly by any firm  
14 or health care provider under contract to ~~the State and Education~~  
15 ~~Employees Group Insurance Board, the Oklahoma State Employees~~  
16 ~~Benefits Council, or~~ the Oklahoma Employees Insurance and Benefits  
17 Board, or any benefit program under its jurisdiction, for any goods  
18 or services whatsoever. Any physician member of the Board shall not  
19 be subject to the provisions of this subsection.

20 J. Any vacancy occurring on the Board shall be filled for the  
21 unexpired term of office in the same manner as provided for in  
22 subsection D of this section.  
23  
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25

1 K. The Board shall act in accordance with the provisions of the  
2 Oklahoma Open Meeting Act, the Oklahoma Open Records Act and the  
3 Administrative Procedures Act.

4 L. The Administrative Director of the Courts shall designate  
5 grievance panel members as shall be necessary. The members of the  
6 grievance panel shall consist of two attorneys licensed to practice  
7 law in this state and one ~~state-licensed~~ state-licensed health care  
8 professional or health care administrator who has at least three (3)  
9 ~~years~~ years' practical experience, has had or has admitting  
10 privileges to a hospital in this state, has a working knowledge of  
11 prescription medication, or has worked in an administrative capacity  
12 at some point in their career. The state health care professional  
13 shall be appointed by the Governor. At the Governor's discretion,  
14 one or more qualified individuals may also be appointed as an  
15 alternate to serve on the grievance panel in the event the  
16 Governor's primary appointee becomes unable to serve.

17 M. The ~~Office of Management and Enterprise Services~~ Board shall  
18 have the following duties, responsibilities and authority with  
19 respect to the administration of the flexible benefits plan  
20 authorized pursuant to the State Employees Flexible Benefits Act:

21 1. To construe and interpret the plan, and decide all questions  
22 of eligibility in accordance with the Oklahoma State Employees  
23 Benefits Act and 26 U.S.C.A., Section 1 et seq.;

1        2. To select those benefits which shall be made available to  
2 participants under the plan, according to the Oklahoma State  
3 Employees Benefits Act, and other applicable laws and rules;

4        3. To prescribe procedures to be followed by participants in  
5 making elections and filing claims under the plan;

6        4. Beginning with the plan year which begins on January 1,  
7 2013, to select and contract with one or more providers to offer a  
8 group TRICARE Supplement product to eligible employees who are  
9 eligible TRICARE beneficiaries. Any membership dues required to  
10 participate in a group TRICARE Supplement product offered pursuant  
11 to this paragraph shall be paid by the employee. As used in this  
12 paragraph, "TRICARE" means the Department of Defense health care  
13 program for active duty and retired service members and their  
14 families;

15        5. To prepare and distribute information communicating and  
16 explaining the plan to participating employers and participants.  
17 ~~Health Maintenance Organizations~~ maintenance organizations (HMOs) or  
18 other third-party insurance vendors may be directly or indirectly  
19 involved in the distribution of communicated information to  
20 participating state agency employers and state employee participants  
21 subject to the following condition: the Board shall verify all  
22 marketing and communications information for factual accuracy prior  
23 to distribution;

1       6. To receive from participating employers and participants  
2 such information as shall be necessary for the proper administration  
3 of the plan, and any of the benefits offered thereunder;

4       7. To furnish the participating employers and participants such  
5 annual reports with respect to the administration of the plan as are  
6 reasonable and appropriate;

7       8. To keep reports of benefit elections, claims and  
8 disbursements for claims under the plan;

9       9. To negotiate for best and final offer through competitive  
10 negotiation with the assistance and through the purchasing  
11 procedures adopted by the Office of Management and Enterprise  
12 Services and contract with federally qualified health maintenance  
13 organizations under the provisions of 42 U.S.C., Section 300e et  
14 seq., or with ~~Health Maintenance Organizations~~ health maintenance  
15 organizations granted a certificate of authority by the Insurance  
16 Commissioner pursuant to the Health Maintenance ~~Reform~~ Organization  
17 Act of 2003 for consideration by participants as an alternative to  
18 the health plans offered by the Oklahoma Employees Insurance and  
19 Benefits Board, and to transfer to the health maintenance  
20 organizations such funds as may be approved for a participant  
21 electing health maintenance organization alternative services. The  
22 Board may also select and contract with a vendor to offer a point-  
23 of-service plan. An HMO may offer coverage through a point-of-  
24 service plan, subject to the guidelines established by the Board.



1 However, if the Board chooses to offer a point-of-service plan, then  
2 a vendor that offers both an HMO plan and a point-of-service plan  
3 may choose to offer only its point-of-service plan in lieu of  
4 offering its HMO plan. The Board may, however, renegotiate rates  
5 with successful bidders after contracts have been awarded if there  
6 is an extraordinary circumstance. An extraordinary circumstance  
7 shall be limited to insolvency of a participating health maintenance  
8 organization or point-of-service plan, dissolution of a  
9 participating health maintenance organization or point-of-service  
10 plan or withdrawal of another participating health maintenance  
11 organization or point-of-service plan at any time during the  
12 calendar year. Nothing in this section of law shall be construed to  
13 permit either party to unilaterally alter the terms of the contract;

14 10. To retain as confidential information the initial ~~Request~~  
15 ~~For Proposal~~ request for proposal offers as well as any subsequent  
16 bid offers made by the health plans prior to final contract awards  
17 as a part of the best and final offer negotiations process for the  
18 benefit plan;

19 11. To promulgate administrative rules for the competitive  
20 negotiation process;

21 12. To require vendors offering coverage to provide such  
22 enrollment and claims data as is determined by the Board. The Board  
23 shall be authorized to retain as confidential any proprietary  
24 information submitted in response to the Board's ~~Request For~~

1 ~~Proposal~~ request for proposal. Provided, however, that any such  
2 information requested by the Board from the vendors shall only be  
3 subject to the confidentiality provision of this paragraph if it is  
4 clearly designated in the ~~Request For Proposal~~ request for proposal  
5 as being protected under this provision. All requested information  
6 lacking such a designation in the ~~Request For Proposal~~ request for  
7 proposal shall be subject to Section 24A.1 et seq. of Title 51 of  
8 the Oklahoma Statutes. From health maintenance organizations, data  
9 provided shall include the current Health Plan Employer Data and  
10 Information Set (HEDIS);

11 13. To authorize the purchase of any insurance deemed necessary  
12 for providing benefits under the plan including indemnity dental  
13 plans, provided that the only indemnity health plan selected by the  
14 Board shall be the indemnity plan offered by the Board, and to  
15 transfer to the Board such funds as may be approved for a  
16 participant electing a benefit plan offered by the Board. All  
17 indemnity dental plans shall meet or exceed the following  
18 requirements:

- 19 a. they shall have a statewide provider network,  
20 b. they shall provide benefits which shall reimburse the  
21 expense for the following types of dental procedures:  
22 (1) diagnostic,  
23 (2) preventative,  
24 (3) restorative,

- (4) endodontic,
- (5) periodontic,
- (6) prosthodontics,
- (7) oral surgery,
- (8) dental implants,
- (9) dental prosthetics, and
- (10) orthodontics, and

c. they shall provide an annual benefit ~~of~~ not less than One Thousand Five Hundred Dollars (\$1,500.00) for all services other than orthodontic services, and a lifetime benefit ~~of~~ not less than One Thousand Five Hundred Dollars (\$1,500.00) for orthodontic services;

14. To communicate deferred compensation programs as provided in Section 1701 of Title 74 of the Oklahoma Statutes;

15. To assess and collect reasonable fees from contracted health maintenance organizations and third-party insurance vendors to offset the costs of administration;

16. To accept, modify or reject elections under the plan in accordance with the Oklahoma State Employees Benefits Act and 26 U.S.C.A., Section 1 et seq.;

17. To promulgate election and claim forms to be used by participants;

18. To adopt rules requiring payment for medical and dental services and treatment rendered by duly licensed hospitals,

1 physicians and dentists. Unless the Board has otherwise contracted  
2 with the out-of-state health care provider, the Board shall  
3 reimburse for medical services and treatment rendered and charged by  
4 an out-of-state health care provider at least at the same percentage  
5 level as the network percentage level of the fee schedule  
6 established by the Oklahoma Employees Insurance and Benefits Board  
7 if the insured employee was referred to the out-of-state health care  
8 provider by a physician or it was an emergency situation and the  
9 out-of-state provider was the closest in proximity to the place of  
10 residence of the employee which offers the type of health care  
11 services needed. For purposes of this paragraph, health care  
12 providers shall include, but not be limited to, physicians,  
13 dentists, hospitals and special care facilities;

14 19. To enter into a contract with out-of-state providers in  
15 connection with any PPO or hospital or medical network plan which  
16 shall include, but not be limited to, special care facilities and  
17 hospitals outside the borders of ~~the State of Oklahoma~~ this state.  
18 The contract for out-of-state providers shall be identical to the  
19 in-state provider contracts. The Board may negotiate for discounts  
20 from billed charges when the out-of-state provider is not a network  
21 provider and the member sought services in an emergency situation,  
22 when the services were not otherwise available in ~~the State of~~  
23 ~~Oklahoma or when the Administrator appointed by the Board approved~~  
24 ~~the service as an exceptional circumstance~~ this state;

1        20. To create the establishment of a grievance procedure by  
2 which a three-member grievance panel shall act as an appeals body  
3 for complaints by insured employees regarding the allowance and  
4 payment of claims, eligibility, and other matters. Except for  
5 grievances settled to the satisfaction of both parties prior to a  
6 hearing, any person who requests in writing a hearing before the  
7 grievance panel shall receive a hearing before the panel. The  
8 grievance procedure provided by this paragraph shall be the  
9 exclusive remedy available to insured employees having complaints  
10 against the insurer. Such grievance procedure shall be subject to  
11 the ~~Oklahoma~~ Administrative Procedures Act, including provisions  
12 thereof for review of agency decisions by the district court. The  
13 grievance panel shall schedule a hearing regarding the allowance and  
14 payment of claims, eligibility and other matters within sixty (60)  
15 days from the date the grievance panel receives a written request  
16 for a hearing unless the panel orders a continuance for good cause  
17 shown. Upon written request by the insured employee to the  
18 grievance panel and received not less than ten (10) days before the  
19 hearing date, the grievance panel shall cause a full stenographic  
20 record of the proceedings to be made by a competent court reporter  
21 at the insured employee's expense; and

22        21. To intercept monies owing to plan participants from other  
23 state agencies, when those participants in turn owe money to the  
24

1 ~~Office of Management and Enterprise Services Board~~, and to ensure  
2 that the participants are afforded due process of law.

3 N. Except for a breach of fiduciary obligation, a Board member  
4 shall not be individually or personally responsible for any action  
5 of the Board.

6 O. ~~The Board shall operate in an advisory capacity to the~~  
7 ~~Office of Management and Enterprise Services.~~

8 P. The members of the Board shall not accept gifts or  
9 gratuities from an individual organization with a value in excess of  
10 Ten Dollars (\$10.00) per year. The provisions of this section shall  
11 not be construed to prevent the members of the Board from attending  
12 educational seminars, conferences, meetings or similar functions.

13 SECTION 2. AMENDATORY 74 O.S. 2021, Section 1305.1, is  
14 amended to read as follows:

15 Section 1305.1. (1) ~~The Director of the Office of Management~~  
16 ~~and Enterprise Services and the~~ Oklahoma Employees Insurance and  
17 Benefits Board shall discharge ~~their~~ its duties with respect to the  
18 Oklahoma Employees Insurance and Benefits Act, the State Employees  
19 Flexible Benefits Act and the State Employees Disability Program Act  
20 solely in the interest of ~~said Acts~~ such acts and:

21 (a) for the exclusive purpose of:

22 (i) providing benefits to the participants and their  
23 dependents, and  
24

1 (ii) defraying reasonable expenses of administering the  
2 Oklahoma Employees Insurance and Benefits Act, the  
3 State Employees Flexible Benefits Act and the State  
4 Employees Disability Program Act;

5 (b) with the care, skill, prudence, and diligence under the  
6 circumstances then prevailing that a prudent person acting in a like  
7 capacity and familiar with such matters would use in the conduct of  
8 an enterprise of a like character and with like aims;

9 (c) by diversifying investments so as to minimize the risk of  
10 large losses, unless under the circumstances it is clearly prudent  
11 not to do so; and

12 (d) in accordance with the laws, documents and instruments  
13 governing the Oklahoma Employees Insurance and Benefits Act, the  
14 State Employees Flexible Benefits Act and the State Employees  
15 Disability Program Act.

16 (2) The ~~Office~~ Board may procure insurance indemnifying the  
17 members of the Board ~~and the Director~~ from personal loss or  
18 accountability from liability resulting from action or inaction.

19 (3) The ~~Director~~ Board may establish an investment committee.

20 The investment committee shall be composed of not more than three

21 (3) members of the Board ~~selected by the Director~~. The committee  
22 shall make recommendations to the full Board on all matters related  
23 to the choice of custodians and managers of the assets ~~of the Office~~  
24 ~~of Management and Enterprise Services~~ relating to the Oklahoma

1 Employees Insurance and Benefits Act, on the establishment of  
2 investment and fund management guidelines, and in planning future  
3 investment policy. The committee shall have no authority to act on  
4 behalf of the Board ~~or Director~~ in any circumstances whatsoever. No  
5 recommendation of the committee shall have effect as an action of  
6 the Board ~~or Director~~ nor take effect without the approval of the  
7 Board ~~or Director~~.

8 (4) ~~The Office of Management and Enterprise Service, based on~~  
9 ~~recommendation of the~~ Board shall retain qualified investment  
10 managers to provide for the investment of the monies received by the  
11 ~~Office~~ Board. The investment managers shall be chosen by a  
12 solicitation of proposals on a competitive bid basis ~~pursuant to~~  
13 ~~standards set by the Board~~. Subject to the overall investment  
14 guidelines set by the Board, the investment managers shall have full  
15 discretion in the management of those monies of the ~~Office~~ Board  
16 allocated to the investment managers. The Board shall oversee the  
17 management of those monies not specifically allocated to the  
18 investment managers. The monies of the ~~Office~~ Board allocated to  
19 the investment managers shall be actively managed by the investment  
20 managers, which may include selling investments and realizing losses  
21 if such action is considered advantageous to longer term return  
22 maximization. Because of the total return objective, no distinction  
23 shall be made for management and performance evaluation purposes  
24 between realized and unrealized capital gains and losses.



1 (5) Funds and revenues for investment by the investment  
2 managers ~~or the Office of Management and Enterprise Services~~ shall  
3 be placed with a custodian recommended by the Board. The custodian  
4 shall be a bank or trust company offering pension fund master  
5 trustee and master custodial services. The custodian shall be  
6 chosen by a solicitation of proposals on a competitive bid basis  
7 ~~pursuant to standards set by the Board.~~ In compliance with the  
8 investment policy guidelines of the Board, the custodian bank or  
9 trust company shall be contractually responsible for ensuring that  
10 all monies of the ~~Office~~ Board are invested in income-producing  
11 investment vehicles at all times. If a custodian bank or trust  
12 company has not received direction from the investment managers of  
13 the ~~Office~~ Board as to the investment of the monies ~~of the Office~~ in  
14 specific investment vehicles, the custodian bank or trust company  
15 shall be contractually responsible to the ~~Office~~ Board for investing  
16 the monies in appropriately collateralized short-term interest-  
17 bearing investment vehicles.

18 (6) Prior to August 1 of each year, the Board shall develop a  
19 written investment plan for the monies received ~~by the Office.~~

20 (7) ~~The Administrator~~ A designated staff person of the Board  
21 shall compile annual financial statements of all the activity of the  
22 ~~Office~~ Board on a calendar year basis. The financial statements  
23 shall be compiled pursuant to accounting principles generally  
24 accepted in the United States. The report shall include several

1 relevant measures of investment value, including acquisition cost  
2 and current fair market value with appropriate summaries of total  
3 holdings and returns. The report shall contain combined and  
4 individual rate of returns of the investment managers by category of  
5 investment, over periods of time. The report shall be distributed  
6 to the Board and the Director of the Office of Management and  
7 Enterprise Services.

8 SECTION 3. AMENDATORY 74 O.S. 2021, Section 1306.1, is  
9 amended to read as follows:

10 Section 1306.1. A. ~~The Office of Management and Enterprise~~  
11 ~~Services~~ Oklahoma Employees Insurance and Benefits Board shall have  
12 the right of subrogation to recover any payments made for injury to  
13 an employee or dependent caused by a third party's wrongful act or  
14 negligence. The ~~Office~~ Board shall have the authority to waive or  
15 reduce subrogation in individual cases when the exercise of the  
16 right of subrogation would create an extreme financial hardship on  
17 the employee or dependent.

18 B. Subrogation will exist only to the extent of actual claims  
19 paid.

20 C. If an employee or dependent has prejudiced the ~~Office's~~  
21 Board's right of subrogation by releasing the responsible party  
22 prior to submitting claims to the ~~Office~~ Board, the claims may be  
23 denied by the ~~Office~~ Board. If claims are submitted and paid after  
24 the employee or dependent has released the responsible party, the

1 ~~Office~~ Board shall be entitled to bring an action against the  
2 employee, dependent, or their assignees, for any such claims paid  
3 and for additional costs incurred by the ~~Office~~ Board including, but  
4 not limited to: interest, administrative and adjudicative costs,  
5 and attorney fees.

6 SECTION 4. AMENDATORY 74 O.S. 2021, Section 1306.2, is  
7 amended to read as follows:

8 Section 1306.2. A. ~~The Director of the Office of Management~~  
9 ~~and Enterprise Services~~ Oklahoma Employees Insurance and Benefits  
10 Board shall submit to the Insurance Commissioner the following  
11 information regarding utilization review performed by employees of  
12 the ~~Office~~ Board:

13 1. A utilization review plan that includes:

- 14 a. an adequate summary description of review standards,  
15 protocol and procedures to be used in evaluating  
16 proposed or delivered hospital and medical care,
- 17 b. assurances that the standards and criteria to be  
18 applied in review determinations are established with  
19 input from health care providers representing major  
20 areas of specialty and certified by the boards of the  
21 various American medical specialties, and
- 22 c. the provisions by which patients or health care  
23 providers may seek reconsideration or appeal of  
24

1           adverse decisions concerning requests for medical  
2           evaluation, treatment or procedures;

3           2. The type and qualifications of the personnel either employed  
4 or under contract to perform the utilization review;

5           3. The procedures and policies to ensure that an employee of  
6 the ~~Office~~ Board is reasonably accessible to patients and health  
7 care providers five (5) days a week during normal business hours,  
8 such procedures and policies to include as a requirement a toll-free  
9 telephone number to be available during ~~said~~ such business hours;

10          4. The policies and procedures to ensure that all applicable  
11 state and federal laws to protect the confidentiality of individual  
12 medical records are followed;

13          5. The policies and procedures to verify the identity and  
14 authority of personnel performing utilization review by telephone;

15          6. A copy of the materials designed to inform applicable  
16 patients and health care providers of the requirements of the  
17 utilization review plan;

18          7. The procedures for receiving and handling complaints by  
19 patients, hospitals and health care providers concerning utilization  
20 review; and

21          8. Procedures to ensure that after a request for medical  
22 evaluation, treatment, or procedures has been rejected in whole or  
23 in part and in the event a copy of the report on ~~said~~ such rejection  
24 is requested, a copy of the report of the personnel performing

1 utilization review concerning the rejection shall be mailed by the  
2 insurer, postage prepaid, to the ill or injured person, the treating  
3 health care provider, hospital or to the person financially  
4 responsible for the patient's bill within fifteen (15) days after  
5 receipt of the request for the report.

6 B. The ~~Office~~ Board shall pay an annual fee to the Insurance  
7 Commissioner of Five Hundred Dollars (\$500.00).

8 SECTION 5. AMENDATORY 74 O.S. 2021, Section 1306.5, is  
9 amended to read as follows:

10 Section 1306.5. A network provider facility or physician  
11 contract, or any part or section of it, may be amended at any time  
12 during the term of the contract only by mutual written consent of  
13 duly authorized representatives of the ~~Office of Management and~~  
14 ~~Enterprise Services~~ Oklahoma Employees Insurance and Benefits Board  
15 and the facility or physician.

16 SECTION 6. AMENDATORY 74 O.S. 2021, Section 1306.6, is  
17 amended to read as follows:

18 Section 1306.6. The ~~Director of the Office of Management and~~  
19 ~~Enterprise Services~~ Oklahoma Employees Insurance and Benefits Board,  
20 in accordance with administering the Medical Expense Liability  
21 Revolving Fund pursuant to Section 746.1 of Title 19 of the Oklahoma  
22 Statutes, shall employ, appoint, or otherwise designate the  
23 necessary personnel to carry out the duties of the fund.  
24

1       SECTION 7.       AMENDATORY       74 O.S. 2021, Section 1307.1, is  
2 amended to read as follows:

3       Section 1307.1. No employee or dependent who participates in an  
4 ~~HMO~~ a health maintenance organization (HMO) through the Oklahoma  
5 Employees Insurance and Benefits Act shall be denied the right of  
6 changing the primary care physician to any other primary care  
7 physician within the HMO. The employee or dependent shall notify  
8 the HMO in writing of any change in the choice of primary care  
9 physician forty-five (45) days in advance of the change by certified  
10 mail with return receipt requested. Any such change in a primary  
11 care physician shall not be subject to the approval of the HMO, ~~the~~  
12 ~~Office of Management and Enterprise Services~~ Oklahoma Employees  
13 Insurance and Benefits Board, or state agency.

14       SECTION 8.       AMENDATORY       74 O.S. 2021, Section 1308.1, is  
15 amended to read as follows:

16       Section 1308.1. (1) An educational entity may extend the  
17 benefits of the health insurance plan, the dental insurance plan,  
18 and the life insurance plan to education employees employed by the  
19 entity. The benefits of the plans for an education employee shall  
20 be the same and shall include the same plan options as would be made  
21 available to a state employee participating in the plan that resided  
22 at the same location. Notwithstanding the provisions of Section  
23 1308.2 of this title, a period shall exist for enrolling education  
24 entities from April 1, 1989, through October 1, 1991, whereby

1 education employees of a participating education entity may be  
2 enrolled, pursuant to ~~this act~~ Section 1308.2 of this title, during  
3 the entities' initial enrollment period, regardless of preexisting  
4 conditions. The ~~Office of Management and Enterprise Services~~  
5 Oklahoma Employees Insurance and Benefits Board shall adopt rules  
6 and regulations for enrollment by which education entities may apply  
7 to participate in the insurance plans. Once an education entity  
8 becomes a participant in the health and dental insurance plans  
9 offered through the Oklahoma Employees Insurance and Benefits Act,  
10 the education entity may withdraw from participation, in a manner  
11 prescribed by the ~~Office~~ Board. If a school district is  
12 participating in the health and dental insurance plans pursuant to  
13 the Oklahoma Employees Insurance and Benefits Act, Sections 1301  
14 through 1329.1 of this title, the employees of the school district  
15 who are eligible to participate in the health and dental plans, at  
16 such time as the school district may withdraw from such  
17 participation, may require the board of education of the school  
18 district to call an election to allow the employees to vote as to  
19 whether the school district shall continue participation in the  
20 health and dental insurance plans offered through the Oklahoma  
21 Employees Insurance and Benefits Act. Upon the filing with the  
22 board of education of a petition calling for such an election which  
23 is signed by no less than thirty percent (30%) of the eligible  
24 employees of the school district, the board of education shall call

1 an election for the purpose of determining whether the school  
2 district shall continue participation in the health and dental  
3 insurance plans offered through the Oklahoma Employees Insurance and  
4 Benefits Act. The election shall be held within thirty (30) days of  
5 the filing of the petition. If a majority of those eligible  
6 employees voting at the election vote to continue participation in  
7 the health and dental insurance plans offered through the Oklahoma  
8 Employees Insurance and Benefits Act, the board of education shall  
9 be prohibited from withdrawing the school district from such  
10 participation. If a majority of those eligible employees voting at  
11 the election vote against continued participation in the health and  
12 dental insurance plans offered through the Oklahoma Employees  
13 Insurance and Benefits Act, the board of education of the school  
14 district shall apply to discontinue such participation within thirty  
15 (30) days of the election and within the times the school district  
16 is authorized to withdraw from participation in accordance with  
17 rules established for withdrawal by the ~~Office~~ Board.

18 (2) Except as otherwise provided in this subsection, when an  
19 education entity participates in the health and dental insurance  
20 plans offered through the Oklahoma Employees Insurance and Benefits  
21 Act, all employees shall be advised of ~~Health Maintenance~~  
22 ~~Organizations~~ health management organizations prepaid plans  
23 available as an alternative to the state self-insured health  
24 insurance plan. Eligible part-time education employees, at the



1 option of the employee, may enroll in the plans either at the time  
2 the education entity begins participation in the plans or, if later,  
3 upon a showing of insurability to the satisfaction of the ~~Office~~  
4 Board.

5 (3) Any employee of an education entity participating in the  
6 health and dental insurance plans offered through the Oklahoma  
7 Employees Insurance and Benefits Act who is employed after the  
8 education entity began ~~said~~ such participation may be enrolled in  
9 the health and dental insurance plans or ~~HMO~~ health maintenance  
10 organization (HMO) plans approved by the ~~Office~~ Board on the first  
11 day of the second month of employment.

12 (4) Upon initial enrollment of an institution of higher  
13 education to participate in the health and dental insurance plans  
14 offered through the Oklahoma Employees Insurance and Benefits Act,  
15 all individuals presently insured by ~~said~~ the institution's present  
16 group health insurance plan shall become enrolled in ~~said~~ the state  
17 plans for the remaining period of ~~said~~ the institution's contractual  
18 liabilities.

19 (5) Education employees who shall be absent from the teaching  
20 service because of election or appointment as a local, state, or  
21 national education association officer shall be allowed to retain  
22 coverage pursuant to the Oklahoma Employees Insurance and Benefits  
23 Act upon the payment of the full cost of the coverage at the rate  
24

1 and under such terms and conditions established by the Office or  
2 Board.

3 (6) Except as otherwise provided by law, an educational entity  
4 may cease to participate in the Oklahoma Employees Insurance and  
5 Benefits Act but provide health insurance coverage through another  
6 insurance carrier. The subsequent carrier shall provide coverage to  
7 the employees of the educational entity who terminated employment  
8 with a retirement benefit, with a vested benefit, or who have ten  
9 (10) or more years of service with a participating educational  
10 entity but did not have a vested benefit through the retirement  
11 system of the educational entity, if the election to retain health  
12 insurance coverage was made within thirty (30) days of termination  
13 of employment. Coverage shall also be provided to the eligible  
14 dependents of the employees if an election to retain coverage is  
15 made within thirty (30) days of termination of employment.

16 SECTION 9. AMENDATORY 74 O.S. 2021, Section 1309, is  
17 amended to read as follows:

18 Section 1309. A. Any eligible employee may elect to have a  
19 dependent or dependents of the employee covered by the ~~Health~~  
20 ~~Insurance Plan~~ health insurance plan and ~~Dental Insurance Plan~~  
21 dental insurance plan or by any available ~~Health Maintenance~~  
22 ~~Organization~~ health maintenance organization (HMO) approved by the  
23 ~~Office of Management and Enterprise Services~~ Oklahoma Employees  
24 Insurance and Benefits Board. The employee may elect to cover all

1 dependent children and not elect to cover the spouse of the  
2 employee. Such election shall be made at the time the employee  
3 becomes enrolled in the ~~Plan~~ plan, under such procedures as the  
4 ~~Office Board~~ may establish. If dependent coverage is not elected or  
5 if the employee elects to cover all dependent children and not the  
6 spouse of the employee at the time an employee becomes enrolled in  
7 the ~~Plan~~ plan, dependent coverage or coverage for the spouse cannot  
8 be elected until the next enrollment period or until a qualifying  
9 event has occurred as established by the ~~Office Board~~ Board. Such  
10 subsequent election of dependent coverage shall be made under such  
11 conditions as the ~~Office Board~~ Board may impose. If electing not to cover  
12 the spouse, the employee shall submit a statement signed by both the  
13 employee and the spouse acknowledging their choice not to provide  
14 insurance coverage for the spouse under the ~~Health Insurance Plan~~  
15 health insurance plan and ~~Dental Insurance Plan~~ dental insurance  
16 plan or approved HMO plans.

17 B. Any employee with dependent coverage, as provided in this  
18 section, who has a change in the number of dependents may at the  
19 time of such change increase or decrease the number of dependents  
20 covered by the ~~Health Insurance Plan~~ health insurance plan and  
21 ~~Dental Insurance Plan~~ dental insurance plan or approved HMO plans,  
22 under procedures established by the ~~Office Board~~ Board.

23 C. Any employee who has no eligible dependents at the time the  
24 employee becomes enrolled may elect dependent coverage at the time  
25

1 the dependency status of the employee changes under procedures  
2 established by the ~~Office~~ Board.

3 SECTION 10. AMENDATORY 74 O.S. 2021, Section 1310.1, is  
4 amended to read as follows:

5 Section 1310.1. A. If a certified employee elects health care  
6 coverage under a plan offered by a school district, including a plan  
7 offered by the ~~Office of Management and Enterprise Services~~ Oklahoma  
8 Employees Insurance and Benefits Board or a self-insured plan  
9 offered by the school district, then a school district shall pay no  
10 less than one hundred percent (100%) of the premium amount for the  
11 HealthChoice (HI) option plan for an individual offered by the  
12 Office of Management and Enterprise Services.

13 The amount a school district is required to pay pursuant to this  
14 subsection shall be reduced by the flexible benefit allowance  
15 provided for in Section 26-105 of Title 70 of the Oklahoma Statutes.

16 B. The premium for education entities that participate in the  
17 health and dental insurance plans offered through the Oklahoma  
18 Employees Insurance and Benefits Act shall be the same as paid by  
19 state agencies for ~~said~~ such plans.

20 C. All education entities that participate in the insurance  
21 plans offered through the Oklahoma Employees Insurance and Benefits  
22 Act shall forward the appropriate premiums for each employee to the  
23 Office no later than the tenth day of each month following the month  
24 for which payment is due. Nothing shall prohibit a school district  
25

1 from forwarding appropriate premiums to the ~~Office~~ Board prior to  
2 the month for which payment is due.

3 SECTION 11. AMENDATORY 74 O.S. 2021, Section 1310.2, is  
4 amended to read as follows:

5 Section 1310.2. A school district shall pay fifty percent (50%)  
6 of the cost of the individual health care premium amount for school  
7 district employees who are not otherwise covered pursuant to Section  
8 1310.1 of this title or Section 26-105 of Title 70 of the Oklahoma  
9 Statutes, if such employee elects health care coverage under a plan  
10 offered by a school district, including a plan offered by the ~~Office~~  
11 ~~of Management and Enterprise Services~~ Oklahoma Employees Insurance  
12 and Benefits Board or a self-insured plan offered by the school  
13 district.

14 SECTION 12. AMENDATORY 74 O.S. 2021, Section 1312, is  
15 amended to read as follows:

16 Section 1312. (1) Except as otherwise provided by law, all  
17 employee and employer contributions, appropriations and dividend  
18 payments related to the health and dental plans administered by the  
19 ~~Director of the Office of Management and Enterprise Services~~  
20 Oklahoma Employees Insurance and Benefits Board shall be deposited  
21 in a fund in the State Treasury which is hereby created and which  
22 shall be known as the ~~Health and Dental Insurance Reserve Fund~~  
23 "Health and Dental Insurance Reserve Fund". The money in such fund  
24 shall be invested by the ~~Oklahoma Employees Insurance and Benefits~~

1 Board in the manner specified in Section 1305.1 of this title.

2 Investment income of the fund shall be added to the fund. Money  
3 payable to the claims administrator and all expenses in connection  
4 with the plans shall be paid from the fund. The Board shall have  
5 responsibility for management of the fund.

6 (2) All monies in the Health and Dental Insurance Reserve Fund  
7 that are reserves for the life insurance plan administered by the  
8 ~~Office Board~~ shall be transferred to the Life Insurance Reserve Fund  
9 on July 1, 1989.

10 SECTION 13. AMENDATORY 74 O.S. 2021, Section 1314.3, is  
11 amended to read as follows:

12 Section 1314.3. (1) All otherwise eligible employees hired by  
13 the Oklahoma Employment Security Commission after ~~the effective date~~  
14 ~~of this act~~ May 30, 1990, shall participate in the State Plan and  
15 shall not be entitled to the supplemental health insurance for which  
16 provision is made in ~~this act~~ Section 1314.2 et seq. of this title  
17 nor to any other Commission benefit plan not generally available to  
18 state employees, and no other provisions of ~~this act~~ Section 1314.2  
19 et seq. of this title shall apply to such future hirees.

20 (2) All otherwise eligible Commission employees not  
21 participating in the Agency Plan as of ~~the effective date of this~~  
22 ~~act~~ May 30, 1990, shall be enrolled in the State Plan on July 1,  
23 1990. ~~Said~~ The nonparticipating Commission employees shall not be  
24

1 entitled to the supplemental health insurance for which provision is  
2 made in ~~this act~~ Section 1314.2 et seq. of this title.

3 (3) All Commission employees, retirees and dependents  
4 participating in the Agency Plan as of ~~the effective date of this~~  
5 ~~act~~ May 30, 1990, shall be permitted to transfer to the State Plan  
6 and receive the supplemental insurance benefits for which provision  
7 is made in Section 1314.4 of this title at such time as the  
8 supplemental insurance is available. If not sooner transferred, all  
9 Agency Plan participants shall be transferred to the State Plan on  
10 January 1, 1991. Such mandatory transfer shall occur simultaneously  
11 with any cancellation by the insurance provider of the Agency Plan,  
12 occurring prior to January 1, 1991.

13 (4) All Commission employees, retirees and dependents enrolling  
14 in or transferring to the State Plan under the provisions of this  
15 section shall be given the opportunity to participate in all options  
16 under the State Plan at the time of their enrollment or transfer.

17 (5) For active employees of the Commission, the Commission  
18 shall pay the same monthly premium toward employee-only coverage as  
19 that set by the ~~Office of Management and Enterprise Services~~  
20 Oklahoma Employees Insurance and Benefits Board and paid by the  
21 other state agencies participating in the state health insurance  
22 program. For retirees of the Commission who retired pursuant to the  
23 provisions of the Oklahoma Public Employees Retirement System, the  
24 Oklahoma Public Employees Retirement System shall pay the same

1 monthly contribution towards premiums for regular or Medicare  
2 supplement health insurance coverage for those retirees as the  
3 amount paid towards the premiums for the Oklahoma Public Employees  
4 Retirement System retirees from other agencies. For retirees of the  
5 Commission who retired under the provisions of another retirement  
6 plan, the Commission shall pay the same monthly contribution towards  
7 premiums for regular or Medicare supplement health insurance  
8 coverage for those retirees as the amount paid towards premiums by  
9 the Oklahoma Public Employees Retirement System for retirees of  
10 other state agencies.

11 (6) Except as provided in this subsection, employees and  
12 retirees of the Commission, and their dependents, shall be covered  
13 under the dental and life insurance plans provided by the ~~Office of~~  
14 ~~Management and Enterprise Services~~ Board pursuant to the same  
15 provisions and premiums as apply to the employees and retirees of  
16 other state agencies. Employees and retirees may elect to keep  
17 their present agency offered life insurance, in addition to the  
18 state life insurance. Any employee who elects to keep their agency  
19 offered life insurance shall pay the premium for the life insurance  
20 provided pursuant to the Oklahoma Employees Insurance and Benefits  
21 Act. Any Commission retiree who elects to participate in the life  
22 insurance program provided pursuant to the Oklahoma Employees  
23 Insurance and Benefits Act shall pay the premium for such coverage.  
24



1 (7) In the event that the agency offered life insurance plan is  
2 canceled by the insurer offering it, the Commission shall contract  
3 with the ~~Office~~ Board for replacement coverage equal to that lost by  
4 ~~said~~ such cancellation. The ~~Office~~ Board is expressly authorized  
5 and directed to enter into such a contract. The Commission and the  
6 participants shall pay the full actuarial costs and all reasonable  
7 administrative costs for such coverage. ~~Said~~ The actuarial and  
8 administrative costs shall be divided between the Commission and the  
9 participants in the same ratio as premiums are now divided for the  
10 agency offered life insurance. The ~~Office~~ Board shall maintain  
11 separate reserves for ~~said~~ such coverage. On January 1, 2005, the  
12 Commission shall convert the agency offered life insurance to the  
13 life insurance plans provided by the ~~Office~~ Board pursuant to the  
14 same provisions and premiums as apply to the employees and retirees  
15 of other state agencies. The Commission may offer eligible  
16 employees an opportunity to voluntarily relinquish their agency life  
17 insurance upon a payment to the eligible employee, provided funds  
18 exist to do so.

19 SECTION 14. AMENDATORY 74 O.S. 2021, Section 1314.5, is  
20 amended to read as follows:

21 Section 1314.5. A. The Oklahoma Employment Security Commission  
22 shall attempt to obtain the supplemental health insurance described  
23 in Section 1314.4 of this title through competitive procurement  
24 under ~~The~~ the Oklahoma Central Purchasing Act. If the Commission  
25

1 does not obtain such supplemental health insurance in this manner,  
2 it shall contract with the ~~Office of Management and Enterprise~~  
3 ~~Services~~ Oklahoma Employees Insurance and Benefits Board for such  
4 coverage or the Commission may provide the supplemental health  
5 insurance through a self-insurance program.

6 B. If the Commission decides to contract with the ~~Office~~ Board  
7 for the supplemental health insurance coverage, the ~~Office~~ Board is  
8 expressly authorized and directed to enter into such a contract and  
9 administer the supplemental benefit in such manner to cause the  
10 least disruption to its systems and daily operations. The  
11 supplemental benefit does not have to be offered as a supplemental  
12 plan but can be combined with the state plan to be administered and  
13 actuarially rated as a single plan. If this option is chosen, all  
14 dependents of employees or former employees currently eligible for  
15 the supplemental health insurance shall be included in the plan,  
16 regardless of whether or not the dependents were previously included  
17 in the plan, and this subsection will prevail over the provisions of  
18 Section 1314.3 of this title. The Commission shall pay the full  
19 actuarial cost to be determined by the ~~Office~~ Board and all  
20 reasonable administrative costs for such coverage, if provided by or  
21 through the ~~Office~~ Board. The ~~Office~~ Board may consider the  
22 utilization experience of the group participating in the benefit  
23 when calculating the rate for providing the benefit. The ~~Office~~  
24 Board shall maintain separate reserves for ~~said~~ such coverage.

1 C. If the Commission decides to provide supplemental health  
2 insurance through a self-insurance program, the Commission shall be  
3 authorized to contract with a private company to provide claims  
4 adjusting services for the supplemental health insurance claims  
5 adjusting and processing.

6 SECTION 15. AMENDATORY 74 O.S. 2021, Section 1315, is  
7 amended to read as follows:

8 Section 1315. A. Upon application in writing and subject to  
9 any underwriting criteria that may be established by the ~~Office of~~  
10 ~~Management and Enterprise Services~~ Oklahoma Employees Insurance and  
11 Benefits Board, the ~~Office~~ Board may extend the benefits of the  
12 Oklahoma Employees Insurance and Benefits Plans to employees who are  
13 employed in positions requiring actual performance of duty during  
14 not less than one thousand (1,000) hours per year and to all full-  
15 time employees of:

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

- 18 a. county,
- 19 b. city,
- 20 c. town,
- 21 d. public trust for which the state is the primary  
22 beneficiary, or
- 23 e. conservation districts; and

24 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

1           k.     statewide nonprofit entities receiving state funds to  
2                 provide ~~no-cost~~ no-cost legal services to low income  
3                 and senior citizens.

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

8           C.    Groups listed in subsection A of this section participating  
9 in the Oklahoma Employees Insurance and Benefits Plans shall pay all  
10 costs attributable to their participation. The benefits of ~~said~~  
11 such plans for a participant provided coverage pursuant to this  
12 section shall be the same and shall include the same plan options as  
13 would be made available to a state employee participating in the  
14 plan that resided at the same location. The premium for  
15 participating groups listed in subsection A of this section shall be  
16 the same as paid by state and education employees.

17           D.    Participating groups listed in subsection A of this section  
18 shall not be required to offer dental insurance as defined in  
19 paragraph ~~11~~ 12 of Section 1303 of this title, or other insurance as  
20 defined in paragraph ~~12~~ 13 of Section 1303 of this title. However,  
21 if dental insurance or any other insurance is offered, it must be  
22 provided to all eligible employees. If an employee retires and  
23 begins to receive benefits from the Oklahoma Public Employees  
24 Retirement System or terminates service and has a vested benefit

1 with the Oklahoma Public Employees Retirement System, the employee  
2 may elect, in the manner provided in Section 1316.2 of this title,  
3 to participate in the dental insurance plan offered through the  
4 Oklahoma Employees Insurance and Benefits Act within thirty (30)  
5 days from the date of termination of employment. The employee shall  
6 pay the full cost of the dental insurance.

7 E. 1. Any employee of a group listed in subsection A of this  
8 section who retires or who has a vested benefit pursuant to the  
9 Oklahoma Public Employees Retirement System may begin the health  
10 insurance coverage if the employer of the employee is not a  
11 participant of the Oklahoma Employees Insurance and Benefits Act and  
12 does not offer health insurance to its employees. Such election by  
13 the employee to begin coverage shall be made within thirty (30) days  
14 from the date of termination of service.

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

22 F. Any county, city, town, county hospital, public trust,  
23 conservation district, or rural water, sewer, gas or solid waste  
24 management district, or nonprofit water corporation, any of which of

1 the aforementioned groups is not a participating employer in the  
2 Oklahoma Public Employees Retirement System, but which has employees  
3 who are participating in the health, dental or life insurance plans  
4 offered by or through the Oklahoma Employees Insurance and Benefits  
5 Act on July 1, 1997, may continue to allow its current and future  
6 employees to participate in such health, dental or life insurance  
7 plans. Participation of such employees may also continue following  
8 termination of employment if the employee has completed at least  
9 eight (8) years of service with a participating employer and such an  
10 election to continue in force is made within thirty (30) days  
11 following termination of employment. Any retiree or terminated  
12 employee electing coverage pursuant to this section shall pay the  
13 full cost of the insurance.

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

21 H. Notwithstanding other provisions in this section, an  
22 employer listed in subsection A of this section may cease to  
23 participate in the Oklahoma Employees Insurance and Benefits Act but  
24 provide health insurance coverage for its current and former  
25

1 employees through another insurance carrier. The subsequent carrier  
2 shall be responsible for providing coverage to the entity's  
3 employees who terminated employment with a retirement benefit, with  
4 a vested benefit, or who have eight (8) or more years of service  
5 with a participating employer but did not have a vested benefit  
6 through the Oklahoma Public Employees Retirement System, if the  
7 election to retain health insurance coverage was made within thirty  
8 (30) days of termination of employment. Coverage shall also be  
9 provided to the eligible dependents of the employees if an election  
10 to retain coverage is made within thirty (30) days of termination of  
11 employment. Employees who terminate employment from an employer  
12 covered by this paragraph before December 31, 2001, and elect  
13 coverage under the Oklahoma Employees Insurance and Benefits Act,  
14 shall not be required to change insurance carriers in the event that  
15 the employer changes its insurance carrier to a subsequent carrier.  
16 The provisions of this subsection shall become effective January 1,  
17 2002.

18 I. Employers pursuant to subsection A of this section who  
19 participate in the Oklahoma Public Employees Retirement System and  
20 who offer health insurance coverage to their active employees, shall  
21 offer health insurance coverage to those employees who retire from  
22 the employer and also to those employees who terminate employment  
23 and are eligible to elect a vested benefit in the System. Such  
24 employers shall begin offering coverage to such employees on or  
25



1 before January 1, 2004. Such employees who wish to continue  
2 coverage shall make an election to retain health insurance coverage  
3 within thirty (30) days of termination of employment. However,  
4 former employees of such employers who have already retired or who  
5 have terminated and are eligible to elect a vested benefit under the  
6 Oklahoma Public Employees Retirement System, during the period  
7 beginning January 1, 2002, and ending December 31, 2003, may make an  
8 election to begin participation in the plans offered by the ~~Office~~  
9 Board on or before December 31, 2003, in the same manner as other  
10 participating retired or vested members. The employer, assisted by  
11 the Oklahoma Public Employees Retirement System, shall notify by  
12 October 1, 2003, all members who have either retired from the System  
13 or who are eligible to elect a vested benefit in the System between  
14 January 1, 2002, through December 31, 2003, and who were employed by  
15 an employer listed in subsection A of this section of the member's  
16 potential eligibility to participate in such plans. Each employer  
17 shall notify the Oklahoma Public Employees Retirement System when an  
18 employee is retiring and makes the election pursuant to this  
19 subsection to continue coverage under a plan offered by such  
20 employer and when an employee terminates employment and is eligible  
21 to elect a vested benefit in the System and such employee elects to  
22 continue coverage under a plan offered by such employer. Such  
23 employer shall also notify the Oklahoma Public Employees Retirement  
24

1 System if a retired employee or an employee who is eligible to elect  
2 a vested benefit in the System terminates such continued coverage.

3 J. Any group that begins participation in the Oklahoma  
4 Employees Insurance and Benefits Plans after ~~the effective date of~~  
5 ~~this act~~ May 30, 1990, and that is not composed of state or  
6 education employees must have one hundred percent (100%)  
7 participation in the health plan offered pursuant to the Oklahoma  
8 Employees Insurance and Benefits Act.

9 SECTION 16. AMENDATORY 74 O.S. 2021, Section 1315.1, is  
10 amended to read as follows:

11 Section 1315.1. Upon election and application by the secretary  
12 of a county election board and subject to any underwriting criteria  
13 that may be established by the ~~Office of Management and Enterprise~~  
14 ~~Services~~ Oklahoma Employees Insurance and Benefits Board, the ~~Office~~  
15 Board shall extend the benefits of the Oklahoma Employees Insurance  
16 and Benefits Plans to the secretary of each county election board,  
17 if the county in which the secretary serves is not participating in  
18 such plans.

19 SECTION 17. AMENDATORY 74 O.S. 2021, Section 1316.1, is  
20 amended to read as follows:

21 Section 1316.1. A. Any person who retires or who has elected  
22 to receive a vested benefit under the provisions of the State of  
23 Oklahoma retirement systems or persons who are currently drawing  
24 disability benefits under Section 1331 et seq. of this title or who  
25

1 meet each and every requirement of the State Employees Disability  
2 Program or the spouse or dependent of any such employee may continue  
3 in force the life insurance benefits authorized by ~~this act~~ Section  
4 1301 et seq. of this title in a face amount of not less than one-  
5 fourth (1/4) of the basic life insurance amount, if such election to  
6 continue in force is made within thirty (30) days from the time of  
7 severance. Persons electing to continue in force life insurance  
8 benefits shall pay the full cost of the life insurance and under  
9 such terms and conditions as established by the ~~Office of Management~~  
10 ~~and Enterprise Services~~ Oklahoma Employees Insurance and Benefits  
11 Board. Further, any such retiree may continue in force any  
12 additional life insurance that was purchased prior to retirement at  
13 an actuarially adjusted rate and under such terms and conditions as  
14 established by the ~~Office~~ Board.

15       Effective January 1, 2002, nonvested employees may also continue  
16 their life insurance benefits as provided in this section following  
17 termination of employment, if the employee has completed at least  
18 eight (8) years of service with an employer participating in the  
19 Oklahoma Public Employees Retirement System or at least ten (10)  
20 years of service with an employer participating in the Teachers'  
21 Retirement System of Oklahoma. The election to continue the  
22 employee's life insurance in force must be made within thirty (30)  
23 days after the date of termination.

1       B. Any retired employee who is receiving a benefit or  
2 terminates employment with a vested benefit from the Teachers'  
3 Retirement System of Oklahoma and who becomes enrolled in the health  
4 insurance plan offered by the Oklahoma Employees Insurance and  
5 Benefits Act, pursuant to subsection E of Section 5-117.5 of Title  
6 70 of the Oklahoma Statutes, may elect to purchase life insurance  
7 benefits in amounts and at a cost as provided for in this section.

8       C. In lieu of subsection A of this section, any person who  
9 retires or who has elected to receive a vested benefit under the  
10 provisions of the State of Oklahoma retirement systems and who is  
11 participating in a health insurance plan, the dental insurance plan,  
12 or the life insurance plan offered by the ~~Office~~ Oklahoma Employees  
13 Insurance and Benefits Board, including such persons who are  
14 currently drawing disability benefits under Section 1331 et seq. of  
15 this title or who meet each and every requirement of the State  
16 Employees Disability Program on or before July 1, 1999, or the  
17 spouse of any such person may elect to purchase life insurance  
18 benefits authorized by this subsection in a face amount not to  
19 exceed Fifty Thousand Dollars (\$50,000.00). Eligible persons  
20 pursuant to this subsection shall make an election by January 1,  
21 2000, to purchase the life insurance coverage provided in this  
22 subsection. Life insurance coverage pursuant to this subsection  
23 shall depend upon providing satisfactory evidence of insurability  
24 for the person who is to be covered. Life insurance coverage,

1 pursuant to this subsection, shall be purchased in blocks of Five  
2 Thousand Dollars (\$5,000.00). The premium for such life insurance  
3 coverage shall be at a blended rate and shall be set by the ~~Office~~  
4 Board. The ~~Office~~ Board shall promulgate rules necessary for the  
5 implementation of the provisions of this subsection.

6 SECTION 18. AMENDATORY 74 O.S. 2021, Section 1316.2, is  
7 amended to read as follows:

8 Section 1316.2. A. Any employee, other than an education  
9 employee, who retires pursuant to the provisions of the Oklahoma  
10 Public Employees Retirement System or who has a vested benefit  
11 pursuant to the provisions of the Oklahoma Public Employees  
12 Retirement System may continue in force the health and dental  
13 insurance benefits authorized by the provisions of the Oklahoma  
14 Employees Insurance and Benefits Act, or other employer insurance  
15 benefits if the employer does not participate in the plans offered  
16 by the ~~Office of Management and Enterprise Services~~ Oklahoma  
17 Employees Insurance and Benefits Board, if such election to continue  
18 in force is made within thirty (30) days from the date of  
19 termination of service. Except as otherwise provided for in ~~Section~~  
20 ~~840-2.271 of this title and~~ subsection H of this section, health and  
21 dental insurance coverage may not be reinstated at a later time if  
22 the election to continue in force is declined. Vested employees  
23 other than education employees who have terminated service and are  
24 not receiving benefits and effective July 1, 1996, nonvested persons

1 who have terminated service with more than eight (8) years of  
2 participating service with a participating employer, who within  
3 thirty (30) days from the date of termination of service elect to  
4 continue such coverage, shall pay the full cost of the insurance  
5 premium at the rate and pursuant to the terms and conditions  
6 established by the ~~Office~~ Board. Provided also, any employee other  
7 than an education employee who commences employment with a  
8 participating employer on or after September 1, 1991, who terminates  
9 service with such employer on or after July 1, 1996, but who  
10 otherwise has insufficient years of service to retire or terminate  
11 service with a vested benefit pursuant to the provisions of the  
12 Oklahoma Public Employees Retirement System or to elect to continue  
13 coverage as a nonvested employee as provided in this section, but  
14 who, immediately prior to employment with the participating  
15 employer, was covered as a dependent on the health and dental  
16 insurance policy of a spouse who was an active employee other than  
17 an education employee, may count as part of his or her credited  
18 service for the purpose of determining eligibility to elect to  
19 continue coverage under this section, the time during which the  
20 terminating employee was covered as such a dependent.

21 B. 1. Health insurance benefit plans offered pursuant to this  
22 section shall include:

23 a. indemnity plans offered through the ~~Office~~ Board,

- 1           b.    managed care plans offered as alternatives to the  
2                indemnity plans offered through the ~~Office~~ Board,  
3           c.    Medicare supplements offered pursuant to the Oklahoma  
4                Employees Insurance and Benefits Act,  
5           d.    Medicare risk-sharing contracts offered as  
6                alternatives to the Medicare supplements offered  
7                through the ~~Office~~ Board. All Medicare risk-sharing  
8                contracts shall be subject to a risk adjustment  
9                factor, based on generally accepted actuarial  
10              principles for adverse selection which may occur, and  
11           e.    for the Oklahoma Public Employees Retirement System,  
12                other employer-provided health insurance benefit plans  
13                if the employer does not participate in the plans  
14                offered pursuant to the Oklahoma Employees Insurance  
15                and Benefits Act.

16           2. Health insurance benefit plans offered pursuant to this  
17 section shall provide prescription drug benefits, except for plans  
18 designed pursuant to the Medicare Prescription Drug, Improvement,  
19 and Modernization Act of 2003, for which provision of prescription  
20 drug benefits is optional, and except for plans offered pursuant to  
21 subparagraph e of paragraph 1 of this subsection.

22           C. 1. Designated public retirement systems shall contribute a  
23 monthly amount towards the health insurance premium of certain  
24

1 individuals receiving benefits from the public retirement system as  
2 follows:

3 a. a retired employee, other than an education employee  
4 or an employee who participates in the defined  
5 contribution system administered by the Oklahoma  
6 Public Employees Retirement System on or after  
7 November 1, 2015, who is receiving benefits from the  
8 Oklahoma Public Employees Retirement System after  
9 September 30, 1988, shall have One Hundred Five  
10 Dollars (\$105.00), or the premium rate of the health  
11 insurance benefit plan, whichever is less, paid by the  
12 Oklahoma Public Employees Retirement System to the  
13 Board or to another insurance carrier or other  
14 qualified benefits administrator of the employer if  
15 the employer does not participate in the plans offered  
16 by the ~~Office~~ Board in the manner specified in  
17 subsection G of this section,

18 b. a retired employee or surviving spouse other than an  
19 education employee who is receiving benefits from the  
20 Oklahoma Law Enforcement Retirement System after  
21 September 30, 1988, is under sixty-five (65) years of  
22 age and is not otherwise eligible for Medicare shall  
23 have the premium rate for the health insurance benefit  
24 plan or One Hundred Five Dollars (\$105.00), whichever



1 is less, paid by the Oklahoma Law Enforcement  
2 Retirement System to the ~~Office~~ Board in the manner  
3 specified in subsection G of this section,

4 c. a retired employee other than an education employee  
5 who is receiving benefits from the Oklahoma Law  
6 Enforcement Retirement System after September 30,  
7 1988, is sixty-five (65) years of age or older or who  
8 is under sixty-five (65) years of age and is eligible  
9 for Medicare shall have One Hundred Five Dollars  
10 (\$105.00), or the premium rate of the health insurance  
11 benefit plan, whichever is less, paid by the Oklahoma  
12 Law Enforcement Retirement System to the ~~Office~~ Board  
13 in the manner specified in subsection G of this  
14 section, and

15 d. a retired employee other than an education employee  
16 who is receiving benefits from the Uniform Retirement  
17 System for Justices and Judges after September 30,  
18 1988, shall have One Hundred Five Dollars (\$105.00),  
19 or the premium rate of the health insurance plan,  
20 whichever is less, paid by the Uniform Retirement  
21 System for Justices and Judges to the ~~Office~~ Board in  
22 the manner specified in subsection G of this section.

23 2. Premium payments made pursuant to this section shall be made  
24 subject to the following conditions:

- 1           a.    the health plan shall be authorized by the provisions  
2                   of the Oklahoma Employees Insurance and Benefits Act,  
3                   except that if an employer from which an employee  
4                   retired or with a vested benefit pursuant to the  
5                   provisions of the Oklahoma Public Employees Retirement  
6                   System does not participate in the plans authorized by  
7                   the provisions of the Oklahoma Employees Insurance and  
8                   Benefits Act, the health plan will be the health  
9                   insurance benefits of the employer from which the  
10                  individual retired or vested,  
11           b.    for plans offered by the Oklahoma Employees Insurance  
12                   and Benefits Act, the amount to be paid shall be  
13                   determined pursuant to the provisions of this  
14                   subsection and shall first be applied in whole or in  
15                   part to the prescription drug coverage premium. Any  
16                   remaining amount shall be applied toward the medical  
17                   coverage premium,  
18           c.    for all plans, if the amount paid by the public  
19                   retirement system does not cover the full cost of the  
20                   elected coverage, the individual shall pay the  
21                   remaining premium amount, and  
22           d.    payment shall be made by the retirement systems in the  
23                   manner specified under subsection G of this section.  
24

1 D. For any member of the Oklahoma Law Enforcement Retirement  
2 System killed in the line of duty, whether the member was killed in  
3 the line of duty prior to May 18, 2005, or on or after May 18, 2005,  
4 or if the member was on a disability leave status at the time of  
5 death, the surviving spouse or dependents of such deceased member of  
6 the Oklahoma Law Enforcement Retirement System may elect to continue  
7 or commence health and dental insurance benefits, provided the  
8 dependents pay the full cost of such insurance, and for deaths  
9 occurring on or after July 1, 2002, such election is made within  
10 thirty (30) days of the date of death. The eligibility for the  
11 benefits shall terminate for the surviving children when the  
12 children cease to qualify as dependents.

13 E. Effective July 1, 2004, a retired member of the Oklahoma Law  
14 Enforcement Retirement System who retired from the System by means  
15 of a personal and traumatic injury of a catastrophic nature and in  
16 the line of duty and any surviving spouse of such retired member and  
17 any surviving spouse of a member who was killed in the line of duty  
18 shall have one hundred percent (100%) of the retired member's or  
19 surviving spouse's health care premium cost, whether the member or  
20 surviving spouse elects coverage under the Medicare supplement or  
21 Medicare risk-sharing contract, paid by the Oklahoma Law Enforcement  
22 Retirement System to the ~~Office~~ Board in the manner specified in  
23 subsection H of this section. For plans offered by the ~~Office~~  
24

1 Board, such contributions will first be applied in whole or in part  
2 to the prescription drug coverage premium, if any.

3 F. Dependents of a deceased employee who was on active work  
4 status or on a disability leave at the time of death or of a  
5 participating ~~retardant~~ retirant or of any person who has elected to  
6 receive a vested benefit under the Oklahoma Public Employees  
7 Retirement System, the Uniform Retirement System for Justices and  
8 Judges or the Oklahoma Law Enforcement Retirement System may  
9 continue the health and dental insurance benefits in force, provided  
10 the dependents pay the full cost of such insurance and they were  
11 covered as eligible dependents at the time of such death and such  
12 election is made within thirty (30) days of date of death. The  
13 eligibility for the benefits shall terminate for the surviving  
14 children when the children cease to qualify as dependents.

15 G. The amounts required to be paid by the Oklahoma Public  
16 Employees Retirement System, the Uniform Retirement System for  
17 Justices and Judges and the Oklahoma Law Enforcement Retirement  
18 System pursuant to this section shall be forwarded no later than the  
19 tenth day of each month following the month for which payment is due  
20 by the Oklahoma Public Employees Retirement System Board of Trustees  
21 or the Oklahoma Law Enforcement Retirement Board to the ~~Office~~  
22 Oklahoma Employees Insurance and Benefits Board for deposit in the  
23 Health, Dental and Life Insurance Reserve Fund or to another  
24 insurance carrier or other administrator of qualified benefits of

1 the employer as provided for in subsection H of Section 1315 of this  
2 title.

3 H. Upon retirement from employment of the Board of Regents of  
4 the University of Oklahoma, any person who was or is employed at the  
5 George Nigh Rehabilitation Institute and who transferred employment  
6 pursuant to Section 3427 of Title 70 of the Oklahoma Statutes, any  
7 person who was employed at the Medical Technology and Research  
8 Authority and who transferred employment pursuant to Section 7068 of  
9 this title and any person who is a member of the Oklahoma Law  
10 Enforcement Retirement System pursuant to the authority of Section  
11 2-314 of Title 47 of the Oklahoma Statutes may participate in the  
12 benefits authorized by the provisions of the Oklahoma Employees  
13 Insurance and Benefits Act for retired participants including  
14 health, dental and life insurance benefits, if such election to  
15 participate is made within thirty (30) days from the date of  
16 termination of service. Life insurance benefits for any such person  
17 who transferred employment shall not exceed the coverage the person  
18 had at the time of such transfer. Retirees who transferred  
19 employment and who participate pursuant to this paragraph shall pay  
20 the premium for elected benefits less any amounts paid by a state  
21 retirement system pursuant to this section.

22 SECTION 19. AMENDATORY 74 O.S. 2021, Section 1316.3, is  
23 amended to read as follows:  
24  
25

1       Section 1316.3. A. Any person who retires pursuant to the  
2 provisions of the Teachers' Retirement System of Oklahoma with at  
3 least ten (10) years of creditable service or who has a vested  
4 benefit with at least ten (10) years of creditable service, pursuant  
5 to the provisions of the Teachers' Retirement System of Oklahoma may  
6 continue in force the health and dental insurance benefits  
7 authorized by the provisions of the Oklahoma Employees Insurance and  
8 Benefits Act if such election to continue in force or begin is made  
9 within thirty (30) days from the date of termination of service.  
10 Except as provided in subsection E of Sections 5-117.5 and 14-108.1  
11 of Title 70 of the Oklahoma Statutes and ~~Section 840-2.27I of this~~  
12 ~~title and~~ subsection K of this section, health and dental insurance  
13 coverage may not be reinstated at a later time if the election to  
14 continue in force or begin coverage is declined. Vested persons who  
15 have terminated service and are not receiving benefits and effective  
16 July 1, 1996, nonvested persons who have terminated service with  
17 more than ten (10) years of participating service with a qualifying  
18 employer, who within thirty (30) days from the date of termination  
19 of service, elect to continue such coverage, shall pay the full cost  
20 of ~~said~~ such insurance premium at the rate and pursuant to the terms  
21 and conditions established by the ~~Office of Management and~~  
22 ~~Enterprise Services~~ Oklahoma Employees Insurance and Benefits Board.

23       B. 1. Health insurance benefit plans offered pursuant to this  
24 section shall include:

- a. indemnity plans offered through the ~~Office~~ Board,
- b. managed care plans offered as alternatives to the indemnity plans,
- c. Medicare supplements offered through the ~~Office~~ Board,
- d. Medicare risk-sharing contracts offered as alternatives to the Medicare supplements offered through the ~~Office~~ Board, and
- e. any other employer-provided health insurance benefit plans if the employer does not participate in the plans offered pursuant to the Oklahoma Employees Insurance and Benefits Act.

2. Health insurance benefit plans offered pursuant to this section shall provide prescription drug benefits, except for plans designed pursuant to the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, which may or may not contain prescription drug benefits, for which provision of prescription drug benefits is optional, and except for plans offered pursuant to subparagraph e of paragraph 1 of this subsection.

C. A retired person who:

1. Is receiving benefits from the Teachers' Retirement System of Oklahoma after September 30, 1988, is under sixty-five (65) years of age and is not otherwise eligible for Medicare and pursuant to subsection A of this section elects to begin or to continue the health insurance plan;

1        2. Is receiving benefits from the Teachers' Retirement System  
2 of Oklahoma after June 30, 1993, is under sixty-five (65) years of  
3 age and is not otherwise eligible for Medicare and participates in a  
4 health insurance plan provided by a participating education employer  
5 of the Teachers' Retirement System of Oklahoma other than a health  
6 insurance plan offered pursuant to the Oklahoma Employees Insurance  
7 and Benefits Act or an alternative health plan offered pursuant to  
8 the Oklahoma State Employees Benefits Act;

9        3. Is receiving benefits from the Teachers' Retirement System  
10 of Oklahoma after September 30, 1988, made contributions to the  
11 system and is sixty-five (65) years of age or older, or who is under  
12 sixty-five (65) years of age and is eligible for Medicare and is a  
13 participant in the Oklahoma Employees Insurance and Benefits Act and  
14 elects coverage under the Medicare supplement offered by the ~~Office~~  
15 Board; or

16        4. Is receiving benefits from the Teachers' Retirement System  
17 of Oklahoma after June 30, 1993, made contributions to the system  
18 and is sixty-five (65) years of age or older, or who is under sixty-  
19 five (65) years of age and is eligible for Medicare and participates  
20 in a health insurance plan provided by a participating education  
21 employer of the Teachers' Retirement System of Oklahoma other than a  
22 health insurance plan offered pursuant to the Oklahoma Employees  
23 Insurance and Benefits Act or an alternative health plan offered  
24



1 pursuant to the Oklahoma State Employees Benefits Act and elects  
2 coverage under the Medicare supplement offered by the ~~Office~~ Board,  
3 shall have the amount determined pursuant to subsection E of this  
4 section, or the premium rate of the health insurance benefit plan,  
5 whichever is less, paid by the Teachers' Retirement System of  
6 Oklahoma. If the amount paid by the Teachers' Retirement System of  
7 Oklahoma does not cover the full cost of the health insurance  
8 premium, the retired person shall pay the remaining amount if the  
9 retired person wants to continue the coverage.

10 D. The Teachers' Retirement System shall pay the amount due  
11 pursuant to the provisions of subsection C of this section as  
12 follows:

13 1. For those individuals participating in plans provided  
14 through the Oklahoma Employees Insurance and Benefits Act, payment  
15 shall be made to the ~~Office~~ Board pursuant to the provisions of  
16 subsection I of this section; or

17 2. For those individuals participating in plans provided  
18 through a participating education employer of the Teachers'  
19 Retirement System of Oklahoma other than a health insurance plan  
20 offered pursuant to the Oklahoma Employees Insurance and Benefits  
21 Act, payment shall be made to the education employer.

22 E. Beginning July 1, 2000, the maximum benefit payable by the  
23 Teachers' Retirement System of Oklahoma on behalf of a retired  
24

person toward ~~said~~ the person's monthly premium for health insurance shall be determined in accordance with the following schedule:

LESS THAN

25 YEARS BUT

GREATER

LESS THAN

GREATER THAN

THAN 24.99

AVERAGE SALARY

15 YEARS OF

14.99 YEARS OF

YEARS OF

USED FOR DETERMINING

CREDITABLE

CREDITABLE

CREDITABLE

RETIREMENT ALLOWANCE

SERVICE

SERVICE

SERVICE

Less than \$20,000.00

\$103.00

\$104.00

\$105.00

Less than \$30,000.00 but

greater than \$19,999.99

\$102.00

\$103.00

\$104.00

Less than \$40,000.00 but

greater than \$29,999.99

\$101.00

\$102.00

\$103.00

\$40,000.00 or greater

\$100.00

\$101.00

\$102.00

For plans offered by the ~~Office~~ Board, the amount paid pursuant to this subsection shall first be applied to the prescription drug coverage premium, if any. Any remaining amounts shall be applied towards the medical coverage premium.

F. If a person retires and begins to receive benefits from the Teachers' Retirement System of Oklahoma or terminates service and has a vested benefit with the Teachers' Retirement System of Oklahoma, the person may elect, in the manner provided in subsection A of this section, to participate in the dental insurance plan

1 offered through the Oklahoma Employees Insurance and Benefits Act.

2 The person shall pay the full cost of the dental insurance.

3 G. Those persons who are receiving benefits from the Teachers'  
4 Retirement System of Oklahoma and have health insurance coverage  
5 which on the operative date of this section is being paid by the  
6 education entity from which the person retired shall make the  
7 election required in subsection A of this section within thirty (30)  
8 days of the termination of ~~said~~ the health insurance coverage. The  
9 person making the election shall give the ~~Office~~ Board certified  
10 documentation satisfactory to the ~~Office~~ Board of the termination  
11 date of the other health insurance coverage.

12 H. Dependents of a deceased education employee who was on  
13 active work status or on a disability leave at the time of death or  
14 of a participating retirant or of any person who has elected to  
15 receive a vested benefit under the Teachers' Retirement System of  
16 Oklahoma may continue the health and dental insurance benefits in  
17 force provided ~~said~~ the dependents pay the full cost of such  
18 insurance and they were covered as eligible dependents at the time  
19 of such death and such election is made within thirty (30) days of  
20 date of death. The eligibility for ~~said~~ such benefits shall  
21 terminate for the surviving children when ~~said~~ the children cease to  
22 qualify as dependents.

23 I. The amounts required to be paid by the Teachers' Retirement  
24 System of Oklahoma pursuant to this section shall be forwarded no  
25

1 later than the tenth day of each month following the month for which  
2 payment is due by the Board of Trustees of the Teachers' Retirement  
3 System of Oklahoma to the ~~Office~~ Board for deposit in the Education  
4 Employees Group Insurance Reserve Fund.

5 J. The Teachers' Retirement System of Oklahoma shall provide  
6 the ~~Office~~ Board information concerning the employers of retired and  
7 vested members necessary to allow the ~~Office~~ Board to track  
8 eligibility for continued coverage.

9 K. Upon retirement from employment with the Board of Regents of  
10 the University of Oklahoma, any person who is or was employed at the  
11 George Nigh Rehabilitation Institute and who transferred employment  
12 pursuant to Section 3427 of Title 70 of the Oklahoma Statutes, any  
13 person who was employed at the Medical Technology and Research  
14 Authority and who transferred employment pursuant to Section 7068 of  
15 this title, and any person who is a member of the Oklahoma Law  
16 Enforcement Retirement System pursuant to the authority of Section  
17 2-314 of Title 47 of the Oklahoma Statutes may participate in the  
18 benefits authorized by the provisions of the Oklahoma Employees  
19 Insurance and Benefits Act for retired participants, including  
20 health, dental and life insurance benefits, if such election to  
21 participate is made within thirty (30) days from the date of  
22 termination of employment. Life insurance benefits for any such  
23 person who transferred employment shall not exceed the coverage the  
24 person had at the time of such transfer. Retirees who are persons

1 transferred employment and who participate pursuant to this  
2 paragraph shall pay the premium for elected benefits less any  
3 amounts paid by the retirement system pursuant to this section.

4 SECTION 20. AMENDATORY 74 O.S. 2021, Section 1317, is  
5 amended to read as follows:

6 Section 1317. Any legally blind person who is licensed by the  
7 State Department of Rehabilitation Services as a vending stand  
8 operator or managing operator shall be eligible for membership in  
9 the ~~Health Insurance Plan~~ health insurance plan, ~~Dental Insurance~~  
10 ~~Plan~~ dental insurance plan and ~~Life Insurance Plan~~ life insurance  
11 plan referred to in the Oklahoma Employees Insurance and Benefits  
12 Act. Enrollment in the ~~Plan~~ plan shall be optional with each  
13 operator pursuant to the rules prescribed by the ~~Office of~~  
14 ~~Management and Enterprise Services~~ Oklahoma Employees Insurance and  
15 Benefits Board. Any payments required to be made for enrollees in  
16 the ~~Plan~~ plan shall be payable by the operator in such manner as may  
17 be determined by the State Department of Rehabilitation Services;  
18 provided, that the Department may, in its discretion, make all or a  
19 part of such payments.

20 SECTION 21. AMENDATORY 74 O.S. 2021, Section 1318, is  
21 amended to read as follows:

22 Section 1318. No former employee who is reemployed by a  
23 participating entity within twenty-four (24) months after the date  
24 of termination of previous employment shall be enrolled in the  
25

Oklahoma Employees Insurance and Benefits Plan authorized by Sections 1301 through 1329.1 of this title, for a greater amount of life insurance or life benefit than the amount for which the life of the former employee was insured under the plan at the date of termination of employment, except upon the former employee furnishing evidence of insurability, satisfactory to the ~~Office of Management and Enterprise Services~~ Oklahoma Employees Insurance and Benefits Board, and any greater amount of benefit or insurance provided the employee shall be at the former employee's cost.

SECTION 22. AMENDATORY 74 O.S. 2021, Section 1321, is amended to read as follows:

Section 1321. A. The Office of Management and Enterprise Services shall have the authority to determine all rates and life, dental and health benefits for state-sponsored plans. All rates shall be compiled in a comprehensive Schedule of Benefits. The Schedule of Benefits shall be submitted to and approved by the Oklahoma Employees Insurance and Benefits Board for each plan year.

The Schedule of Benefits shall be available for inspection during regular business hours at the Office of Management and Enterprise Services. The Office shall have the authority to annually adjust the rates and benefits based on claim experience.

B. The premiums for such insurance plans offered for the next plan year shall be established as follows:

1        1. For active employees and their dependents, the Office's  
2 premium determination shall be made and submitted to the Oklahoma  
3 Employees Insurance and Benefits Board no later than the bid  
4 submission date for health maintenance organizations set by the  
5 Oklahoma State Employees Benefits Council, which shall be set in  
6 August no later than the third Friday of that month; and

7        2. For all other covered members and dependents, the Office's  
8 and the health maintenance organizations' premium determinations  
9 shall be no later than the fourth Friday of September.

10        C. The Office may approve a mid-year adjustment provided the  
11 need for an adjustment is substantiated by an actuarial  
12 determination or more current experience rating. The only  
13 publication or notice requirements that shall apply to the Schedule  
14 of Benefits shall be those requirements provided in the Oklahoma  
15 Open Meeting Act and within this section. It is the intent of the  
16 Legislature that the benefits provided not include cosmetic dental  
17 procedures except for certain orthodontic procedures as adopted by  
18 the Director of the Office of Management and Enterprise Services.

19        SECTION 23.        AMENDATORY        74 O.S. 2021, Section 1323, is  
20 amended to read as follows:

21        Section 1323. Any person who shall knowingly make any false  
22 statement, or who shall falsify or permit to be falsified any record  
23 necessary for carrying out the intent of the Oklahoma Employees  
24 Insurance and Benefits Act, Sections 1301 through 1329.1 of this

1 title, for the purpose of committing fraud, shall be guilty of a  
2 misdemeanor, and upon conviction shall be punished by a fine not  
3 exceeding Five Thousand Dollars (\$5,000.00) or by imprisonment for  
4 not exceeding one (1) year or by both the fine and imprisonment.

5 ~~The Office of Management and Enterprise Services~~ Oklahoma Employees  
6 Insurance and Benefits Board shall have the right to audit  
7 participating employer groups to verify eligibility for any member  
8 and/or dependent and may require proof of eligibility upon demand.

9 SECTION 24. AMENDATORY 74 O.S. 2021, Section 1371, is  
10 amended to read as follows:

11 Section 1371. A. All participants must purchase at least the  
12 basic plan unless, to the extent that it is consistent with federal  
13 law, the participant is a person who has retired from a branch of  
14 the United States military and has been provided with health  
15 coverage through a federal plan and that participant provides proof  
16 of that coverage, or the participant has opted out of the state's  
17 basic plan according to the provisions in Section 1308.3 of this  
18 title. On or before January 1 of the plan year beginning July 1,  
19 2001, and July 1 of any plan year beginning after January 1, 2002,  
20 the Oklahoma Employees Insurance and Benefits Board shall design the  
21 basic plan for the next plan year to ensure that the basic plan  
22 provides adequate coverage to all participants. All benefit plans,  
23 whether offered by the State and Education Employees Group Insurance  
24



1 Board, a health maintenance organization or other vendors shall meet  
2 the minimum requirements set by the Board for the basic plan.

3 B. The Board shall offer health, disability, life and dental  
4 coverage to all participants and their dependents. For health,  
5 dental, disability and life coverage, the Board shall offer plans at  
6 the basic benefit level established by the Board, and in addition,  
7 may offer benefit plans that provide an enhanced level of benefits.  
8 The Board shall be responsible for determining the plan design and  
9 the benefit price for the plans that they offer. Effective for the  
10 plan year beginning January 1, 2017, and for each plan year  
11 thereafter, in setting health insurance premiums for active  
12 employees and for retirees under sixty-five (65) years of age, the  
13 Board shall set the monthly premium for active employees to be equal  
14 to the monthly premium for retirees under sixty-five (65) years of  
15 age; except that the Board may offer retirees under sixty-five (65)  
16 years of age the opportunity to voluntarily enroll in an alternative  
17 plan of insurance at a rate that is between One Hundred Dollars  
18 (\$100.00) less than the monthly premium for active employees and up  
19 to One Hundred Dollars (\$100.00) more than the monthly premium for  
20 active employees. Retirees under the age of sixty-five (65) who  
21 enroll in an alternative plan of insurance shall retain the right to  
22 enroll in any other health insurance plan offered by the Board for  
23 which they might be qualified during a subsequent open enrollment  
24 period.

1        Nothing in this subsection shall be construed as prohibiting the  
2 Board from offering additional medical plans, provided that any  
3 medical plan offered to participants shall meet or exceed the  
4 benefits provided in the medical portion of the basic plan.

5        C. In lieu of electing any of the preceding medical benefit  
6 plans, a participant may elect medical coverage by any health  
7 maintenance organization made available to participants by the  
8 Board. The benefit price of any health maintenance organization  
9 shall be determined on a competitive bid basis. Contracts for ~~said~~  
10 such plans shall not be subject to the provisions of ~~The~~ the  
11 Oklahoma Central Purchasing Act. The Board shall promulgate rules  
12 establishing appropriate competitive bidding criteria and procedures  
13 for contracts awarded for flexible benefits plans. ~~All plans~~  
14 ~~offered by health maintenance organizations meeting the bid~~  
15 ~~requirements as determined by the Board shall be accepted.~~ The  
16 Board shall have the authority to reject the bid or restrict  
17 enrollment in any health maintenance organization for which the  
18 Board determines the benefit price to be excessive. The Board shall  
19 have the authority to reject any plan that does not meet the bid  
20 requirements. All bidders shall submit along with their bid a  
21 notarized, sworn statement as provided by Section 85.22 of this  
22 title. Effective for the plan year beginning January 1, 2007, and  
23 for each plan year thereafter, in setting health insurance premiums  
24 for active employees and for retirees under sixty-five (65) years of

1 age, ~~HMOs~~ health maintenance organizations, self-insured  
2 organizations and prepaid plans shall set the monthly premium for  
3 active employees to be equal to the monthly premium for retirees  
4 under sixty-five (65) years of age.

5 D. Nothing in this section shall be construed as prohibiting  
6 the Board from offering additional qualified benefit plans or  
7 currently taxable benefit plans.

8 E. Each employee of a participating employer who meets the  
9 eligibility requirements for participation in the flexible benefits  
10 plan shall make an annual election of benefits under the plan during  
11 an enrollment period to be held prior to the beginning of each plan  
12 year. The enrollment period dates will be determined annually and  
13 will be announced by the Board, ~~providing;~~ provided, the enrollment  
14 period shall end no later than thirty (30) days before the beginning  
15 of the plan year.

16 Each such employee shall make an irrevocable advance election  
17 for the plan year or the remainder thereof pursuant to such  
18 procedures as the Board shall prescribe. Any such employee who  
19 fails to make a proper election under the plan shall, nevertheless,  
20 be a participant in the plan and shall be deemed to have purchased  
21 the default benefits described in this section.

22 F. The Board shall prescribe the forms that participants will  
23 be required to use in making their elections, and may prescribe  
24 deadlines and other procedures for filing the elections.

1       G. Any participant who, in the first year for which he or she  
2 is eligible to participate in the plan, fails to make a proper  
3 election under the plan in conformance with the procedures set forth  
4 in this section or as prescribed by the Board shall be deemed  
5 automatically to have purchased the default benefits. The default  
6 benefits shall be the same as the basic plan benefits. Any  
7 participant who, after having participated in the plan during the  
8 previous plan year, fails to make a proper election under the plan  
9 in conformance with the procedures set forth in this section or  
10 prescribed by the Board, shall be deemed automatically to have  
11 purchased the same benefits which the participant purchased in the  
12 immediately preceding plan year, except that the participant shall  
13 not be deemed to have elected coverage under the health care  
14 reimbursement account plan or the dependent care reimbursement  
15 account plan.

16       H. Benefit plan contracts with the Board, health maintenance  
17 organizations, and other third party insurance vendors shall provide  
18 for a risk adjustment factor for adverse selection that may occur,  
19 as determined by the Board, based on generally accepted actuarial  
20 principles.

21       I. 1. For the plan year ending December 31, 2004, employees  
22 covered or eligible to be covered under the State and Education  
23 Employees Group Insurance Act and the State Employees Flexible  
24 Benefits Act who are enrolled in a health maintenance organization

1 offering a network in Oklahoma City, shall have the option of  
2 continuing care with a primary care physician for the remainder of  
3 the plan year if:

4       a.    that primary care physician was part of a provider  
5             group that was offered to the individual at enrollment  
6             and later removed from the network of the health  
7             maintenance organization, for reasons other than for  
8             cause, and

9       b.    the individual submits a request in writing to the  
10            health maintenance organization to continue to have  
11            access to the primary care physician.

12       2.   The primary care physician selected by the individual shall  
13       be required to accept reimbursement for such health care services on  
14       a fee-for-service basis only. The fee-for-service shall be computed  
15       by the health maintenance organization based on the average of the  
16       other fee-for-service contracts of the health maintenance  
17       organization in the local community. The individual shall only be  
18       required to pay the primary care physician those co-payments,  
19       coinsurance and any applicable deductibles in accordance with the  
20       terms of the agreement between the employer and the health  
21       maintenance organization and the provider shall not balance bill the  
22       patient.

23       3.   Any network offered in Oklahoma City that is terminated  
24       prior to July 1, 2004, shall notify the health maintenance

1 organization, and Oklahoma Employees Insurance and Benefits Board by  
2 June 11, 2004, of the network's intentions to continue providing  
3 primary care services as described in paragraph 2 of this subsection  
4 offered by the health maintenance organization to state and public  
5 employees.

6 SECTION 25. AMENDATORY 74 O.S. 2021, Section 1374, is  
7 amended to read as follows:

8 Section 1374. A. For the plan year beginning January 1, 2017,  
9 and for each year thereafter, it shall be the responsibility of the  
10 ~~Office of Management and Enterprise Services~~ Oklahoma Employees  
11 Insurance and Benefits Board to offer vision plans to participants  
12 during the open enrollment period. Providers of plans eligible for  
13 selection shall submit information requested by the ~~Office of~~  
14 ~~Management and Enterprise Services~~ Board. For the plan year  
15 beginning January 1, 2022, and for each year thereafter, the ~~Office~~  
16 ~~of Management and Enterprise Services~~ Board shall have the authority  
17 to renew vision plan contracts with plan providers for succeeding  
18 one-year terms if the provider had a contract for the immediately  
19 preceding year. The ~~Office of Management and Enterprise Services~~  
20 Board may, at its discretion, require the provider to submit  
21 information including, but not limited to, rate schedules, contact  
22 information for the plan, policy limits and applicable deductibles  
23 and billing practices of the plan prior to the renewal. Plans  
24 eligible for selection shall meet or exceed the following criteria:

1        1. Has in place a statewide network of at least one hundred  
2 fifty providers. "Providers", for purposes of this section, means  
3 ~~Optometrists~~ optometrists (OD), ~~Ophthalmologists~~ ophthalmologists  
4 (MD), and ~~Ophthalmologists~~ ophthalmologists (DO) which shall be  
5 counted once regardless of the number of locations where they may  
6 practice. Optical shops and retail optical locations shall not be  
7 listed as providers. The company offering the vision plan must have  
8 a direct relationship with each provider on its panel, and may not  
9 lease, borrow, or otherwise obtain use of a provider panel from  
10 another company. This would not prevent a company from offering its  
11 plan through one corporate entity and administering the plan or  
12 provider panel through another legal entity of the same organization  
13 so long as the entity receiving premiums remains legally responsible  
14 for the payment of benefits. Providers must be actively engaged in  
15 providing the services offered under the vision plan they represent;

16        2. Has operated in Oklahoma for at least five (5) years;  
17 provided, that an immediately prior operation in Oklahoma of a  
18 nonsurviving corporation that merges into an affiliated corporation  
19 shall be counted in determining whether the surviving corporation  
20 has operated a plan in Oklahoma for five (5) years;

21        3. Is properly licensed, registered, certified or authorized to  
22 operate its business in this state by the Insurance Department.  
23 Vision plans must be offered by the company administering the plan,  
24

1 not by an agent or third party. A company shall offer only one  
2 vision plan and rate schedule for each plan year;

3 4. Presents accurate product information in a reproducible  
4 format not to exceed two pages; and

5 5. Vision plans must provide an examination, frames and lenses,  
6 and/or contact lenses and some form of indemnified payment to the  
7 contracted providers for each component of the benefits, i.e., the  
8 exam, frames and lenses and/or contact lenses. This does not  
9 eliminate discounted supplementary benefits under a qualified plan,  
10 so long as such benefits pertain to vision care.

11 B. Any administrative fees imposed by the ~~Office of Management~~  
12 ~~and Enterprise Services~~ Board shall be applied equally to all  
13 qualified vision plans. There shall be no additional requirements  
14 imposed on a vision plan other than the proper licensing,  
15 certification or authorization to operate its business by the  
16 ~~Oklahoma~~ Insurance Department.

17 C. No more than two Oklahoma-based vision care benefits  
18 companies that meet the criteria as specified in subsection A of  
19 this section and no more than two out-of-state vision care benefits  
20 companies that meet the criteria as specified in subsection A of  
21 this section shall be offered as vendors for enrollment in any state  
22 employee benefit offering. For purposes of this subsection, an  
23 "Oklahoma-based vision care benefits company" shall be defined as  
24 follows:



1        1. A vision care benefits company that has a home office,  
2 customer service and administration located within ~~the State of~~  
3 ~~Oklahoma~~ this state and is subject to Oklahoma state income taxes;  
4 or

5        2. A vision care benefits company that has a majority of  
6 ownership interest held either directly or indirectly by residents  
7 of ~~the State of Oklahoma~~ this state and is subject to Oklahoma state  
8 income taxes.

9        D. In the event the number of vision companies submitting  
10 offerings exceeds the amount permitted under subsection C of this  
11 section, the ~~Office of Management and Enterprise Services~~ Board  
12 shall have the authority to reject excess offerings based upon  
13 failures to meet bid requirements or for providing lesser value for  
14 the State of Oklahoma.

15        SECTION 26. This act shall become effective July 1, 2024.

16        SECTION 27. It being immediately necessary for the preservation  
17 of the public peace, health or safety, an emergency is hereby  
18 declared to exist, by reason whereof this act shall take effect and  
19 be in full force from and after its passage and approval.  
20

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