

1 STATE OF OKLAHOMA

2 2nd Session of the 57th Legislature (2020)

3 COMMITTEE SUBSTITUTE
4 FOR
5 SENATE BILL NO. 1694

By: Quinn

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7 COMMITTEE SUBSTITUTE

8 An Act relating to mandated health insurance
9 coverage; amending Section 1, Chapter 92, O.S.L. 2016
10 (36 O.S. Supp. 2019, Section 6011), which relates to
11 mandated health insurance coverage; creating the
12 Oklahoma Health Insurance Mandate Legislation
13 Actuarial Analysis Act; defining terms; requiring
14 certain bills be sent to Legislative Actuary;
15 establishing procedure for introduction of mandate
16 bills; establishing procedure for consideration of
17 mandate bills in committee; requiring certain bills
18 be subject to full actuarial investigation; requiring
19 Legislative Actuary to complete investigation on
20 mandate bills by certain date; requiring actuarial
21 investigation be attached to certain documents;
22 establishing procedure for amending mandate bills;
23 establishing procedure for consideration of mandate
24 bills in Legislature after investigation; requiring
certain documents be attached to certain enrolled
bills; amending 74 O.S. 2011, Section 452.15, which
relates to Legislative Actuary duties; modifying
purpose of hiring Actuary; adding required experience
for certain hiring; providing for codification; and
providing an effective date.

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

1 SECTION 1. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 6010 of Title 36, unless there
3 is created a duplication in numbering, reads as follows:

4 This act shall be known and may be cited as the "Oklahoma Health
5 Insurance Mandate Legislation Actuarial Analysis Act".

6 SECTION 2. AMENDATORY Section 1, Chapter 92, O.S.L. 2016
7 (36 O.S. Supp. 2019, Section 6011), is amended to read as follows:

8 Section 6011. ~~Any mandated health insurance coverage signed
9 into law after November 1, 2016, for specific health services,
10 benefits, diseases, copay structure, formulary structure or for
11 certain providers of health care services shall also apply to the
12 Oklahoma Employees Health Insurance Plan~~

13 As used in this ~~section,~~ act:

14 1. "Amendment" means any amendment including a substitute bill,
15 which includes a mandate on a health plan, and is made:

16 a. by any committee, author or committee member of the
17 House of Representatives or Senate committee, as a
18 committee amendment or substitute bill,

19 b. by any member of the Legislature, as a floor amendment
20 or substitute bill, or

21 c. by a conference committee of the House of
22 Representatives or Senate;

23 2. "Health plan" means an insurance plan that:
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- 1 a. provides benefits for medical or surgical expenses
2 incurred as a result of a health condition, accident
3 or sickness, and
- 4 b. is offered by any insurance company, group hospital
5 service corporation, the State and Education Employees
6 Group Insurance Board, health maintenance organization
7 that delivers or issues for delivery an individual,
8 group, blanket or franchise insurance policy or
9 insurance agreement, a group hospital service contract
10 or an evidence of coverage or by a multiple employer
11 welfare arrangement, as defined in Section 3 of the
12 Employee Retirement Income Security Act of 1974, to
13 the extent permitted or any other analogous benefit
14 arrangement, whether the payment is fixed or by
15 indemnity;

16 3. "Legislative Actuary" means the firm or entity that enters
17 into a contract with the Legislative Service Bureau pursuant to
18 Section 452.15 of Title 74 of the Oklahoma Statutes to provide the
19 actuarial services and other duties provided for in this act;

20 4. "Mandate" means required coverage for services specified by
21 law, treatments, benefits, productions, drugs, conditions,
22 providers, provider reimbursement levels, copay structures or
23 utilization of specific administrative services;

1 5. "Mandate bill" means any bill or joint resolution introduced
2 or amended by a member or a committee of the Legislature that
3 creates or amends any law mandating a health plan to provide
4 coverage;

5 6. "Oklahoma Employees Health Insurance Plan" shall have the
6 same meaning as "health insurance plan" as defined in Section 1303
7 of Title 74 of the Oklahoma Statutes; and

8 7. "Physician" means a doctor of medicine or a doctor of
9 osteopathic medicine licensed by and in good standing with the State
10 Board of Medical Licensure and Supervision, the State Board of
11 Osteopathic Examiners or the Board of Podiatric Medical Examiners.

12 SECTION 3. NEW LAW A new section of law to be codified
13 in the Oklahoma Statutes as Section 6012 of Title 36, unless there
14 is created a duplication in numbering, reads as follows:

15 Prior to the introduction of any bill or joint resolution
16 mandating a health plan to provide coverage, the applicable
17 legislative staff, on behalf of the member of the Legislature who
18 intends to be the primary author of the bill, shall present an exact
19 copy of the proposed bill to the Legislative Actuary. The Actuary
20 shall determine whether the proposed bill is a mandate bill having a
21 fiscal impact on insurance premiums or a mandate bill not having a
22 fiscal impact on insurance premiums and provide a written
23 certification of that determination to the member. If the proposed
24 bill is then introduced into the Legislature, it shall have attached

1 the certification of the Actuary. If the bill is certified as a
2 mandate bill having a fiscal impact, its introduction shall be
3 limited by the provisions of this act.

4 SECTION 4. NEW LAW A new section of law to be codified
5 in the Oklahoma Statutes as Section 6013 of Title 36, unless there
6 is created a duplication in numbering, reads as follows:

7 A. Except as otherwise provided in this subsection, any bill or
8 joint resolution mandating a health plan to provide coverage that
9 has a fiscal impact on insurance premiums may be introduced
10 according to the applicable deadlines established by the House of
11 Representatives or the Senate only in any odd-numbered year during
12 the regular session. It may be passed by the Legislature only
13 during an even-numbered year of the regular session. Any mandate
14 bill determined by the Legislative Actuary in an even-numbered year
15 to be a fiscal mandate bill may be introduced in an even-numbered
16 year but shall not be considered by the Legislature.

17 B. When a mandate bill having a fiscal impact is introduced, it
18 shall be assigned to the respective House of Representatives or
19 Senate standing committee or subcommittee that is responsible for
20 the consideration of health insurance legislation. If a majority of
21 the total membership of such committee is opposed to the bill on its
22 merits, no actuarial investigation provided for in this act shall be
23 necessary and the bill shall not be reported out by the committee
24 and shall not be adopted or considered by the Legislature. If a

1 majority of the committee votes in favor of an actuarial
2 investigation of the bill, the investigation shall be required as
3 provided in this act. No mandate bill having a fiscal impact may be
4 reported out of the committee to which it is assigned or considered
5 and adopted by the House of Representatives or Senate without an
6 actuarial investigation.

7 SECTION 5. NEW LAW A new section of law to be codified
8 in the Oklahoma Statutes as Section 6014 of Title 36, unless there
9 is created a duplication in numbering, reads as follows:

10 A. A bill or joint resolution mandating a health plan to
11 provide coverage that has a fiscal impact on insurance premiums that
12 the committee may consider may be amended, if necessary, by the
13 committee. If a mandate bill having a fiscal impact is changed by
14 the committee to which it is assigned, the change shall be
15 accomplished only by a substitute bill.

16 B. Immediately after a mandate bill having a fiscal impact has
17 been considered and the committee has voted in favor of an actuarial
18 investigation, the chair of the committee to which the bill was
19 assigned shall transmit an exact copy of the bill, as amended by a
20 substitute bill by the committee, if applicable, to the Legislative
21 Actuary. The submission of the bill to the Actuary shall have
22 attached a letter signed by the chair of the committee requesting
23 the Actuary to complete an actuarial investigation of the bill.

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1 SECTION 6. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 6015 of Title 36, unless there
3 is created a duplication in numbering, reads as follows:

4 A. If an actuarial investigation of a bill or joint resolution
5 mandating a health plan to provide coverage having a fiscal impact
6 on insurance premiums is requested under this act, it shall be the
7 duty of the Legislative Actuary to complete his or her investigation
8 not later than December 1 of the same year during which the request
9 for the actuarial investigation was made.

10 B. By no later than December 1 of the same year that the
11 request for an actuarial investigation is made, the completed
12 actuarial investigation shall be submitted by the Actuary to the
13 chair of the committee who requested the investigation. It shall
14 include a summary of the findings of the Actuary.

15 C. The chair of the committee, upon receipt of the information
16 provided for under subsection B of this section, shall cause the
17 summary of the actuarial investigation to be attached to all copies
18 of the version of the bill that was submitted to the Actuary and
19 shall make the bill available to committee members, other
20 legislators and any other interested parties. The summary of the
21 actuarial investigation shall be attached to the original version of
22 the substitute bill, as amended by the committee if applicable, or
23 to the original version of the bill as introduced if the bill was
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1 not changed by the committee prior to its submission to the Actuary
2 for actuarial investigation.

3 SECTION 7. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 6016 of Title 36, unless there
5 is created a duplication in numbering, reads as follows:

6 A. When a bill or joint resolution mandating a health plan to
7 provide coverage having a fiscal impact on insurance premiums has
8 had an actuarial investigation pursuant to this act, the bill may be
9 considered at the next regular session of the Legislature, if the
10 bill as originally introduced was not changed by the committee and
11 the original version was submitted to the Legislative Actuary for an
12 actuarial investigation. Provided, however, that the original
13 version of the bill is the only one, except as otherwise provided by
14 this section, that may be considered by the committee to which it is
15 assigned or by the House of Representatives or the Senate. If the
16 original bill was substituted by the committee and the substitute
17 version was the version submitted to the Actuary, the substitute
18 bill is the only one, except as otherwise provided by this section,
19 that may be considered by the committee or by the House of
20 Representatives or the Senate.

21 B. After completion of an actuarial investigation, any
22 amendment to a mandate bill having a fiscal impact shall be out of
23 order and shall not be allowed either by a committee or by the House
24 of Representatives or the Senate without submission to the

1 Legislative Actuary. Any amendment to a mandate bill having a
2 fiscal impact shall be submitted to the Actuary by the chair of the
3 committee, if a committee amendment, or by the Presiding Officer of
4 the Senate or the House of Representatives on the day the amendment
5 is filed, if a floor amendment. If the Actuary certifies in writing
6 that the amendment is a nonfiscal amendment and provides an
7 actuarial certification as required in this act, then the bill as
8 amended, with the certification attached to the original of the
9 amendment, may continue in the legislative process. If the Actuary
10 issues a certification that the amendment is a fiscal amendment, the
11 progress of the bill shall end and the bill shall not be considered
12 further by either the House of Representatives or the Senate.

13 C. An amendment to a mandate bill having a fiscal impact that
14 is prohibited by subsection B of this section may be withdrawn by
15 the committee that made the amendment, if a committee amendment, or
16 by the Senate or House of Representatives, if a floor amendment. If
17 the amendment is withdrawn, the bill may continue in the legislative
18 process as any other bill, unless it is subsequently amended.

19 SECTION 8. NEW LAW A new section of law to be codified
20 in the Oklahoma Statutes as Section 6017 of Title 36, unless there
21 is created a duplication in numbering, reads as follows:

22 The enrolled act resulting from a bill that is subject to the
23 legislative procedures provided for in this act shall have attached
24 thereto the original or a true and correct copy of all certificates

1 and summaries of actuarial investigations submitted by the
2 Legislative Actuary pursuant to the requirements of this act.

3 SECTION 9. AMENDATORY 74 O.S. 2011, Section 452.15, is
4 amended to read as follows:

5 Section 452.15. A. The Legislative Service Bureau is
6 authorized and directed to enter into a contract with a person or
7 firm for the purposes of performing the services and duties of the
8 Legislative Actuary as provided for in the Oklahoma Pension
9 Legislation Actuarial Analysis Act and the Oklahoma Health Insurance
10 Mandate Legislation Actuarial Analysis Act.

11 B. The person or firm who shall perform the duties of the
12 Legislative Actuary for an analysis for the Oklahoma Pension
13 Legislation Actuarial Analysis Act shall:

14 1. Be a member of the American Academy of Actuaries, an
15 Associate or Fellow of the Society of Actuaries or an enrolled
16 actuary; and

17 2. Have substantially provided actuarial services for large,
18 public retirement systems.

19 C. The person or firm who shall perform the duties of the
20 Legislative Actuary for an analysis for the Oklahoma Health
21 Insurance Mandate Legislation Actuarial Analysis Act shall:

22 1. Be a member of the American Academy of Actuaries, an
23 Associate or Fellow of the Society of Actuaries or an enrolled
24 actuary;

1 2. Have substantially provided actuarial services for a large
2 health plan when selected for an analysis for the Oklahoma Health
3 Insurance Mandate Legislation Actuarial Analysis Act; and

4 3. Not currently be employed by or have any contract for
5 employment with an insurer offering a health plan in this state, as
6 defined in this act.

7 SECTION 10. This act shall become effective November 1, 2020.

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