

1 STATE OF OKLAHOMA

2 1st Session of the 57th Legislature (2019)

3 COMMITTEE SUBSTITUTE  
4 FOR ENGROSSED  
5 SENATE BILL NO. 993

By: Dahm of the Senate

and

6 Moore of the House

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10 COMMITTEE SUBSTITUTE

11 An Act relating to health insurance; defining short-  
12 term, limited-duration insurance; exempting certain  
13 policies from certain law; precluding certain  
14 policies from definition; providing benefit  
15 limitations for certain policies; requiring certain  
16 notice; authorizing offer of additional benefit  
17 plans; applying certain act to certain policies;  
18 providing for codification; and providing an  
19 effective date.

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

21 SECTION 1. NEW LAW A new section of law to be codified  
22 in the Oklahoma Statutes as Section 4419 of Title 36, unless there  
23 is created a duplication in numbering, reads as follows:

24 A. For the purposes of this section "short-term, limited-  
duration insurance" or "STLDI" means individual health insurance  
coverage provided pursuant to a contract with an insurer that has an

1 expiration date specified in the contract that is less than twelve  
2 (12) months after the original effective date of the contract and,  
3 taking into account renewals or extensions, has a duration of no  
4 longer than thirty-six (36) months in total.

5 B. An STLDI policy shall not be subject to the continuation  
6 provisions of the Health Insurance Portability and Accountability  
7 Act of 1996, and shall be exempt from medical loss ratio  
8 calculations associated with individual accident and health  
9 insurance issued within this state.

10 C. No STLDI policy shall be deemed to be included under the  
11 definition of group accident and health insurance issued or renewed  
12 inside or outside of this state and covering persons residing in  
13 this state.

14 D. The benefits provided by an STLDI policy may be limited as  
15 follows:

16 1. An STLDI policy shall not be required to contain one or more  
17 of the mandated accident and health insurance benefits otherwise  
18 required by Title 36 of the Oklahoma Statutes; and

19 2. An STLDI policy shall include the definitions of individual  
20 accident and health insurance with respect to major medical benefits  
21 and standard provisions or rights of coverage.

22 E. An applicant for an STLDI policy shall be provided, at the  
23 time of application and in addition to any notice required by  
24 applicable federal law or regulation, a written notice that one or

1 more of the benefits mandated by Oklahoma law is not included in the  
2 STLDI policy.

3 1. The notice shall specify the essential health benefits that  
4 are included in the STLDI policy. For purposes of this subsection,  
5 "essential health benefits" means those benefits set forth in 42 USC  
6 18022(b).

7 2. The notice shall specifically list the accident and health  
8 insurance benefits otherwise required to be covered by Title 36 of  
9 the Oklahoma Statutes that will not be covered.

10 3. The insurer shall retain a signed copy of this notice on  
11 file as a part of the original application as evidence that the  
12 insured has acknowledged such notice.

13 4. Such signed copy may be in original form, electronic file  
14 form or in any other reproducible file form as may be consistent  
15 with the insurer's method of retaining application copies.

16 F. An STLDI policy may offer various optional combinations of  
17 coverage at additional premiums for each optional benefit offered.

18 G. STLDI policies issued in Oklahoma shall be subject to the  
19 filing requirements of Section 4402 of Title 36 of the Oklahoma  
20 Statutes.

21 H. Any individual insured under an STLDI policy shall be issued  
22 an identification card which clearly indicates that the STLDI policy  
23 is a limited duration policy not subject to Affordable Care Act  
24 requirements.

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SECTION 2. This act shall become effective November 1, 2019.

57-1-8644 SH 04/03/19