

1 **SENATE FLOOR VERSION**

2 February 26, 2020

3 COMMITTEE SUBSTITUTE
4 FOR

5 SENATE BILL NO. 1694

6 By: Quinn

7 [mandated health insurance coverage - Oklahoma
8 Health Insurance Mandate Legislation Actuarial
9 Analysis Act - Legislative Actuary - codification -
10 effective date.

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

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

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

17 SECTION 2. AMENDATORY Section 1, Chapter 92, O.S.L. 2016
18 (36 O.S. Supp. 2019, Section 6011), is amended to read as follows:

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

24 As used in this section, act:

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

3 a. by any committee, author or committee member of the
4 House of Representatives or Senate committee, as a
5 committee amendment or substitute bill,

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

8 c. by a conference committee of the House of
9 Representatives or Senate;

10 2. "Health plan" means an insurance plan that:

11 a. provides benefits for medical or surgical expenses
12 incurred as a result of a health condition, accident
13 or sickness, and

14 b. is offered by any insurance company, group hospital
15 service corporation, the State and Education Employees
16 Group Insurance Board, health maintenance organization
17 that delivers or issues for delivery an individual,
18 group, blanket or franchise insurance policy or
19 insurance agreement, a group hospital service contract
20 or an evidence of coverage or by a multiple employer
21 welfare arrangement, as defined in Section 3 of the
22 Employee Retirement Income Security Act of 1974, to
23 the extent permitted or any other analogous benefit
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1 arrangement, whether the payment is fixed or by
2 indemnity;

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

7 4. "Mandate" means required coverage for services specified by
8 law, treatments, benefits, productions, drugs, conditions,
9 providers, provider reimbursement levels, copay structures or
10 utilization of specific administrative services;

11 5. "Mandate bill" means any bill or joint resolution introduced
12 or amended by a member or a committee of the Legislature that
13 creates or amends any law mandating a health plan to provide
14 coverage;

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

18 7. "Physician" means a doctor of medicine or a doctor of
19 osteopathic medicine licensed by and in good standing with the State
20 Board of Medical Licensure and Supervision, the State Board of
21 Osteopathic Examiners or the Board of Podiatric Medical Examiners.

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

1 Prior to the introduction of any bill or joint resolution
2 mandating a health plan to provide coverage, the applicable
3 legislative staff, on behalf of the member of the Legislature who
4 intends to be the primary author of the bill, shall present an exact
5 copy of the proposed bill to the Legislative Actuary. The Actuary
6 shall determine whether the proposed bill is a mandate bill having a
7 fiscal impact on insurance premiums or a mandate bill not having a
8 fiscal impact on insurance premiums and provide a written
9 certification of that determination to the member. If the proposed
10 bill is then introduced into the Legislature, it shall have attached
11 the certification of the Actuary. If the bill is certified as a
12 mandate bill having a fiscal impact, its introduction shall be
13 limited by the provisions of this act.

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

17 A. Except as otherwise provided in this subsection, any bill or
18 joint resolution mandating a health plan to provide coverage that
19 has a fiscal impact on insurance premiums may be introduced
20 according to the applicable deadlines established by the House of
21 Representatives or the Senate only in any odd-numbered year during
22 the regular session. It may be passed by the Legislature only
23 during an even-numbered year of the regular session. Any mandate
24 bill determined by the Legislative Actuary in an even-numbered year

1 to be a fiscal mandate bill may be introduced in an even-numbered
2 year but shall not be considered by the Legislature.

3 B. When a mandate bill having a fiscal impact is introduced, it
4 shall be assigned to the respective House of Representatives or
5 Senate standing committee or subcommittee that is responsible for
6 the consideration of health insurance legislation. If a majority of
7 the total membership of such committee is opposed to the bill on its
8 merits, no actuarial investigation provided for in this act shall be
9 necessary and the bill shall not be reported out by the committee
10 and shall not be adopted or considered by the Legislature. If a
11 majority of the committee votes in favor of an actuarial
12 investigation of the bill, the investigation shall be required as
13 provided in this act. No mandate bill having a fiscal impact may be
14 reported out of the committee to which it is assigned or considered
15 and adopted by the House of Representatives or Senate without an
16 actuarial investigation.

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

20 A. A bill or joint resolution mandating a health plan to
21 provide coverage that has a fiscal impact on insurance premiums that
22 the committee may consider may be amended, if necessary, by the
23 committee. If a mandate bill having a fiscal impact is changed by
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1 the committee to which it is assigned, the change shall be
2 accomplished only by a substitute bill.

3 B. Immediately after a mandate bill having a fiscal impact has
4 been considered and the committee has voted in favor of an actuarial
5 investigation, the chair of the committee to which the bill was
6 assigned shall transmit an exact copy of the bill, as amended by a
7 substitute bill by the committee, if applicable, to the Legislative
8 Actuary. The submission of the bill to the Actuary shall have
9 attached a letter signed by the chair of the committee requesting
10 the Actuary to complete an actuarial investigation of the bill.

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

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

20 B. By no later than December 1 of the same year that the
21 request for an actuarial investigation is made, the completed
22 actuarial investigation shall be submitted by the Actuary to the
23 chair of the committee who requested the investigation. It shall
24 include a summary of the findings of the Actuary.

1 C. The chair of the committee, upon receipt of the information
2 provided for under subsection B of this section, shall cause the
3 summary of the actuarial investigation to be attached to all copies
4 of the version of the bill that was submitted to the Actuary and
5 shall make the bill available to committee members, other
6 legislators and any other interested parties. The summary of the
7 actuarial investigation shall be attached to the original version of
8 the substitute bill, as amended by the committee if applicable, or
9 to the original version of the bill as introduced if the bill was
10 not changed by the committee prior to its submission to the Actuary
11 for actuarial investigation.

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

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

1 original bill was substituted by the committee and the substitute
2 version was the version submitted to the Actuary, the substitute
3 bill is the only one, except as otherwise provided by this section,
4 that may be considered by the committee or by the House of
5 Representatives or the Senate.

6 B. After completion of an actuarial investigation, any
7 amendment to a mandate bill having a fiscal impact shall be out of
8 order and shall not be allowed either by a committee or by the House
9 of Representatives or the Senate without submission to the
10 Legislative Actuary. Any amendment to a mandate bill having a
11 fiscal impact shall be submitted to the Actuary by the chair of the
12 committee, if a committee amendment, or by the Presiding Officer of
13 the Senate or the House of Representatives on the day the amendment
14 is filed, if a floor amendment. If the Actuary certifies in writing
15 that the amendment is a nonfiscal amendment and provides an
16 actuarial certification as required in this act, then the bill as
17 amended, with the certification attached to the original of the
18 amendment, may continue in the legislative process. If the Actuary
19 issues a certification that the amendment is a fiscal amendment, the
20 progress of the bill shall end and the bill shall not be considered
21 further by either the House of Representatives or the Senate.

22 C. An amendment to a mandate bill having a fiscal impact that
23 is prohibited by subsection B of this section may be withdrawn by
24 the committee that made the amendment, if a committee amendment, or

1 by the Senate or House of Representatives, if a floor amendment. If
2 the amendment is withdrawn, the bill may continue in the legislative
3 process as any other bill, unless it is subsequently amended.

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

7 The enrolled act resulting from a bill that is subject to the
8 legislative procedures provided for in this act shall have attached
9 thereto the original or a true and correct copy of all certificates
10 and summaries of actuarial investigations submitted by the
11 Legislative Actuary pursuant to the requirements of this act.

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

14 Section 452.15. A. The Legislative Service Bureau is
15 authorized and directed to enter into a contract with a person or
16 firm for the purposes of performing the services and duties of the
17 Legislative Actuary as provided for in the Oklahoma Pension
18 Legislation Actuarial Analysis Act and the Oklahoma Health Insurance
19 Mandate Legislation Actuarial Analysis Act.

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

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

4 2. Have substantially provided actuarial services for large,
5 public retirement systems.

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

9 1. Be a member of the American Academy of Actuaries, an
10 Associate or Fellow of the Society of Actuaries or an enrolled
11 actuary;

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

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

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

19 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS
20 February 26, 2020 - DO PASS

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