

1 STATE OF OKLAHOMA

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

3 SENATE BILL NO. 993

By: Dahm

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5
6 AS INTRODUCED

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

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

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

20 A. For the purposes of this section "short-term, limited-
21 duration insurance" or "STLDI" means individual health insurance
22 coverage provided pursuant to a contract with an insurer that has an
23 expiration date specified in the contract that is less than twelve
24 (12) months after the original effective date of the contract and,
25 taking into account renewals or extensions, has a duration of no
26 longer than thirty-six (36) months in total.

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

6 C. No STLDI policy shall be deemed to be included under the
7 definition of group accident and health insurance issued or renewed
8 inside or outside of this state and covering persons residing in
9 this state.

10 D. The benefits provided by an STLDI policy may be limited as
11 follows:

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

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

18 E. An applicant for an STLDI policy shall be provided, at the
19 time of application and in addition to any notice required by
20 applicable federal law or regulation, a written notice that one or
21 more of the benefits mandated by Oklahoma law is not included in the
22 STLDI policy.

23 1. The notice shall specify the essential health benefits that
24 are included in the STLDI policy. For purposes of this subsection,

1 "essential health benefits" means those benefits set forth in 42 USC
2 18022(b).

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

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

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

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

14 G. STLDI policies issued in Oklahoma shall be subject to the
15 filing requirements of Section 4402 of Title 36 of the Oklahoma
16 Statutes.

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

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