

An Act

ENROLLED SENATE
BILL NO. 1323

By: Garvin of the Senate

and

McEntire of the House

An Act relating to the state Medicaid program; authorizing Insurance Department to recognize certain self-funded or self-insured health care plan as health care plan under specified conditions; amending 56 O.S. 2021, Section 1010.1, which relates to premium assistance program; allowing certain self-funded or self-insured health care plan to participate in premium assistance program under specified conditions; updating statutory language; updating statutory reference; providing for codification; and providing an effective date.

SUBJECT: Medicaid

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 6012 of Title 36, unless there is created a duplication in numbering, reads as follows:

A health care plan recognized by the Insurance Department that participates in the premium assistance program created under Section 1010.1 of Title 56 of the Oklahoma Statutes as of the effective date of this act that at a later date becomes a self-funded or self-insured health care plan may continue to be recognized by the Insurance Department as a health care plan if such plan meets the requirements under subsection J of Section 1010.1 of Title 56 of the Oklahoma Statutes. The health care plan shall only be considered a health care plan for the exclusive purposes of the premium

assistance program created under Section 1010.1 of Title 56 of the Oklahoma Statutes.

SECTION 2. AMENDATORY 56 O.S. 2021, Section 1010.1, is amended to read as follows:

Section 1010.1. A. Section 1010.1 et seq. of this title shall be known and may be cited as the "Oklahoma Medicaid Program Reform Act of 2003".

B. Recognizing that many Oklahomans do not have health care benefits or health care coverage, that many small businesses cannot afford to provide health care benefits to their employees, and that, under federal law, barriers exist to providing Medicaid benefits to the uninsured, the ~~Oklahoma~~ Legislature hereby establishes provisions to lower the number of uninsured, assist businesses in their ability to afford health care benefits and coverage for their employees, and eliminate barriers to providing health coverage to eligible enrollees under federal law.

C. Unless otherwise provided by law, the Oklahoma Health Care Authority shall provide coverage under the state Medicaid program to children under the age of eighteen (18) years whose family incomes do not exceed one hundred eighty-five percent (185%) of the federal poverty level.

D. 1. The Authority is directed to apply for a waiver or waivers to the Centers for ~~Medicaid~~ Medicare and ~~Medicare~~ Medicaid Services (CMS) that will accomplish the purposes outlined in subsection B of this section. The Authority is further directed to negotiate with CMS to include in the waiver authority provisions to:

- a. increase access to health care for Oklahomans,
- b. reform the Oklahoma Medicaid Program to promote personal responsibility for health care services and appropriate utilization of health care benefits through the use of public-private cost sharing,
- c. enable small employers, and/or employed, uninsured adults with or without children to purchase employer-sponsored, state-approved private, or state-sponsored

health care coverage through a state premium assistance payment plan. If by January 1, 2012, the Employer/Employee Partnership for Insurance Coverage Premium Assistance Program is not consuming more than seventy-five percent (75%) of its dedicated source of funding, then the program will be expanded to include parents of children eligible for Medicaid, and

- d. develop flexible health care benefit packages based upon patient need and cost.

2. The Authority may phase in any waiver or waivers it receives based upon available funding.

3. The Authority is authorized to develop and implement a premium assistance plan to assist small businesses and/or their eligible employees to purchase employer-sponsored insurance or "buy-in" to a state-sponsored benefit plan.

- 4. a. The Authority is authorized to seek from the Centers for Medicare and Medicaid Services any waivers or amendments to existing waivers necessary to accomplish an expansion of the premium assistance program to:

- (1) include for-profit employers with two hundred fifty employees or less up to any level supported by existing funding resources, and

- (2) include not-for-profit employers with five hundred employees or less up to any level supported by existing funding resources.

- b. Foster parents employed by employers with greater than two hundred fifty employees shall be exempt from the qualifying employer requirement provided for in this paragraph and shall be eligible to qualify for the premium assistance program provided for in this section if supported by existing funding.

E. For purposes of this paragraph, "for-profit employer" shall mean an entity which is not exempt from taxation pursuant to the provisions of Section 501(c)(3) of the Internal Revenue Code and

"not-for-profit employer" shall mean an entity which is exempt from taxation pursuant to the provisions of Section 501(c)(3) of the Internal Revenue Code.

F. The Authority is authorized to seek from the Centers for Medicare and Medicaid Services any waivers or amendments to existing waivers necessary to accomplish an extension of the premium assistance program to include qualified employees whose family income does not exceed two hundred fifty percent (250%) of the federal poverty level, subject to the limit of federal financial participation.

G. The Authority is authorized to create as part of the premium assistance program an option to purchase a high-deductible health insurance plan that is compatible with a health savings account.

H. 1. There is hereby created in the State Treasury a revolving fund to be designated the "Health Employee and Economy Improvement Act (HEEIA) Revolving Fund".

2. The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of:

- a. all monies received by the Authority pursuant to this section and otherwise specified or authorized by law,
- b. monies received by the Authority due to federal financial participation pursuant to Title XIX of the Social Security Act, and
- c. interest attributable to investment of money in the fund.

3. All monies accruing to the credit of the fund are hereby appropriated and shall be budgeted and expended by the Authority to implement a premium assistance plan and to fund the state share for the Oklahoma Medicaid program on or after ~~the effective date of this act~~ July 1, 2020, unless otherwise provided by law.

I. 1. The Authority shall establish a procedure for verifying an applicant's individual income by utilizing available Oklahoma Tax Commission records, new hire report data collected by the Oklahoma

Employment Security Commission, and child support payment data collected by the Department of Human Services in accordance with federal and state law.

2. The Oklahoma Tax Commission, Oklahoma Employment Security Commission, and Department of Human Services shall cooperate in accordance with federal and state law with the Authority to establish procedures for the secure electronic transmission of an applicant's individual income data to the Authority.

3. The Department of Public Safety shall cooperate in accordance with federal and state law with the Authority to establish procedures for the secure electronic transmission of an applicant's individual identification data to the Authority.

J. A health care plan participating in the premium assistance program created under this section as of the effective date of this act that at a later date becomes a self-funded or self-insured health care plan may continue to participate in the premium assistance program if:

1. The health care plan has continuously participated in the premium assistance program without interruption up to the date it becomes a self-funded or self-insured health care plan;

2. The self-funded or self-insured health care plan continues to be recognized as a health care plan by the Insurance Department under Section 1 of this act;

3. The self-funded or self-insured health care plan continues to cover all essential health benefits as required by the Centers for Medicare and Medicaid Services; and

4. The Authority receives the necessary federal approval for self-funded or self-insured health care plans to participate in the premium assistance program.

SECTION 3. This act shall become effective November 1, 2022.

Passed the Senate the 16th day of May, 2022.

Presiding Officer of the Senate

Passed the House of Representatives the 28th day of April, 2022.

Presiding Officer of the House
of Representatives

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____

Approved by the Governor of the State of Oklahoma this _____

day of _____, 20_____, at _____ o'clock _____ M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____