

1 **SENATE FLOOR VERSION**

2 March 2, 2022

3 COMMITTEE SUBSTITUTE
4 FOR
5 SENATE BILL NO. 1323

By: Garvin of the Senate

and

6 McEntire of the House

7
8
9 [state Medicaid program - recognize certain self-
10 funded or self-insured health care plan as health
11 care plan under specified conditions - codification -
12 effective date]

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

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

17 A health care plan recognized by the Insurance Department that
18 participates in the premium assistance program created under Section
19 1010.1 of Title 56 of the Oklahoma Statutes as of the effective date
20 of this act that at a later date becomes a self-funded or self-
21 insured health care plan may continue to be recognized by the
22 Insurance Department as a health care plan if such plan meets the
23 requirements under subsection J of Section 1010.1 of Title 56 of the
24 Oklahoma Statutes. The health care plan shall only be considered a

1 health care plan for the exclusive purposes of the premium
2 assistance program created under Section 1010.1 of Title 56 of the
3 Oklahoma Statutes.

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

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

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

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

23 D. 1. The Authority is directed to apply for a waiver or
24 waivers to the Centers for ~~Medicaid~~ Medicare and ~~Medicare~~ Medicaid

1 Services (CMS) that will accomplish the purposes outlined in
2 subsection B of this section. The Authority is further directed to
3 negotiate with CMS to include in the waiver authority provisions to:

- 4 a. increase access to health care for Oklahomans,
- 5 b. reform the Oklahoma Medicaid Program to promote
6 personal responsibility for health care services and
7 appropriate utilization of health care benefits
8 through the use of public-private cost sharing,
- 9 c. enable small employers, and/or employed, uninsured
10 adults with or without children to purchase employer-
11 sponsored, state-approved private, or state-sponsored
12 health care coverage through a state premium
13 assistance payment plan. If by January 1, 2012, the
14 Employer/Employee Partnership for Insurance Coverage
15 Premium Assistance Program is not consuming more than
16 seventy-five percent (75%) of its dedicated source of
17 funding, then the program will be expanded to include
18 parents of children eligible for Medicaid, and
- 19 d. develop flexible health care benefit packages based
20 upon patient need and cost.

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

23 3. The Authority is authorized to develop and implement a
24 premium assistance plan to assist small businesses and/or their

1 eligible employees to purchase employer-sponsored insurance or "buy-
2 in" to a state-sponsored benefit plan.

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

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

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

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

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

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

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

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

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

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

23 3. All monies accruing to the credit of the fund are hereby
24 appropriated and shall be budgeted and expended by the Authority to

1 implement a premium assistance plan and to fund the state share for
2 the Oklahoma Medicaid program on or after ~~the effective date of this~~
3 ~~act~~ July 1, 2020, unless otherwise provided by law.

4 I. 1. The Authority shall establish a procedure for verifying
5 an applicant's individual income by utilizing available Oklahoma Tax
6 Commission records, new hire report data collected by the Oklahoma
7 Employment Security Commission, and child support payment data
8 collected by the Department of Human Services in accordance with
9 federal and state law.

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

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

19 J. A health care plan participating in the premium assistance
20 program created under this section as of the effective date of this
21 act that at a later date becomes a self-funded or self-insured
22 health care plan may continue to participate in the premium
23 assistance program if:
24

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

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

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

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

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

14 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS
15 March 2, 2022 - DO PASS AS AMENDED

16
17
18
19
20
21
22
23
24