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February 29, 2024

COMMITTEE SUBSTITUTE  
FOR

SENATE BILL NO. 1752

By: Garvin

An Act relating to the state Medicaid program; amending Section 1, Chapter 309, O.S.L. 2022 (36 O.S. Supp. 2023, Section 6012), which relates to health care plan recognition; modifying certain authority of the Insurance Department; requiring the Department to recognize certain health care plans for specified purpose; modifying conditions for recognition; amending 56 O.S. 2021, Section 1010.1, as amended by Section 2, Chapter 309, O.S.L. 2022 (56 O.S. Supp. 2023, Section 1010.1), which relates to premium assistance program; modifying certain deadline and conditions for participation by certain health care plans; imposing additional conditions for participation; updating statutory language; updating statutory reference; providing an effective date; and declaring an emergency.

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

SECTION 1.           AMENDATORY           Section 1, Chapter 309, O.S.L.  
2022 (36 O.S. Supp. 2023, Section 6012), is amended to read as  
follows:

Section 6012. ~~A health care plan recognized by the~~ The  
Insurance Department ~~that participates~~ shall recognize self-funded  
or self-insured health care plans for the exclusive purpose of  
participation in the premium assistance program created under

1 Section 1010.1 of Title 56 of the Oklahoma Statutes ~~as of the~~  
2 ~~effective date of this act that at a later date becomes a self-~~  
3 ~~funded or self-insured health care plan may continue to be~~  
4 ~~recognized by the Insurance Department as a health care plan if such~~  
5 ~~plan meets~~ if such plans meet the requirements under subsection J of  
6 Section 1010.1 of Title 56 of the Oklahoma Statutes. ~~The~~ A self-  
7 funded or self-insured health care plan recognized by the Department  
8 under this section shall only be considered a health care plan for  
9 the exclusive purposes of the premium assistance program created  
10 under Section 1010.1 of Title 56 of the Oklahoma Statutes.

11 SECTION 2. AMENDATORY 56 O.S. 2021, Section 1010.1, as  
12 amended by Section 2, Chapter 309, O.S.L. 2022 (56 O.S. Supp. 2023,  
13 Section 1010.1), is amended to read as follows:

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

17 B. Recognizing that many Oklahomans do not have health care  
18 benefits or health care coverage, that many small businesses cannot  
19 afford to provide health care benefits to their employees, and that,  
20 under federal law, barriers exist to providing Medicaid benefits to  
21 the uninsured, the Legislature hereby establishes provisions to  
22 lower the number of uninsured, assist businesses in their ability to  
23 afford health care benefits and coverage for their employees, and  
24

1 eliminate barriers to providing health coverage to eligible  
2 enrollees under federal law.

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

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

- 13 a. increase access to health care for Oklahomans,
- 14 b. reform the Oklahoma Medicaid Program to promote  
15 personal responsibility for health care services and  
16 appropriate utilization of health care benefits  
17 through the use of public-private cost sharing,
- 18 c. enable small employers, and/or employed, uninsured  
19 adults with or without children to purchase employer-  
20 sponsored, state-approved private, or state-sponsored  
21 health care coverage through a state premium  
22 assistance payment plan. If by January 1, 2012, the  
23 Oklahoma Employer/Employee Partnership for Insurance  
24 Coverage ~~Premium Assistance Program~~ premium assistance

1           program is not consuming more than seventy-five  
2           percent (75%) of its dedicated source of funding, then  
3           the program will be expanded to include parents of  
4           children eligible for Medicaid, and

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

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

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

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

- 17                  (1)   include for-profit employers with two hundred  
18                          fifty employees or less up to any level supported  
19                          by existing funding resources, and  
20                  (2)   include not-for-profit employers with five  
21                          hundred employees or less up to any level  
22                          supported by existing funding resources.

- 23          b.   Foster parents employed by employers with greater than  
24          two hundred fifty employees shall be exempt from the

1           qualifying employer requirement provided for in this  
2           paragraph and shall be eligible to qualify for the  
3           premium assistance program provided for in this  
4           section if supported by existing funding.

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

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

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

21       H. 1. There is hereby created in the State Treasury a  
22 revolving fund to be designated the "Health Employee and Economy  
23 Improvement Act (HEEIA) Revolving Fund".  
24

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

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

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

15        I. 1. The Authority shall establish a procedure for verifying  
16 an applicant's individual income by utilizing available Oklahoma Tax  
17 Commission records, new hire report data collected by the Oklahoma  
18 Employment Security Commission, and child support payment data  
19 collected by the Department of Human Services in accordance with  
20 federal and state law.

21        2. The Oklahoma Tax Commission, Oklahoma Employment Security  
22 Commission, and Department of Human Services shall cooperate in  
23 accordance with federal and state law with the Authority to  
24

1 establish procedures for the secure electronic transmission of an  
2 applicant's individual income data to the Authority.

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

7 J. ~~A health care plan~~ An employer participating in the premium  
8 assistance program created under this section as of ~~the effective~~  
9 ~~date of this act that at a later date becomes~~ May 1, 2024, may  
10 utilize a self-funded or self-insured health care plan ~~may continue~~  
11 ~~to participate in the premium assistance program~~ as a participating  
12 health care plan if:

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

16 2. The self-funded or self-insured health care plan ~~continues~~  
17 ~~to be recognized as a health care plan~~ is recognized by the  
18 Insurance Department under ~~Section 1 of this act~~ Section 6012 of  
19 Title 36 of the Oklahoma Statutes;

20 3. 2. The self-funded or self-insured health care plan  
21 ~~continues to cover~~ covers all essential health benefits as required  
22 by the ~~Centers for Medicare and Medicaid Services~~ Authority and all  
23 other health benefits required under applicable federal laws;

1        3. The self-funded or self-insured health care plan otherwise  
2 complies with all applicable federal laws including but not limited  
3 to the Employee Retirement Income Security Act of 1974 (ERISA);

4        4. The self-funded or self-insured health care plan assesses a  
5 monthly premium on members and maintains a rate schedule for  
6 provider reimbursement;

7        5. The self-funded or self-insured health care plan meets  
8 actuarial standards for the premium assistance program as determined  
9 by the Authority and the employer submits an attestation to the  
10 Insurance Department that the self-funded or self-insured health  
11 care plan meets such actuarial standards; and

12        ~~4.~~ 6. The Authority receives the necessary federal approval for  
13 self-funded or self-insured health care plans to participate in the  
14 premium assistance program.

15        SECTION 3. This act shall become effective July 1, 2024.

16        SECTION 4. It being immediately necessary for the preservation  
17 of the public peace, health or safety, an emergency is hereby  
18 declared to exist, by reason whereof this act shall take effect and  
19 be in full force from and after its passage and approval.

20 COMMITTEE REPORT BY: COMMITTEE ON HEALTH AND HUMAN SERVICES  
21 February 29, 2024 - DO PASS AS AMENDED BY CS  
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