

1 STATE OF OKLAHOMA

2 2nd Session of the 58th Legislature (2022)

3 COMMITTEE SUBSTITUTE

4 FOR

5 SENATE BILL 1323

By: Garvin of the Senate

and

McEntire of the House

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9 COMMITTEE SUBSTITUTE

10 An Act relating to the state Medicaid program;
11 authorizing Insurance Department to recognize certain
12 self-funded or self-insured health care plan as
13 health care plan under specified conditions; amending
14 56 O.S. 2021, Section 1010.1, which relates to
15 premium assistance program; allowing certain self-
16 funded or self-insured health care plan to
17 participate in premium assistance program under
18 specified conditions; updating statutory language;
19 updating statutory reference; providing for
20 codification; and providing an effective date.

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

22 SECTION 1. 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:

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

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

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

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

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

23 C. Unless otherwise provided by law, the Oklahoma Health Care
24 Authority shall provide coverage under the state Medicaid program to

1 children under the age of eighteen (18) years whose family incomes
2 do not exceed one hundred eighty-five percent (185%) of the federal
3 poverty level.

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

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

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

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

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

9 4. a. The Authority is authorized to seek from the Centers
10 for Medicare and Medicaid Services any waivers or
11 amendments to existing waivers necessary to accomplish
12 an expansion of the premium assistance program to:
13 (1) include for-profit employers with two hundred
14 fifty employees or less up to any level supported
15 by existing funding resources, and
16 (2) include not-for-profit employers with five
17 hundred employees or less up to any level
18 supported by existing funding resources.

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

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

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

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

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

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

22 a. all monies received by the Authority pursuant to this
23 section and otherwise specified or authorized by law,
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1 b. monies received by the Authority due to federal
2 financial participation pursuant to Title XIX of the
3 Social Security Act, and

4 c. interest attributable to investment of money in the
5 fund.

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

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

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

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

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

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

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

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

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

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

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