

1 **SENATE FLOOR VERSION**

2 February 19, 2015

3 COMMITTEE SUBSTITUTE
4 FOR

5 SENATE BILL NO. 804

6 By: Standridge

7 An Act relating to vision plans; amending 74 O.S.
8 2011, Section 1374, as amended by Section 982,
9 Chapter 304, O.S.L. 2012 (74 O.S. Supp. 2014, Section
10 1374), which relates to visions plans; updating
11 vision plan year; modifying certain responsibility
12 required of Office of Management and Enterprise
13 Services; requiring certain plan providers to provide
14 requested information; modifying criteria of eligible
15 plans; conforming language; modifying certain
16 certification or licensing requirements; requiring
17 vision plan of certain vendors be offered; defining
18 term; authorizing selection of out-of-state vendors
19 under certain circumstances; providing an effective
20 date; and declaring an emergency.

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

22 SECTION 1. AMENDATORY 74 O.S. 2011, Section 1374, as
23 amended by Section 982, Chapter 304, O.S.L. 2012 (74 O.S. Supp.
24 2014, Section 1374), is amended to read as follows:

25 Section 1374. For the plan year beginning January 1, ~~2005~~ 2016,
26 and for each year thereafter, it shall be the ~~fiduciary~~
27 responsibility of the Office of Management and Enterprise Services
28 to ~~ensure that participants have the option to choose which vision~~
29 ~~plan best meets their individual needs by offering every vision plan~~

1 ~~that notifies the Office of its desire to participate~~ offer a vision
2 plan or plans to state employees and retirees during the open
3 enrollment period. Providers of plans eligible for selection shall
4 submit information requested by the Office of Management and
5 Enterprise Services no later than July 1 of each year ~~and meets or~~
6 ~~exceeds.~~ Plans eligible for selection shall meet or exceed the
7 following criteria:

8 1. Has in place a statewide network of at least one hundred
9 fifty providers. "Providers", for purposes of this section, means
10 Optometrists (OD), Ophthalmologists (MD), and Ophthalmologists (DO)
11 which shall be counted once regardless of the number of locations
12 where they may practice. Optical shops and retail optical locations
13 shall not be listed as providers. The company offering the vision
14 plan must have a direct relationship with each provider on its
15 panel, and may not lease, borrow, or otherwise obtain use of a
16 provider panel from another company. This would not prevent a
17 company from offering ~~their~~ its plan through one corporate entity
18 and administering the plan or provider panel through another legal
19 entity of the same organization so long as the entity receiving
20 premiums remains legally responsible for the payment of benefits.

21 Providers must be actively engaged in providing the services offered
22 under the vision plan they represent;

23 2. Has operated in Oklahoma for at least five (5) years;

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1 3. Is properly licensed, registered, certified or authorized to
2 operate its business in this state by the Insurance Department,
3 ~~certified by the State Department of Health, or licensed as a third-~~
4 ~~party administrator by the Insurance Department.~~ Vision plans must
5 be offered by the company administering the plan, not by an agent or
6 third party. A company shall offer only one vision plan and rate
7 schedule for each plan year;

8 4. Presents accurate product information in a reproducible
9 format not to exceed two pages; and

10 5. Vision plans must provide an examination, frames and lenses,
11 and/or contact lenses and some form of indemnified payment to the
12 contracted providers for each component of the benefits, i.e., the
13 exam, frames and lenses and/or contact lenses. This does not
14 eliminate discounted supplementary benefits under a qualified plan,
15 so long as such benefits pertain to vision care.

16 Any administrative fees imposed by the Oklahoma Employees
17 Insurance and Benefits Board shall be applied equally to all
18 qualified vision plans. There shall be no additional requirements
19 imposed on a vision plan other than the proper licensing, ~~or~~
20 certification or authorization to operate its business by the
21 ~~appropriate state agency~~ Oklahoma Insurance Department. Any
22 Oklahoma-based vendor who meets the criteria as specified herein
23 shall be offered for enrollment in any state employee benefit
24 offering. For purposes of this paragraph, an "Oklahoma-based

1 vendor" shall be defined as a vision care benefit company whose home
2 office, customer service, and administration are located within this
3 state and is subject to Oklahoma state income taxes. The Office of
4 Management and Enterprise Services may at its discretion select up
5 to one out-of-state vision care benefits company as an offered
6 vendor, provided it meets the criteria specified herein.

7 SECTION 2. This act shall become effective July 1, 2015.

8 SECTION 3. It being immediately necessary for the preservation
9 of the public peace, health and safety, an emergency is hereby
10 declared to exist, by reason whereof this act shall take effect and
11 be in full force from and after its passage and approval.

12 COMMITTEE REPORT BY: COMMITTEE ON INSURANCE
13 February 19, 2015 - DO PASS AS AMENDED
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