

1 STATE OF OKLAHOMA

2 2nd Session of the 55th Legislature (2016)

3 SENATE BILL 1307

By: Sparks

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6 AS INTRODUCED

7 An Act relating to state employee benefits; amending
8 74 O.S. 2011, Section 1332, which relates to the
9 State Employees Disability Program; providing for
10 certain eligibility for short-term disability plan;
11 requiring certain assistance in rulemaking; and
12 providing an effective date.

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

14 SECTION 1. AMENDATORY 74 O.S. 2011, Section 1332, is
15 amended to read as follows:

16 Section 1332. A. The State and Education Employees Group Insurance
17 Board shall establish a Disability Insurance Program for state
18 employees. The program shall consist of a long-term disability plan
19 and a short-term disability plan. Participation in the program
20 shall be limited to state employees who have been state employees
21 for a period of not less than one (1) month and who are eligible for
22 enrollment in the Health Insurance Plan administered by the Board.
23 No state employee shall be eligible to receive any benefits from the
24 long-term disability program unless the state employee has used all
of the sick leave of the employee.

1 B. Effective November 1, 2016, there shall be created as a
2 component of the short-term disability plan, a parental short-term
3 disability program, under which an employee on parental leave shall
4 be eligible to receive short-term disability benefits. For the
5 purposes of this section, an "employee on parental leave" means an
6 employee on leave and who is eligible for such leave under the
7 federal Family and Medical Leave Act because of:

8 1. The birth of a son or daughter of the employee and in order
9 to care for such son or daughter; or

10 2. The placement of a son or daughter with the employee for
11 adoption or foster care by the employee.

12 Disability benefits under this subsection shall be subject to
13 applicable limitations, offsets and reductions as promulgated by the
14 Office of Management and Enterprise Services for the Disability
15 Insurance Program.

16 C. The Board shall promulgate such rules as are necessary for
17 adoption and administration of the Disability Insurance Program,
18 including but not limited to benefit eligibility requirements,
19 methods for computing benefit amounts, benefits amounts, and
20 verification of medical and health status of employees applying for
21 or receiving benefits. The Director of the Office of Management and
22 Enterprise Services shall provide technical assistance as necessary
23 for the Board's promulgation of rules incorporating benefits for
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1 parental leave into the rules for the Disability Insurance Program
2 for state employees.

3 ~~B.~~ D. The Disability Insurance Program shall be funded from
4 appropriations made by the Legislature. Employees shall not be
5 required to make contributions to participate in the program.

6 ~~C.~~ E. Employee disability insurance coverage shall begin on
7 March 1, 1986.

8 ~~D.~~ F. The Board shall establish a grievance procedure by which
9 a three-member grievance panel ~~established in the same manner as~~
10 ~~specified in paragraph 6 of Section 1306 of this title~~ shall act as
11 an appeals body for complaints regarding the allowance and payment
12 of claims, eligibility, and other matters. The grievance procedure
13 provided by this subsection shall be the exclusive remedy available
14 to persons having complaints against the insurer. Such grievance
15 procedure shall be subject to the Oklahoma Administrative Procedures
16 Act, including provisions for the review of agency decisions by the
17 district court. The grievance panel shall schedule a hearing
18 regarding the allowance and payment of claims, eligibility and other
19 matters within sixty (60) days from the date the grievance panel
20 receives a written request for a hearing. Upon written request to
21 the grievance panel received not less than ten (10) days before the
22 hearing date, the grievance panel shall cause a full stenographic
23 record of the proceedings to be made by a licensed or certified
24 court reporter at the insured employee's expense.

1 ~~E.~~ G. The Board may establish a claim processing division for
2 claims administration or may contract for claims administration
3 services with a private insurance carrier or a company that
4 specializes in claims administration of any insurance that the Board
5 may be directed to offer.

6 SECTION 2. This act shall become effective November 1, 2016.

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