

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 2nd Session of the 59th Legislature (2024)

4 ENGROSSED SENATE
5 BILL NO. 1752

By: Garvin of the Senate

6 and

7 McEntire of the House

8
9 An Act relating to the state Medicaid program;
10 amending Section 1, Chapter 309, O.S.L. 2022 (36 O.S.
11 Supp. 2023, Section 6012), which relates to health
12 care plan recognition; modifying certain authority of
13 the Insurance Department; requiring the Department to
14 recognize certain health care plans for specified
15 purpose; modifying conditions for recognition;
16 amending 56 O.S. 2021, Section 1010.1, as amended by
17 Section 2, Chapter 309, O.S.L. 2022 (56 O.S. Supp.
18 2023, Section 1010.1), which relates to premium
19 assistance program; modifying certain deadline and
20 conditions for participation by certain health care
21 plans; imposing additional conditions for
22 participation; updating statutory language; updating
23 statutory reference; providing an effective date; and
24 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

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

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

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

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

1 afford health care benefits and coverage for their employees, and
2 eliminate barriers to providing health coverage to eligible
3 enrollees under federal law.

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

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

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

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

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

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

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

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

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

21 (2) include not-for-profit employers with five
22 hundred employees or less up to any level
23 supported by existing funding resources.
24

1 b. Foster parents employed by employers with greater than
2 two hundred fifty employees shall be exempt from the
3 qualifying employer requirement provided for in this
4 paragraph and shall be eligible to qualify for the
5 premium assistance program provided for in this
6 section if supported by existing funding.

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

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

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

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

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

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

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

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

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

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

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

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

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

23 ~~3.~~ 2. The self-funded or self-insured health care plan
24 ~~continues to cover~~ covers all essential health benefits as required

1 by the ~~Centers for Medicare and Medicaid Services~~ Authority and all
2 other health benefits required under applicable federal laws;

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

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

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

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

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

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

22
23 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated
24 04/11/2024 - DO PASS.