

STATE OF OKLAHOMA

1st Session of the 59th Legislature (2023)

SENATE BILL 24

By: Pemberton

AS INTRODUCED

An Act relating to Oklahoma Employees Insurance and Benefits Act; amending 74 O.S. 2021, Section 1316.3, which relates to continuance of health and dental insurance benefits; allowing for certain members of Teachers' Retirement System to reinstate previously declined health and dental coverage during certain election period; updating statutory language; and reinstating payable benefit.

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

SECTION 1. AMENDATORY 74 O.S. 2021, Section 1316.3, is amended to read as follows:

Section 1316.3. A. Any person who retires pursuant to the provisions of the Teachers' Retirement System of Oklahoma with at least ten (10) years of creditable service or who has a vested benefit with at least ten (10) years of creditable service, pursuant to the provisions of the Teachers' Retirement System of Oklahoma may continue in force the health and dental insurance benefits authorized by the provisions of the Oklahoma Employees Insurance and Benefits Act if such election to continue in force or begin is made within thirty (30) days from the date of termination of service.

1 Except as provided in subsection E of Sections 5-117.5 and 14-108.1
2 of Title 70 of the Oklahoma Statutes and Section 840-2.27I of this
3 title and subsection K of this section, health and dental insurance
4 coverage may not be reinstated at a later time if the election to
5 continue in force or begin coverage is declined. Provided, a
6 retired member of the System who declines to continue in force the
7 health and dental benefits authorized by the provisions of the
8 Oklahoma Employees Insurance and Benefits Act may have such coverage
9 reinstated during the election period of any given year as
10 prescribed by the Office of Management and Enterprise Services.

11 Upon reinstatement of health and dental benefits, the retired member
12 shall receive the maximum benefit payable pursuant to subsection E
13 of this section. Vested persons who have terminated service and are
14 not receiving benefits and effective July 1, 1996, nonvested persons
15 who have terminated service with more than ten (10) years of
16 participating service with a qualifying employer, who within thirty
17 (30) days from the date of termination of service, elect to continue
18 such coverage, shall pay the full cost of ~~said~~ the insurance premium
19 at the rate and pursuant to the terms and conditions established by
20 the Office ~~of Management and Enterprise Services.~~

21 B. 1. Health insurance benefit plans offered pursuant to this
22 section shall include:

23 a. indemnity plans offered through the Office,
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- 1 b. managed care plans offered as alternatives to the
2 indemnity plans,
3 c. Medicare supplements offered through the Office,
4 d. Medicare risk-sharing contracts offered as
5 alternatives to the Medicare supplements offered
6 through the Office, and
7 e. any other employer-provided health insurance benefit
8 plans if the employer does not participate in the
9 plans offered pursuant to the Oklahoma Employees
10 Insurance and Benefits Act.

11 2. Health insurance benefit plans offered pursuant to this
12 section shall provide prescription drug benefits, except for plans
13 designed pursuant to the Medicare Prescription Drug, Improvement,
14 and Modernization Act of 2003, which may or may not contain
15 prescription drug benefits, for which provision of prescription drug
16 benefits is optional, and except for plans offered pursuant to
17 subparagraph e of paragraph 1 of this subsection.

18 C. A retired person who:

19 1. Is receiving benefits from the Teachers' Retirement System
20 of Oklahoma after September 30, 1988, is under sixty-five (65) years
21 of age and is not otherwise eligible for Medicare and pursuant to
22 subsection A of this section elects to begin or to continue the
23 health insurance plan;

1 2. Is receiving benefits from the Teachers' Retirement System
2 of Oklahoma after June 30, 1993, is under sixty-five (65) years of
3 age and is not otherwise eligible for Medicare and participates in a
4 health insurance plan provided by a participating education employer
5 of the Teachers' Retirement System of Oklahoma other than a health
6 insurance plan offered pursuant to the Oklahoma Employees Insurance
7 and Benefits Act or an alternative health plan offered pursuant to
8 the Oklahoma State Employees Benefits Act;

9 3. Is receiving benefits from the Teachers' Retirement System
10 of Oklahoma after September 30, 1988, made contributions to the
11 system and is sixty-five (65) years of age or older, or who is under
12 sixty-five (65) years of age and is eligible for Medicare and is a
13 participant in the Oklahoma Employees Insurance and Benefits Act and
14 elects coverage under the Medicare supplement offered by the Office;
15 or

16 4. Is receiving benefits from the Teachers' Retirement System
17 of Oklahoma after June 30, 1993, made contributions to the system
18 and is sixty-five (65) years of age or older, or who is under sixty-
19 five (65) years of age and is eligible for Medicare and participates
20 in a health insurance plan provided by a participating education
21 employer of the Teachers' Retirement System of Oklahoma other than a
22 health insurance plan offered pursuant to the Oklahoma Employees
23 Insurance and Benefits Act or an alternative health plan offered
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1 pursuant to the Oklahoma State Employees Benefits Act and elects
2 coverage under the Medicare supplement offered by the Office,
3 shall have the amount determined pursuant to subsection E of this
4 section, or the premium rate of the health insurance benefit plan,
5 whichever is less, paid by the Teachers' Retirement System of
6 Oklahoma. If the amount paid by the Teachers' Retirement System of
7 Oklahoma does not cover the full cost of the health insurance
8 premium, the retired person shall pay the remaining amount if the
9 retired person wants to continue the coverage.

10 D. The Teachers' Retirement System shall pay the amount due
11 pursuant to the provisions of subsection C of this section as
12 follows:

13 1. For those individuals participating in plans provided
14 through the Oklahoma Employees Insurance and Benefits Act, payment
15 shall be made to the Office pursuant to the provisions of subsection
16 I of this section; or

17 2. For those individuals participating in plans provided
18 through a participating education employer of the Teachers'
19 Retirement System of Oklahoma other than a health insurance plan
20 offered pursuant to the Oklahoma Employees Insurance and Benefits
21 Act, payment shall be made to the education employer.

22 E. Beginning July 1, 2000, the maximum benefit payable by the
23 Teachers' Retirement System of Oklahoma on behalf of a retired
24 person toward ~~said~~ such person's monthly premium for health
25

1 insurance shall be determined in accordance with the following
 2 schedule:

	LESS THAN	25 YEARS BUT	GREATER
	LESS THAN	GREATER THAN	THAN 24.99
AVERAGE SALARY	15 YEARS OF	14.99 YEARS OF	YEARS OF
USED FOR DETERMINING	CREDITABLE	CREDITABLE	CREDITABLE
RETIREMENT ALLOWANCE	SERVICE	SERVICE	SERVICE
Less than \$20,000.00	\$103.00	\$104.00	\$105.00
Less than \$30,000.00 but greater than \$19,999.99	\$102.00	\$103.00	\$104.00
Less than \$40,000.00 but greater than \$29,999.99	\$101.00	\$102.00	\$103.00
\$40,000.00 or greater	\$100.00	\$101.00	\$102.00

15 For plans offered by the Office, the amount paid pursuant to
 16 this subsection shall first be applied to the prescription drug
 17 coverage premium, if any. Any remaining amounts shall be applied
 18 towards the medical coverage premium.

19 F. If a person retires and begins to receive benefits from the
 20 Teachers' Retirement System of Oklahoma or terminates service and
 21 has a vested benefit with the Teachers' Retirement System of
 22 Oklahoma, the person may elect, in the manner provided in subsection
 23 A of this section, to participate in the dental insurance plan

1 offered through the Oklahoma Employees Insurance and Benefits Act.

2 The person shall pay the full cost of the dental insurance.

3 G. Those persons who are receiving benefits from the Teachers'
4 Retirement System of Oklahoma and have health insurance coverage
5 which on the operative date of this section is being paid by the
6 education entity from which the person retired shall make the
7 election required in subsection A of this section within thirty (30)
8 days of the termination of ~~said~~ such health insurance coverage. The
9 person making the election shall give the Office certified
10 documentation satisfactory to the Office of the termination date of
11 the other health insurance coverage.

12 H. Dependents of a deceased education employee who was on
13 active work status or on a disability leave at the time of death or
14 of a participating retirant or of any person who has elected to
15 receive a vested benefit under the Teachers' Retirement System of
16 Oklahoma may continue the health and dental insurance benefits in
17 force provided ~~said~~ the dependents pay the full cost of such
18 insurance and they were covered as eligible dependents at the time
19 of such death and such election is made within thirty (30) days of
20 date of death. The eligibility for ~~said~~ such benefits shall
21 terminate for the surviving children when ~~said~~ the children cease to
22 qualify as dependents.

23 I. The amounts required to be paid by the Teachers' Retirement
24 System of Oklahoma pursuant to this section shall be forwarded no

1 later than the tenth day of each month following the month for which
2 payment is due by the Board of Trustees of the Teachers' Retirement
3 System of Oklahoma to the Office for deposit in the Education
4 Employees Group Insurance Reserve Fund.

5 J. The Teachers' Retirement System of Oklahoma shall provide
6 the Office information concerning the employers of retired and
7 vested members necessary to allow the Office to track eligibility
8 for continued coverage.

9 K. Upon retirement from employment with the Board of Regents of
10 the University of Oklahoma, any person who is or was employed at the
11 George Nigh Rehabilitation Institute and who transferred employment
12 pursuant to Section 3427 of Title 70 of the Oklahoma Statutes, any
13 person who was employed at the Medical Technology and Research
14 Authority and who transferred employment pursuant to Section 7068 of
15 this title, and any person who is a member of the Oklahoma Law
16 Enforcement Retirement System pursuant to the authority of Section
17 2-314 of Title 47 of the Oklahoma Statutes may participate in the
18 benefits authorized by the provisions of the Oklahoma Employees
19 Insurance and Benefits Act for retired participants, including
20 health, dental and life insurance benefits, if such election to
21 participate is made within thirty (30) days from the date of
22 termination of employment. Life insurance benefits for any such
23 person who transferred employment shall not exceed the coverage the
24 person had at the time of such transfer. Retirees who are persons

1 who transferred employment and who participate pursuant to this
2 paragraph shall pay the premium for elected benefits less any
3 amounts paid by the retirement system pursuant to this section.
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