

1 ENGROSSED HOUSE AMENDMENT
TO
2 ENGROSSED SENATE BILL NO. 804 By: Standridge of the Senate
3 and
4 Coody (Jeff) of the House
5
6

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 NOTE: Emergency failed

22 AMENDMENT NO. 1. Strike the title, enacting clause and entire bill
23 and insert

24 "An Act relating to vision plans; amending 74 O.S.
2011, Section 1374, as amended by Section 982,
Chapter 304, O.S.L. 2012 (74 O.S. Supp. 2014,
Section 1374), which relates to the Oklahoma State
Employees Benefits Act; updating vision plan year;
modifying responsibility of the Office of Management
and Enterprise Services to offer vision plans;
requiring providers of plan to submit requested
information; modifying criteria of eligible
companies; specifying administrative fees imposed by
the Office of Management and Enterprise Services be

1 applied to certain plans; directing certain number
2 of Oklahoma-based and out-of-state vision care
3 benefits companies be offered for enrollment; and
4 defining term.
5

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

7 SECTION 1. AMENDATORY 74 O.S. 2011, Section 1374, as
8 amended by Section 982, Chapter 304, O.S.L. 2012 (74 O.S. Supp.
9 2014, Section 1374), is amended to read as follows:

10 Section 1374. A. For the plan year beginning January 1, ~~2005~~
11 2017, and for each year thereafter, it shall be the ~~fiduciary~~
12 responsibility of the Office of Management and Enterprise Services
13 to ~~ensure that participants have the option to choose which vision~~
14 ~~plan best meets their individual needs by offering every vision plan~~
15 ~~that notifies the Office of its desire to participate~~ offer vision
16 plans to participants during the open enrollment period. Providers
17 of plans eligible for selection shall submit information requested
18 by the Office of Management and Enterprise Services no later than
19 July 1 of each year ~~and meets or exceeds.~~ Plans eligible for
20 selection shall meet or exceed the following criteria:

21 1. Has in place a statewide network of at least one hundred
22 fifty providers. "Providers", for purposes of this section, means
23 Optometrists (OD), Ophthalmologists (MD), and Ophthalmologists (DO)
24 which shall be counted once regardless of the number of locations

1 where they may practice. Optical shops and retail optical locations
2 shall not be listed as providers. The company offering the vision
3 plan must have a direct relationship with each provider on its
4 panel, and may not lease, borrow, or otherwise obtain use of a
5 provider panel from another company. This would not prevent a
6 company from offering ~~their~~ its plan through one corporate entity
7 and administering the plan or provider panel through another legal
8 entity of the same organization so long as the entity receiving
9 premiums remains legally responsible for the payment of benefits.
10 Providers must be actively engaged in providing the services offered
11 under the vision plan they represent;

12 2. Has operated in Oklahoma for at least five (5) years;
13 provided, that an immediately prior operation in Oklahoma of a
14 nonsurviving corporation that merges into an affiliated corporation
15 shall be counted in determining whether the surviving corporation
16 has operated a plan in Oklahoma for five (5) years;

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

24

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

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

9 B. Any administrative fees imposed by the ~~Oklahoma Employees~~
10 ~~Insurance and Benefits Board~~ Office of Management and Enterprise
11 Services shall be applied equally to all qualified vision plans.
12 There shall be no additional requirements imposed on a vision plan
13 other than the proper licensing ~~or~~, certification or authorization
14 to operate its business by the ~~appropriate state agency~~ Oklahoma
15 Insurance Department.

16 C. No more than two Oklahoma-based vision care benefits
17 companies that meet the criteria as specified in subsection A of
18 this section and no more than two out-of-state vision care benefits
19 companies that meet the criteria as specified in subsection A of
20 this section shall be offered as vendors for enrollment in any state
21 employee benefit offering. For purposes of this subsection, an
22 "Oklahoma-based vision care benefits company" shall be defined as
23 follows:
24

1 1. A vision care benefits company that has a home office,
2 customer service and administration located within the State of
3 Oklahoma and is subject to Oklahoma state income taxes; or

4 2. A vision care benefits company that has a majority of
5 ownership interest held either directly or indirectly by residents
6 of the State of Oklahoma and is subject to Oklahoma state income
7 taxes."

8 Passed the House of Representatives the 21st day of April, 2016.

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Presiding Officer of the House of
Representatives

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Passed the Senate the ____ day of _____, 2016.

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Presiding Officer of the Senate

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1 ENGROSSED SENATE
2 BILL NO. 804

By: Standridge of the Senate

3 and

4 Coody (Jeff) of the House

5
6 An Act relating to vision plans; amending 74 O.S.
7 2011, Section 1374, as amended by Section 982,
8 Chapter 304, O.S.L. 2012 (74 O.S. Supp. 2014, Section
9 1374), which relates to visions plans; updating
10 vision plan year; modifying certain responsibility
11 required of Office of Management and Enterprise
12 Services; requiring certain plan providers to provide
13 requested information; modifying criteria of eligible
14 plans; conforming language; modifying certain
15 certification or licensing requirements; requiring
16 vision plan of certain vendors be offered; defining
17 term; authorizing selection of out-of-state vendors
18 under certain circumstances; providing an effective
19 date; and declaring an emergency.

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

21 SECTION 2. AMENDATORY 74 O.S. 2011, Section 1374, as
22 amended by Section 982, Chapter 304, O.S.L. 2012 (74 O.S. Supp.
23 2014, Section 1374), is amended to read as follows:

24 Section 1374. For the plan year beginning January 1, ~~2005~~ 2016,
and for each year thereafter, it shall be the ~~fiduciary~~
responsibility of the Office of Management and Enterprise Services
to ~~ensure that participants have the option to choose which vision~~
~~plan best meets their individual needs by offering every vision plan~~
~~that notifies the Office of its desire to participate~~ offer a vision

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

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

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

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

23 3. Is properly licensed, registered, certified or authorized to
24 operate its business in this state by the Insurance Department,

1 ~~certified by the State Department of Health, or licensed as a third-~~
2 ~~party administrator by the Insurance Department.~~ Vision plans must
3 be offered by the company administering the plan, not by an agent or
4 third party. A company shall offer only one vision plan and rate
5 schedule for each plan year;

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

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

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

1 state and is subject to Oklahoma state income taxes. The Office of
2 Management and Enterprise Services may at its discretion select up
3 to one out-of-state vision care benefits company as an offered
4 vendor, provided it meets the criteria specified herein.

5 SECTION 3. This act shall become effective July 1, 2015.

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

10 Passed the Senate the 3rd day of March, 2015.

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12 _____
13 Presiding Officer of the Senate

14 Passed the House of Representatives the ____ day of _____,
15 2015.

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17 _____
18 Presiding Officer of the House
19 of Representatives