



# Oklahoma State Senate

# Legislative Brief

August 1999

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## State and Education Employees Health Benefits Legislation

The following legislation pertains to both state and education employees unless stated otherwise.

### **SB 373 - Point of Service Plans**

#### **Issue Background**

The availability of Point of Service Plans to employees addresses two important issues.

The first issue is increased access to physicians and services. In some rural areas of the state, doctors have historically not joined traditional Health Maintenance Organizations. A Point of Service Plan gives the participant the option to go outside the normal HMO network to access physicians.

The second issue pertains to that of a participant's ability to self-refer outside the HMO network when specialty care or a second opinion is desired by the participant. This gives the participant more input into his or her care.

#### **Summary of Actions**

Effective July 1, 1999, Health Maintenance Organizations that contract with the Oklahoma State Employees Benefits Council and the State and Education Employees Group Insurance Board may offer a Point of Service Plan.

### **HB 1140 - Leave without Pay and Insurance**

#### **Summary of Actions**

Provides that state employees on leave without pay shall receive their basic plan insurance coverage and dependent insurance benefit allowance paid by the agency during leave without pay.

### **HB 1363 - Education Flexible Benefit Allowance**

#### **Summary of Action**

The flexible benefit allowance shall be granted to those school districts which are participating in a plan offered by the State and Education Employees Group Insurance Board or who are self-insured. School district employees may use the flexible benefit allowance to pay for coverage in the health insurance plan offered by the State and Education Employees Group Insurance Board or the self-insured plan offered by the district or receive the flexible benefit allowance as taxable compensation. Any excess flexible benefit allowance may be used to purchase any additional benefits offered by the school district or received as taxable compensation. The flexible benefit allowance has increased from Fifty-seven Dollars to Fifty-seven Dollars and eighty-three cents (\$57.83) for certified personnel and from Eighty-five Dollars (\$85.00) to One Hundred and Fifty Dollars and forty-two cents (\$150.42) for support personnel.

### **HB 1458 - Spousal Coverage Election**

#### **Issue Background**

A member participating in a plan offered by the State and Education Employees Group Insurance Board may elect to cover his or her dependents. Prior to HB 1458, when one eligible dependent was covered, all eligible dependents had to be covered with one exception: a spouse or dependent could elect not to be covered if he or she were covered by other verifiable group health, dental or life insurance coverage, or for religious beliefs.

#### **Summary of Action**

Effective July 1, 1999, new enrollees covered by the Health Insurance Plan, Health Maintenance Organization plans, or the Dental Insurance Plan approved by the State and Education Employees Group Insurance Board may choose to cover all dependent children and not cover his or her spouse regardless of the spouse's coverage status. A change to coverage

will still have to be made at the next enrollment period or upon a qualifying event. The employee and spouse shall sign an affidavit if not electing to cover the spouse.

## **HB 1588 - Plan Year Changes**

### **Issue Background**

Prior to this law, the Plan Year for the Oklahoma State Employees Benefits Council and the State and Education Employees Group Insurance Board began July 1 of each year and ended the following June 30. The Enrollment Period for members expires typically in April of each year and the Legislative Session ends the last Friday of May. Therefore, by ending the Enrollment Period prior to the Legislative Session, enrollees could not make informed health care choices without knowing what changes were made to applicable laws during the Legislative Session.

### **Summary of Action**

The Plan Year for the Oklahoma State Employees Benefits Council and the State and Education Employees Group Insurance Board shall be changed to begin January 1 of each year beginning in the year 2002.

## **HB 1571 and 1588 - Dependent Benefit Allowance**

### **Summary of Action**

HB 1588 states that the dependent benefit allowance for state employees shall equal one-half (1/2) of the average price of all benefit plans available for each dependent category. HB 1571 was signed after HB 1588 and reads that the dependent benefit allowance shall be one-half (1/2) of the average price of all high option benefit plans available for each dependent category. This act shall take effect July 1, 1999.

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