

STATE OF OKLAHOMA

2nd Session of the 57th Legislature (2020)

COMMITTEE SUBSTITUTE  
FOR

SENATE BILL 1073

By: Thompson and Rader of the  
Senate

and

Wallace and Hilbert of the  
House

COMMITTEE SUBSTITUTE

An Act relating to Oklahoma Medicaid Program Reform Act; amending 56 O.S. 2011, Section 1010.1, as amended by Section 1, Chapter 136, O.S.L. 2017 (56 O.S. Supp. 2019, Section 1010.1), expanding authorized use of Health Employee and Economy Improvement Act (HEEIA) Revolving Fund; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 56 O.S. 2011, Section 1010.1, as amended by Section 1, Chapter 136, O.S.L. 2017 (56 O.S. Supp. 2019, Section 1010.1), is amended to read as follows:

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

1       B. Recognizing that many Oklahomans do not have health care  
2 benefits or health care coverage, that many small businesses cannot  
3 afford to provide health care benefits to their employees, and that,  
4 under federal law, barriers exist to providing Medicaid benefits to  
5 the uninsured, the Oklahoma Legislature hereby establishes  
6 provisions to lower the number of uninsured, assist businesses in  
7 their ability to afford health care benefits and coverage for their  
8 employees, and eliminate barriers to providing health coverage to  
9 eligible enrollees under federal law.

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

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

- 20           a. increase access to health care for Oklahomans,
- 21           b. reform the Oklahoma Medicaid Program to promote
- 22               personal responsibility for health care services and
- 23               appropriate utilization of health care benefits
- 24               through the use of public-private cost sharing,

- 1           c.    enable small employers, and/or employed, uninsured  
2               adults with or without children to purchase employer-  
3               sponsored, state-approved private, or state-sponsored  
4               health care coverage through a state premium  
5               assistance payment plan.  If by January 1, 2012, the  
6               Employer/Employee Partnership for Insurance Coverage  
7               Premium Assistance Program is not consuming more than  
8               seventy-five percent (75%) of its dedicated source of  
9               funding, then the program will be expanded to include  
10              parents of children eligible for Medicaid, and  
11           d.    develop flexible health care benefit packages based  
12                upon patient need and cost.

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

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

- 19           4.    a.   The Authority is authorized to seek from the Centers  
20                   for Medicare and Medicaid Services any waivers or  
21                   amendments to existing waivers necessary to accomplish  
22                   an expansion of the premium assistance program to:  
23  
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1 (1) include for-profit employers with two hundred  
2 fifty employees or less up to any level supported  
3 by existing funding resources, and

4 (2) include not-for-profit employers with five  
5 hundred employees or less up to any level  
6 supported by existing funding resources.

7 b. Foster parents employed by employers with greater than  
8 two hundred fifty employees shall be exempt from the  
9 qualifying employer requirement provided for in this  
10 paragraph and shall be eligible to qualify for the  
11 premium assistance program provided for in this  
12 section if supported by existing funding.

13 E. For purposes of this paragraph, "for-profit employer" shall  
14 mean an entity which is not exempt from taxation pursuant to the  
15 provisions of Section 501(c)(3) of the Internal Revenue Code and  
16 "not-for-profit employer" shall mean an entity which is exempt from  
17 taxation pursuant to the provisions of Section 501(c)(3) of the  
18 Internal Revenue Code.

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

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

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

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

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

18 3. All monies accruing to the credit of the fund are hereby  
19 appropriated and shall be budgeted and expended by the Authority to  
20 implement a premium assistance plan and to fund the state share for  
21 the Oklahoma Medicaid program on or after the effective date of this  
22 act, unless otherwise provided by law.

23 I. 1. The Authority shall establish a procedure for verifying  
24 an applicant's individual income by utilizing available Oklahoma Tax

1 Commission records, new hire report data collected by the Oklahoma  
2 Employment Security Commission, and child support payment data  
3 collected by the Department of Human Services in accordance with  
4 federal and state law.

5 2. The Oklahoma Tax Commission, Oklahoma Employment Security  
6 Commission, and Department of Human Services 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 income data to the Authority.

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

14 SECTION 2. This act shall become effective July 1, 2020.

15 SECTION 3. It being immediately necessary for the preservation  
16 of the public peace, health or safety, an emergency is hereby  
17 declared to exist, by reason whereof this act shall take effect and  
18 be in full force from and after its passage and approval.

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