

An Act

ENROLLED SENATE
BILL NO. 1160

By: Helton of the Senate

and

Askins, Kirby and Dorman
of the House

An Act relating to insurance; amending Section 1, Chapter 501, O.S.L. 2002, as amended by Section 1, Chapter 113, O.S.L. 2003 (74 O.S. Supp. 2003, Section 1374), which relates to vision plans; amending date; increasing eligibility requirements; requiring certain direct relationship; prohibiting certain leasing, borrowing and use of certain provider panels; requiring providers to be actively engaged in certain services; requiring certain plans be offered by parent company; limiting number of vision plans and rate schedules offered annually; requiring certain services and indemnified payment; providing clarification; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY Section 1, Chapter 501, O.S.L. 2002, as amended by Section 1, Chapter 113, O.S.L. 2003 (74 O.S. Supp. 2003, Section 1374), is amended to read as follows:

Section 1374. For the plan year beginning January 1, ~~2004~~ 2005, and for each year thereafter, it shall be the fiduciary responsibility of the Oklahoma State Employees Benefits Council and the State and Education Employees Group Insurance Board 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 Employees Benefits Council and the State and Education Employees Group Insurance Board of their desire to participate no later than July 1 of each year and meets or exceeds the following criteria:

1. Has in place a statewide network of at least ~~one hundred~~ one hundred fifty providers. "Providers", for purposes of this section, means Optometrists (OD), Ophthalmologists (MD), and Ophthalmologists (DO) which shall be counted once regardless of the number of locations where they may practice. Optical shops and retail optical locations shall not be listed as providers. The company offering the vision plan must have a direct relationship with each provider on its panel, and may not lease, borrow, or otherwise obtain use of a provider panel from another company. This

would not prevent a company from offering their plan through one corporate entity and administering the plan or provider panel through another legal entity of the same organization. Providers must be actively engaged in providing the services offered under the vision plan they represent;

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

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

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

5. Requires anyone electing a vision plan to submit an annual election form thereby prohibiting default enrollment; and

6. Vision plans must provide an examination, frames and lenses, and/or contact lenses and some form of indemnified payment to the contracted providers for each component of the benefits, i.e., the exam, frames and lenses and/or contact lenses. This does not eliminate discounted supplementary benefits under a qualified plan.

Any administrative fees imposed by the Oklahoma State Employees Benefits Council or the State and Education Employees Group Insurance Board shall be applied equally to all qualified vision plans. There shall be no additional requirements imposed on a vision plan other than the proper licensing or certification by the appropriate state agency.

SECTION 2. This act shall become effective July 1, 2004.

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

Passed the Senate the 11th day of May, 2004.

Herb Rzell
Presiding Officer of the Senate

Passed the House of Representatives the 5th day of April, 2004.

Larry D Roberts
Presiding Officer of the House
of Representatives

OFFICE OF THE GOVERNOR

Received by the Governor this 12th
day of May, 20 04,
at 3:00 o'clock P. M.

By: Angela Wyatt

Approved by the Governor of the State of Oklahoma the 18 day of
May, 20 04, at 6:05 o'clock P. M.

Brad Owen
Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Secretary of State this _____
18th day of May, 20 04,
at 6:15 o'clock P. M.

By: M. Susan Lewis