

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action:	Do Pass as Amended and Be Printed Engrossed
Vote:	10 - 0 - 0
Yeas:	Barton, Cowan, Gilliam, Krieger, Matthews, Riley, Tomei, Weidner, Wingard, Holvey
Nays:	0
Exc.:	0
Prepared By:	Victoria Cox, Administrator
Meeting Dates:	3/11, 3/25

WHAT THE MEASURE DOES: Extends eligibility for health insurance benefits from six months to nine months for former employees of entities with fewer than twenty employees, with 65% of costs subsidized through the American Recovery and Reinvestment Act of 2009. Employees of larger entities will receive the same extension under the Consolidated Omnibus Budget Reconciliation Act (COBRA).

ISSUES DISCUSSED:

- Costs to displaced workers of continuing benefits
- Legislation required to take advantage of federal stimulus subsidy
- No additional costs to the state

EFFECT OF COMMITTEE AMENDMENT: Replaces the bill.

BACKGROUND: Oregonians who lose their jobs have two options to continue eligibility for health benefits. If their former employer had twenty or more workers, they are eligible under the Consolidated Omnibus Budget Reconciliation Act (COBRA). If their former employer had fewer than twenty workers, they are eligible under Oregon's "state continuation" law. The federal economic stimulus package extends a 65% subsidy for coverage from six to nine months. While COBRA eligible former employees are covered by the federal legislation, HB 2433-A will allow former employees of smaller entities to qualify for the same subsidy.