

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action:	Do Pass the A-Engrossed Measure
Vote:	5 - 0 - 0
Yeas:	Bates, Kruse, Morrisette, Morse, Monnes Anderson
Nays:	0
Exc.:	0
Prepared By:	Robert Shook, Administrator
Meeting Dates:	4/9

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 percent of the costs subsidized through the American Recovery and Reinvestment Act of 2009. Stipulates that employees of larger entities will received the same extension under the Consolidated Omnibus Budget Reconciliation Act.

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: No amendment.

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 fewer than twenty workers, they are eligible under Oregon's state continuation law. The federal economic stimulus package extends a 65-percent subsidy for coverage from six to nine months. While former employees eligible for COBRA are covered by the federal legislation, House Bill 2433-A allows former employees of smaller entities to qualify for the same subsidy.