

**REVENUE:** No revenue impact

**FISCAL:** Fiscal statement issued

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**Action:** Do Pass as Amended and Be Printed Engrossed

**Vote:** 5 - 0 - 0

**Yeas:** Bonamici, Kruse, Metsger, Morse, Hass

**Nays:** 0

**Exc.:** 0

**Prepared By:** Dana Richardson, Administrator

**Meeting Dates:** 3/9, 4/8, 4/20

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**WHAT THE MEASURE DOES:** Permits a school district that has not offered benefit plans provided by Oregon Educators Benefit Board (OEBB) to provide or contract for benefit plans other than those provided by the board if the premiums for the benefit plans are equal to or less than the premiums for comparable benefit plans provided by the board. Requires actuarial analysis at least once every two years to receive this exception. Prohibits employees of a district or employee groups within a district from providing or contracting for benefit plans other than those provided by OEBB once the employees or groups have participated in OEBB plans. Declares an emergency; effective upon passage.

**ISSUES DISCUSSED:**

- Inclusion of comparability clause
- Preventing districts from opting in and out of OEBB
- Number of school districts effected
- Cost to district that have already joined OEBB
- Timeline for actuarial evaluation
- Authority of OEBB to provide waivers

**EFFECT OF COMMITTEE AMENDMENT:** Replaces the measure except for the emergency clause.

**BACKGROUND:** Senate Bill 426 (2007) created the Oregon Educators Benefit Board (OEBB) that acts as a common insurance pool for school districts. It specified that plans offered by the OEBB must be comparable in design to, and not more expensive than, benefit plans provided by districts immediately prior to purchase of board-approved plans.

The board was directed to contract for health, dental, and other benefit plans for employees of most school districts and education service districts before October 1, 2008. Since that date, districts have been generally prohibited from offering benefit plans other than those provided by the board. Currently, districts not participating in the OEBB include self-insured districts and districts with independent health trusts that were not required to join if the premiums for their plans were equal to or less than the premiums for comparable benefit plans provided by the board, as well as districts that have not yet reached the time in their collective bargaining agreements to trigger enrollment. Additionally, the OEBB has developed a comparability assessment protocol to provide waivers to districts with comparable plans and lower premiums.

4/23/2009 8:24:00 AM

*This summary has not been adopted or officially endorsed by action of the committee.*