

House Bill 2996

Sponsored by Representative RICHARDSON (Presession filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Requires Public Employees' Benefit Board to contract for consumer-directed health benefit plan that provides access to high-deductible health plan and health savings accounts for eligible employees.

A BILL FOR AN ACT

1
2 Relating to benefit plans contracted for by the Public Employees' Benefit Board; amending ORS
3 243.135 and 292.051.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 243.135, as amended by section 1, chapter 49, Oregon Laws 2010, is amended
6 to read:

7 243.135. (1) Notwithstanding any other benefit plan contracted for and offered by the Public
8 Employees' Benefit Board, the board shall contract for a health benefit plan or plans best designed
9 to meet the needs and provide for the welfare of eligible employees and the state. In considering
10 whether to enter into a contract for a plan, the board shall place emphasis on:

- 11 (a) Employee choice among high quality plans;
- 12 (b) A competitive marketplace;
- 13 (c) Plan performance and information;
- 14 (d) Employer flexibility in plan design and contracting;
- 15 (e) Quality customer service;
- 16 (f) Creativity and innovation;
- 17 (g) Plan benefits as part of total employee compensation; and
- 18 (h) The improvement of employee health.

19 (2) The board may approve more than one carrier for each type of plan contracted for and of-
20 fered but the number of carriers shall be held to a number consistent with adequate service to eli-
21 gible employees and their family members.

22 (3) Where appropriate for a contracted and offered health benefit plan, the board shall provide
23 options under which an eligible employee may arrange coverage for family members.

24 (4) Payroll deductions for such costs as are not payable by the state may be made upon receipt
25 of a signed authorization from the employee indicating an election to participate in the plan or plans
26 selected and the deduction of a certain sum from the employee's pay.

27 (5) In developing any health benefit plan, the board may provide an option of additional cover-
28 age for eligible employees and their family members at an additional cost or premium.

29 (6) Transfer of enrollment from one plan to another shall be open to all eligible employees and
30 their family members under rules adopted by the board. Because of the special problems that may
31 arise in individual instances under comprehensive group practice plan coverage involving acceptable

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 physician-patient relations between a particular panel of physicians and particular eligible employ-
 2 ees and their family members, the board shall provide a procedure under which any eligible em-
 3 ployee may apply at any time to substitute a health service benefit plan for participation in a
 4 comprehensive group practice benefit plan.

5 (7) The board shall evaluate a benefit plan that serves a limited geographic region of this state
 6 according to the criteria described in subsection (1) of this section.

7 **(8)(a) Notwithstanding any other benefit plan contracted for and offered by the board, the**
 8 **board shall contract for and offer a consumer-directed health plan that provides for access**
 9 **by eligible employees to a high-deductible health plan and health savings accounts authorized**
 10 **under the Internal Revenue Code of 1986.**

11 **(b) As used in this subsection, “high-deductible health plan” and “health savings**
 12 **account” have the meanings given those terms in 26 U.S.C. 223.**

13 **SECTION 2.** ORS 292.051 is amended to read:

14 292.051. (1) Except as authority over contracts for health benefit plans described in ORS 243.135
 15 is vested in the Public Employees’ Benefit Board, upon receipt of the request in writing of an officer
 16 or employee so to do, the state official authorized to disburse funds in payment of the salary or
 17 wages of the officer or employee may deduct from the salary or wages of the officer or employee
 18 an amount of money indicated in the request for payment of the applicable amount set forth in
 19 benefit plans selected by the officers or employees or in their behalf for:

20 (a) Group life insurance, including life insurance for dependents of officers or employees.

21 (b) Group dental and related services and supplies, or any other remedial care recognized by
 22 state law and related services and supplies, other than medical, surgical or hospital care, recognized
 23 under state law, including such insurance for dependents of state officers or employees.

24 (c) Group indemnity insurance for accidental death and dismemberment and for loss of income
 25 due to accident, sickness or other disability, including such insurance for dependents of state offi-
 26 cers or employees.

27 (d) Automobile casualty insurance under a monthly payroll deduction program endorsed or of-
 28 fered by an employee organization representing 500 or more state employees. Membership in the
 29 employee organization is not a requirement for participation in this program.

30 (e) Legal insurance under a monthly payroll deduction program endorsed or offered by an em-
 31 ployee organization representing 500 or more state employees.

32 (f) Self-insurance programs that are approved and provided by the Public Employees’ Benefit
 33 Board.

34 **(g) Health savings accounts authorized under the Internal Revenue Code of 1986.**

35 (2) The Oregon Department of Administrative Services may establish and collect a fee to cover
 36 costs of administering this section.

37 (3) No state official authorized to disburse funds in payment of salaries or wages is required to
 38 make deductions as authorized by subsection (1) of this section for more than one benefit plan of the
 39 type referred to in each of the paragraphs in subsection (1) of this section per eligible employee.

40 (4) Moneys deducted under subsection (1) of this section shall be paid over promptly:

41 (a) To the insurance companies, agencies or hospital associations, or persons responsible for
 42 payment of premiums to the companies, agencies or associations, in accordance with the terms of
 43 the contracts made by the officers or employees or in their behalf; or

44 (b) With respect to self-insurance benefits, in accordance with rules, procedures and directions
 45 of the Public Employees’ Benefit Board.

1 (5) As used in this section, “officer or employee” means all persons who receive salaries or
2 wages disbursed by any state official.

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