

House Bill 3665

Sponsored by Representatives JOHNSON, KOMP; Representatives CONGER, HUFFMAN, KENNEMER, OLSON, SHEEHAN, WAND

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**.

Modifies composition of and scope of review to be performed by Task Force on Educator Health Benefits. Requires task force to submit report to interim committee of Legislative Assembly by July 1, 2012.

Declares emergency, effective on passage.

A BILL FOR AN ACT

Relating to Task Force on Educator Health Benefits; amending sections 20 and 22, chapter 7, Oregon Laws 2007; repealing section 21, chapter 7, Oregon Laws 2007; and declaring an emergency.

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

SECTION 1. Section 20, chapter 7, Oregon Laws 2007, is amended to read:

Sec. 20. (1) There is created the Task Force on Educator Health Benefits consisting of *[six]* **seven** members appointed as follows:

(a) The President of the Senate shall appoint one member from among members of the Senate.

(b) The Speaker of the House of Representatives shall appoint one member from among members of the House of Representatives.

(c) The Governor shall appoint *[four]* **five** members as follows:

[(A) One member who is a nonmanagement district employee and who is in a labor organization representing district employees;]

[(B)] **(A)** Two members who are not eligible to participate in a benefit plan provided under *[sections 1 to 14 of this 2007 Act]* **ORS 243.860 to 243.886** and who have expertise in health insurance or in employee benefit plan design or administration; *[and]*

(B) One member who is not eligible to participate in a benefit plan provided under ORS 243.860 to 243.886 and who is a qualified actuary who has expertise in health insurance or in employee benefit plan design or administration; and

(C) [One member who is a district management employee.] **Two members who are district management employees.**

(d) Notwithstanding paragraphs (a) to (c) of this subsection, a member of the task force may not be employed by or be the representative of a carrier that is providing a benefit plan through the Oregon Educators Benefit Board.

[(2) The task force shall review the benefit plans provided through the Oregon Educators Benefit Board, analyze the benefits provided by and the administration of the benefit plans and determine whether the enactment of sections 1 to 14 of this 2007 Act has resulted in cost savings to the state.]

(2) The task force shall review the operation of the Oregon Educators Benefit Board and the benefit plans provided through the board. The review shall include, but is not limited to, evaluation of:

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 (a) Outcomes of the benefit plans to determine whether the savings projected for the
 2 program when it was implemented have been achieved by participating school districts. This
 3 evaluation shall take into consideration any losses incurred by plans provided by the board
 4 and by reinsurers of those plans in the first year of operation.

5 (b) Satisfaction of participating districts and employees based on customer service and
 6 choice as measured by both quantitative and qualitative data.

7 (c) The transparency of:

8 (A) Contracting practices of the board, including the length of and amendments to ex-
 9 isting contracts;

10 (B) The financial impact of any amendments to ORS 243.860 to 243.886;

11 (C) Actuarial information related to rate reviews conducted by the board;

12 (D) Membership of the board;

13 (E) Records of the board, including minutes of meetings and documentation of testimony;

14 (F) The formal process for public input to the board;

15 (G) Discussions and deliberations of the board; and

16 (H) Mechanisms for notifying the public of board decisions.

17 (d) The feasibility of having an independent entity conduct the actuarial analysis required
 18 under ORS 243.886 (3).

19 (e) The use of consultants and advisors by the board. The evaluation of the use of con-
 20 sultants and advisors shall include consideration of the role of consultants and advisors in
 21 the decision-making process of the board and the total amount expended by the board for
 22 consultant fees since the implementation of the board.

23 (3) A majority of the members of the task force constitutes a quorum for the transaction of
 24 business.

25 (4) Official action by the task force requires the approval of a majority of the members of the
 26 task force.

27 (5) The task force shall elect one of its members to serve as chairperson.

28 (6) If there is a vacancy for any cause, the appointing authority shall make an appointment to
 29 become immediately effective.

30 (7) The task force shall meet at times and places specified by the call of the chairperson or of
 31 a majority of the members of the task force.

32 (8) The task force may adopt rules necessary for the operation of the task force.

33 (9) The task force shall submit a report **based on the review conducted under subsection (2)**
 34 **of this section**, and may include recommendations for legislation, to an interim committee related
 35 to education or public employment, as appropriate, no later than [October 1,] **July 1, 2012**.

36 (10) The task force shall use the services of permanent legislative staff to the greatest extent
 37 practicable.

38 (11) Members of the task force who are not members of the Legislative Assembly are not enti-
 39 tled to compensation, but may be reimbursed for actual and necessary travel and other expenses
 40 incurred by them in the performance of their official duties in the manner and amounts provided for
 41 in ORS 292.495. Claims for expenses incurred in performing functions of the task force shall be paid
 42 out of funds appropriated to the Legislative Assembly for that purpose.

43 (12) All agencies of state government, as defined in ORS 174.111, are directed to assist the task
 44 force in the performance of its duties and, to the extent permitted by laws relating to confidentiality,
 45 to furnish such information and advice as the members of the task force consider necessary to per-

1 form their duties.

2 (13) The Legislative Administrator may accept, on behalf of the task force, contributions of
3 moneys and assistance from the United States Government or its agencies or from any other source,
4 public or private, and agree to conditions placed on the moneys not inconsistent with the duties of
5 the task force.

6 (14) All moneys received by the Legislative Administrator under subsection (13) of this section
7 shall be paid into the State Treasury and deposited in the General Fund to the credit of the task
8 force. The moneys are continuously appropriated to the task force for the purposes of carrying out
9 the duties of the task force.

10 (15) As used in this section, [*“district” has the meaning given that term in section 1 of this 2007*
11 *Act*] **“benefit plan,” “carrier” and “district” have the meanings given those terms in ORS**
12 **243.860.**

13 **SECTION 2.** Section 22, chapter 7, Oregon Laws 2007, is amended to read:

14 **Sec. 22.** Section 20 [*of this 2007 Act*], **chapter 7, Oregon Laws 2007**, is repealed on the date
15 of the convening of the [*regular legislative session of the Seventy-seventh Legislative Assembly*] **2013**
16 **regular session of the Legislative Assembly as specified in ORS 171.010.**

17 **SECTION 3.** Section 21, chapter 7, Oregon Laws 2007, is repealed.

18 **SECTION 4.** **This 2011 Act being necessary for the immediate preservation of the public**
19 **peace, health and safety, an emergency is declared to exist, and this 2011 Act takes effect**
20 **on its passage.**

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