

REVENUE: No revenue impact

FISCAL: Fiscal statement issued

Action:	Do Pass With Different Amendments and Be Printed Engrossed
Signers of the Report:	Sen. Ferrioli and Sen. Starr
Prepared By:	Lori Brocker, Administrator
Meeting Dates:	6/5, 6/11, 6/12

WHAT THE MEASURE DOES: Allows school districts, union high school districts, and educational service districts to provide or contract for benefit plans not provided by Oregon Educators Benefit Board (OEBB) if district determines premium costs for district-offered plans are equal to or less than premium costs of benefit plans provided by OEBB. Removes current requirement actuarial analysis be performed at least once every two years. Continues to allow actuarial analysis of district upon request of district or labor organization representing eligible employees of district.

ISSUES DISCUSSED:

- Reason for measure
- Amendments
- Actuarial analysis cost
- Cost comparisons of providing different plans
- Information gleaned from actuarial analysis
- Applicability of provisions to districts
- Oregon Educators Benefit Board
- Application of different amendments

EFFECT OF COMMITTEE MINORITY AMENDMENT: Allows school districts, union high school districts, and educational service districts to provide or contract for benefit plans not provided by Oregon Educators Benefit Board (OEBB) if district determines premium costs for district-offered plans are equal to or less than premium costs of benefit plans provided by OEBB. Removes current requirement actuarial analysis be performed at least once every two years. Continues to allow actuarial analysis of district upon request of district or labor organization representing eligible employees of district.

BACKGROUND: The Oregon Educators Benefit Board (OEBB) was created in 2007 with the passage of Senate Bill 426. It is responsible for the oversight and management of a statewide health benefits insurance pool for employees and certain retirees of school districts and education service districts. Oregon law requires districts to contract with plans provided or administered by OEBB or through the health insurance exchange, except for districts that were self-insured prior to January 1, 2007, and to offer plans with premiums equal to or less than those provided by OEBB.

Senate Bill 901A (2009) created an additional exception for districts that had not already offered OEBB-provided plans and the district offered plans that had premiums less than or equal to OEBB plans. To be eligible for the exception, a district had to undergo actuarial analysis at least once every two years.

Senate Bill 789A (Minority) allows districts to offer or contract for benefit plans, outside of those offered by the OEBB, if it determines that the premiums of the plans cost less than or equal to plans offered by the OEBB. Additionally, the measure removes the requirement that districts undergo actuarial analysis every two years.

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