

**REVENUE:** No revenue impact

**FISCAL:** Minimal fiscal impact, no statement issued

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**Action:** Do Pass

**Vote:** 9 – 0 – 0

**Yeas:** Barnhart, Berger, Dembrow, Hicks, Holvey, Hoyle, Jenson, Kennemer, Garrett

**Nays:** 0

**Exc.:** 0

**Prepared By:** Erin Seiler, Administrator

**Meeting Dates:** 6/27

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**WHAT THE MEASURE DOES:** Limits total period of time school district or educational service district is subject to actuarial analysis to six years when district provides health benefit plans other than those provided by Oregon Educators Benefit Board. Clarifies requirement that actuarial analysis does not apply to certain self-insured districts, districts with independent health insurance trusts, or community college districts. Removes current requirement actuarial analysis be performed at least once every two years.

**ISSUES DISCUSSED:**

- Cost of actuarial analysis
- Cost comparisons of providing different plans
- Information provided by actuarial analysis
- Cost-savings to Oregon Educators Benefit Board
- Ability to request actuarial analysis

**EFFECT OF COMMITTEE AMENDMENT:** No amendment.

**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 901-A (2009) created an additional exception for districts that had not already offered OEBB-provided plans in cases where 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 789-A limits the requirement of a biennial actuarial analysis to the first six years that a district claims an exception, and removes the requirement that an actuarial analysis be performed at least once every two years. The measure also clarifies that the requirement does not apply to self-insured districts that were self-insured prior to January 1, 2007, and that provided benefit plans other than those provided by OEBB.