



SB146: Technical change to preserve access to small-employer coverage

What the bill does:

- Allows any small employer (today <50 employees, after 2016 <100 employees) headquartered in Oregon to purchase group health insurance coverage.

Why the change is needed:

- Current law, enacted in the early 1990s, requires that a majority of employees reside in Oregon in order for a small employer to purchase group coverage.
- We exhaustively researched the legislative record on this provision (see letter from the Powell Law Firm), and there simply is no record of the rationale for this outdated requirement.
- Increasingly, small and growing companies have dispersed workforces, able to work remotely thanks to ubiquitous Internet access. The law, which predates widespread Internet usage by several years, needs to be updated, so that employers who want to do the right thing and provide health benefits – or in the case of companies of 51-100 employees, already provide benefits – are not shut out of Oregon’s health insurance market.

Practical effect of the SB146:

- Allows a small employer that either is *headquartered* in Oregon or more than half of its employees *reside* in Oregon may purchase small-group health insurance.

We respectfully request that SB146 be sent to the floor with a do-pass recommendation.

Contact:

Tom Holt

Director, Government Affairs

503-956-7461