

# Senate Bill 96

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## 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**.

Authorizes certain districts to withdraw from participation in health benefit plans offered by Oregon Educators Benefit Board under certain circumstances. Permits only one withdrawal from participation and prohibits district from again participating in plan offered by board for five years after date of withdrawal.

Requires board to provide certain information to district upon request and prohibits board from restricting participating carriers from responding to requests for proposals from district.

## A BILL FOR AN ACT

1  
2 Relating to participation in health benefit plans offered by the Oregon Educators Benefit Board;  
3 amending ORS 243.886.

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

5 **SECTION 1.** ORS 243.886 is amended to read:

6 243.886. (1) Except as provided in subsections (2), (3), [*and*] (4) **and** (5) of this section, a district  
7 may not provide or contract for a benefit plan and eligible employees of districts may not participate  
8 in a benefit plan unless the benefit plan:

9 (a) Is provided and administered by the Oregon Educators Benefit Board under ORS 243.860 to  
10 243.886; or

11 (b) On or after October 1, 2015, is offered through the health insurance exchange under ORS  
12 741.310 (1)(b).

13 (2)(a) Except for community college districts, a district that was self-insured before January 1,  
14 2007, or a district that had an independent health insurance trust established and functioning before  
15 January 1, 2007, may provide or contract for benefit plans other than benefit plans provided and  
16 administered by the board if the premiums for the benefit plans provided or contracted for by the  
17 district are equal to or less than the premiums for comparable benefit plans provided and adminis-  
18 tered by the board.

19 (b) A community college district may provide or contract for benefit plans other than benefit  
20 plans provided and administered by the board.

21 (c) In accordance with procedures adopted by the board to extend benefit plan coverage under  
22 ORS 243.864 to 243.874 to eligible employees of a self-insured district, a district with an independent  
23 health insurance trust or a community college district, these districts may choose to offer benefit  
24 plans that are provided and administered by the board. Once employees of a district participate in  
25 benefit plans provided and administered by the board, the district may not thereafter provide or  
26 contract for benefit plans other than those provided and administered by the board.

27 (3)(a) A district, other than a district claiming the exception in subsection (2)(a) of this section,  
28 that has not offered benefit plans provided and administered by the board before June 23, 2009, may

**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 provide or contract for benefit plans other than benefit plans provided and administered by the  
 2 board if the premiums for the benefit plans provided or contracted for by the district are equal to  
 3 or less than the premiums for comparable benefit plans provided and administered by the board.  
 4 Once employees of a district or an employee group within a district participates in benefit plans  
 5 provided and administered by the board, the district may not thereafter provide or contract for  
 6 benefit plans for those employees or employee groups other than those provided and administered  
 7 by the board.

8 (b) If requested by the district or a labor organization representing eligible employees of the  
 9 district, the board shall perform an actuarial analysis of the district.

10 (c) As used in this subsection, "district" does not include a community college district.

11 **(4)(a) Notwithstanding subsections (2) and (3) of this section, a district may withdraw**  
 12 **from participation in a benefit plan provided and administered by the board if:**

13 **(A) Some employees of the district are enrolled in benefit plans provided and adminis-**  
 14 **tered by the board and some employees are not enrolled in those plans; or**

15 **(B) All employees of the district are enrolled in benefit plans provided and administered**  
 16 **by the board, but those plans do not provide certain health-related coverage, such as vision**  
 17 **or dental benefits.**

18 **(b) A district that elects to withdraw from participation in a benefit plan provided and**  
 19 **administered by the board under this section may do so only one time and may not elect to**  
 20 **again participate in a benefit plan provided and administered by the board for five years after**  
 21 **the date of withdrawal.**

22 **(c) The board, upon request by a district, shall provide claims experience data relevant**  
 23 **to obtaining proposals for health benefit plan coverage and may not restrict any carrier that**  
 24 **provides health benefit plan coverage for the board from responding to requests for proposals**  
 25 **by a district.**

26 **(d) As used in this subsection, "district" does not include a community college district.**

27 [(4)] (5) Nothing in ORS 243.860 to 243.886 may be construed to expand or contract collective  
 28 bargaining rights or collective bargaining obligations.

29 **SECTION 2.** ORS 243.886, as amended by section 13, chapter 38, Oregon Laws 2012, and section  
 30 2, chapter 780, Oregon Laws 2013, is amended to read:

31 243.886. (1) Except as provided in subsections (2), (3), [and] (4) **and (5)** of this section, a district  
 32 may not provide or contract for a benefit plan and eligible employees of districts may not participate  
 33 in a benefit plan unless the benefit plan:

34 (a) Is provided and administered by the Oregon Educators Benefit Board under ORS 243.860 to  
 35 243.886; or

36 (b) Is offered through the health insurance exchange under ORS 741.310 (1)(c).

37 (2)(a) Except for community college districts, a district that was self-insured before January 1,  
 38 2007, or a district that had an independent health insurance trust established and functioning before  
 39 January 1, 2007, may provide or contract for benefit plans other than benefit plans provided and  
 40 administered by the board if the premiums for the benefit plans provided or contracted for by the  
 41 district are equal to or less than the premiums for comparable benefit plans provided and adminis-  
 42 tered by the board.

43 (b) A community college district may provide or contract for benefit plans other than benefit  
 44 plans provided and administered by the board.

45 (c) In accordance with procedures adopted by the board to extend benefit plan coverage under

1 ORS 243.864 to 243.874 to eligible employees of a self-insured district, a district with an independent  
2 health insurance trust or a community college district, these districts may choose to offer benefit  
3 plans that are provided and administered by the board. Once employees of a district participate in  
4 benefit plans provided and administered by the board, the district may not thereafter provide or  
5 contract for benefit plans other than those provided and administered by the board.

6 (3)(a) A district, other than a district claiming the exception in subsection (2)(a) of this section,  
7 that has not offered benefit plans provided and administered by the board before June 23, 2009, may  
8 provide or contract for benefit plans other than benefit plans provided and administered by the  
9 board if the premiums for the benefit plans provided or contracted for by the district are equal to  
10 or less than the premiums for comparable benefit plans provided and administered by the board.  
11 Once employees of a district or an employee group within a district participates in benefit plans  
12 provided and administered by the board, the district may not thereafter provide or contract for  
13 benefit plans for those employees or employee groups other than those provided and administered  
14 by the board.

15 (b) If requested by the district or a labor organization representing eligible employees of the  
16 district, the board shall perform an actuarial analysis of the district.

17 (c) As used in this subsection, "district" does not include a community college district.

18 **(4)(a) Notwithstanding subsections (2) and (3) of this section, a district may withdraw**  
19 **from participation in a benefit plan provided and administered by the board if:**

20 **(A) Some employees of the district are enrolled in benefit plans provided and adminis-**  
21 **tered by the board and some employees are not enrolled in those plans; or**

22 **(B) All employees of the district are enrolled in benefit plans provided and administered**  
23 **by the board, but those plans do not provide certain health-related coverage, such as vision**  
24 **or dental benefits.**

25 **(b) A district that elects to withdraw from participation in a benefit plan provided and**  
26 **administered by the board under this section may do so only one time and may not elect to**  
27 **again participate in a benefit plan provided and administered by the board for five years after**  
28 **the date of withdrawal.**

29 **(c) The board, upon request by a district, shall provide claims experience data relevant**  
30 **to obtaining proposals for health benefit plan coverage and may not restrict any carrier that**  
31 **provides health benefit plan coverage for the board from responding to requests for proposals**  
32 **by a district.**

33 **(d) As used in this subsection, "district" does not include a community college district.**

34 [(4)] (5) Nothing in ORS 243.860 to 243.886 may be construed to expand or contract collective  
35 bargaining rights or collective bargaining obligations.