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To: Education Committee Chair, Senator Arnie Roblan
Education Committee Members, Senators Linthicum, Gelser, Hass &
Kruse

RE: Support for SB 387

Thank you for the opportunity to present our support for SB 387.

Corvallis School District is one of four known districts in Oregon that are both in and out of OEBC due to demonstrated cost savings. Our district is split between non-OEBC (Licensed/Certified Staff of 316 active, 54 retirees) and OEBC (Classified and Administrative Staff of 312 active, 31 retirees).

For the time period of 2010 through 2016 we have a documented savings of almost \$9,000,000. (See attachment 1) (Note: this is for medical only and does not include the savings on dental, vision, life and disability benefits).

From CSD Director of Finance & Operations, Olivia Meyers-Buch,

“The annual savings equates to about 20 teachers. The combined savings (nearly \$9,000,000) is enough to fund the construction of a new elementary school! Realistically, not all of the savings would belong to the school district. Since our employees pay a portion of their premium, a portion of the savings would likely have gone back to them as well, resulting in lower employee out-of-pocket costs over the years.”

The result of this split essentially requires the district to duplicate the entire process including separate complex cost accounting systems, informational sessions and open enrollment materials. The two “tracks” lead to confusion among employees not to mention an inequitable benefit package.

Finally, when we compare the benefits of the plans, it is clear that the employees who are outside of OEBC have a much lower out of pocket expense (i.e., lower deductibles, co-payments, co-insurance, and out of pocket maximums). Simply put, they have better benefits. (See attachment 2).

As is demonstrated in attachment 2, if we had been able to move our Classified and Administrative staff to the PSHP plan an additional \$1,501,044 would have been saved.

For these reasons we ask for your consideration and support of SB 387.

Respectfully submitted,
Peg Honyak & Tim Hennessy
Consultants, Corvallis School District