



Oregon School Employees Association

www.osea.org

State Office: 4735 Liberty Rd S, Salem, OR 97302-5036

P: 800/252-6732, 503/588-0121 **F:** 503/588-8307

March 30, 2017

Chair Laurie Monnes Anderson and Members of the Committee:

My name is Tyler Shipman I am a government relations specialist with the Oregon School Employees Association (OSEA). Our association represents over 21,000 education employees across the state, including K-12 public schools, education service districts (ESDs), community colleges, Head Starts, park and recreation districts and libraries. OSEA also represents educational employees from private companies that contract their services to public schools. I am appearing today on behalf of OSEA to speak in support of Senate Bill (SB) 997.

The ability for our members to have access to affordable health care is vital to their quality of life. School districts often offer a contribution towards an employee's health insurance premiums. This contribution is often the only way our members are able to afford health insurance due to their low wages. Unfortunately, classified school jobs can be outsourced to private companies in order for a school district to save money. The private employer does not offer a contribution towards health insurance premiums. The cost of paying the full insurance premium can be upwards of \$1500 per month which can easily be more than our member's salary. This leaves our members with only two options, sacrifice their entire paycheck for health insurance or turn to taxpayer-funded health care assistance programs.

Employers should be held accountable for providing affordable health insurance to their employees and that Oregon tax payers aren't left picking up the bill. SB 997 addresses the undeniable need for increased health insurance accountability by raising funds to help pay for health care across Oregon, saving tax payer money while expanding health insurance coverage and ensuring accountability while protecting workers.

Oregon has a \$1.8 billion deficit that the Legislature has had to address. SB 997 would raise an estimated \$60 million which could be used by the Oregon Health Authority (OHA) to assist patients with the most need. The money could be used to help reimburse medical care providers that serve Oregonian's without health insurance. This legislation could also be used to increase reimbursement for health care provided in underserved and rural areas, which many of our members receive health care from.

Our employees that work for private employers receive a low wage making them unable to afford expensive health insurance premiums. The Health Care Accountability Act would encourage private companies to either provide affordable health insurance coverage or pay a penalty that helps fund the state's health services. The penalty is applied to employers that do not offer affordable health insurance coverage to employees working 32 hours or more per week. The penalty will be 70 percent of the average cost of a full year of health insurance multiplied by the number of covered employees, then multiplied by 0.9.

The ability for our members to afford quality health care is vital to their quality of living. SB 997 not only encourages private employers to offer affordable health care coverage, but also raises funds for to help provide health care throughout Oregon. OSEA supports legislation that increases our member's access to affordable health care insurance. As such, we urge you to support SB 997.