

HB 2037 STAFF MEASURE SUMMARY

House Committee On Health Care

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Meeting Dates: 2/26, 3/7

WHAT THE MEASURE DOES:

Modifies coverage of long-term care insurance by the Public Employees' Benefit Board and Oregon Educators Benefit Board.

REVENUE: No revenue impact.

FISCAL: No fiscal impact.

ISSUES DISCUSSED:

- Financial and staff resources needed to provide long-term care insurance to enrollees
- Continued coverage and impact on premiums if long-term care insurance is discontinued by PEBB or OEGB
- Long-term care is the only optional benefit currently required by statute; consistency with other optional benefits
- Elimination of long-term care tax credit in 2013

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Oregon's Public Employees' Benefit Board (PEBB) designs, contracts, and administers a program of benefits for state employees. The benefits include medical and dental coverage; life, accident, disability, and long-term care insurance; and flexible spending accounts. The Board also offers health care insurance options for retirees not yet eligible for Medicare and individuals in other participating groups. PEBB's total membership is approximately 139,000 individuals (2019).

The Oregon Educators Benefit Board (OEGB) was created in 2007 to provide a comprehensive selection of benefit plan options for most of Oregon's K-12 school districts, education service districts, and community colleges, as well as several charter schools and local governments across the state. OEGB currently provides benefits for almost 152,000 individuals, including actively employed and retired members and their families (2019).

Along with health insurance coverage, PEBB and OEGB offer enrollees different types of optional insurance including life insurance, short and long-term disability, long-term care, and accidental death, among other benefits. Long-term care insurance provides individuals with diagnostic, preventative, therapeutic, rehabilitative, or personal care services (e.g., help with basic activities of daily living), provided in a nursing home, the community, or the home.

House Bill 2037 allows the Public Employees' Benefit Board and Oregon Educators Benefit Board to offer long-term care insurance plans at boards' discretion rather than as statutory requirement.