

HB 3075 STAFF MEASURE SUMMARY

House Committee On Health Care

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Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 3/19

WHAT THE MEASURE DOES:

Permits an eligible public employee enrolled in health coverage through Public Employees' Benefit Board or Oregon Educators Benefit Board with a spouse or family member also enrolled in a health plan offered by PEBB or OEGB to receive double coverage. Removes provision requiring PEBB and OEGB to use tools designed to limit the growth in per-member expenditures for health services or annual increases in premiums to no more than 3.4 percent per year. Takes effect on 91st day following adjournment sine die.

REVENUE: May have revenue impact, but no statement yet issued.

FISCAL: May have fiscal impact, but no statement yet issued.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

According to the Legislative Fiscal Office (LFO), a legislative work group was convened during the 2017 session to examine potential cost reduction and prevention options to help reduce cost increases in future budgets. The work group was also directed to institute prudent financial practices and principles for state government. The result of the work group was Senate Bill 1067 (2017), which enacted several measures affecting the Public Employees' Benefit Board (PEBB) and Oregon Educators Benefit Board (OEGB). Among other things, SB 1067 required PEBB and OEGB to adopt methodologies to limit growth in premium or per member health plan costs to 3.4 percent per year and eliminated "double coverage" for PEBB and OEGB employees who have family members also employed by a PEBB or OEGB employer beginning with plan years after October 1, 2019 (OEGB) and January 1, 2020 (PEBB). SB 1067 also discontinued the ability for a PEBB or OEGB employee with double coverage to decline double coverage or "opt out" and thus receive payments. These changes were estimated to reduce future health care costs in PEBB and OEGB and result in General Fund savings in the 2017-19 and 2019-21 biennia (LFO 2017).

House Bill 3075 permits public employees and their family members and dependents in state-sponsored health plans, if eligible, to receive "double insurance coverage."