



American Association of University Professors

Academic Freedom for a Free Society

June 12, 2019

Chair Burdick
Members of the Senate Committee on Rules
Oregon State Capitol
Salem, OR 97301

Re: House Bill 2266A

Chair Burdick, Vice Chair Baertschiger, and members of the Committee,

On behalf of the more than 6300 members of the American Association of University Professors in Oregon, our collective bargaining chapters at the University of Oregon, Portland State University, Oregon State University, and Oregon Institute of Technology, and our faculty members across Oregon, I ask that you **please support HB 2266A**.

While the 2017 passage of SB 1067 was an important attempt to control health insurance costs for Oregon public employers, some of its provisions have produced unintended consequences without reducing expenditures.

The elimination of coordinated coverage hurts families where both spouses work in public service. The ability to coordinate coverage helps offset the exceptional health care costs some families face. These costs are especially pronounced when a family member suffers from an acute injury or illness or has medical conditions that require long-term care. Public service workers facing serious medical hardships within their families should have the ability to take advantage of both spouses' health benefits to control their out-of-pocket costs. For families who need coordinated coverage, allowing for double coverage prevents the loss of talent among public service workers and ensures access to equitable and necessary benefits. Reducing benefits that are crucial for some families may have real consequences for the state's ability to attract and retain the highest caliber faculty.

For workers who do not need OEGB or PEBB coverage, opt-out incentives can provide a lower cost alternative to fully funding benefits. The elimination of this option lowered the incentive for public workers who have health insurance through a spouse to decline coverage. This has produced the unintended consequence of increasing costs for public employers.

Given that provisions to remove coordinated coverage and opt-out incentives appear to have resulted in increased costs, the passage of HB 2266A represents a true win-win for both the public employers and Oregon workers, including the thousands of faculty members and academic professionals represented by AAUP-Oregon.

Please pass HB 2266A to reinstate coordinated coverage and opt-out incentives, thereby nullifying the unintended negative consequences of SB 1067.

Thank you for your consideration of our comments.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Dreiling", is centered on a light yellow rectangular background.

Michael Dreiling
President, AAUP-Oregon