

FISCAL IMPACT OF PROPOSED LEGISLATION

81st Oregon Legislative Assembly – 2021 Regular Session
Legislative Fiscal Office

Measure: SB 748

*Only Impacts on Original or Engrossed
Versions are Considered Official*

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Measure Description:

Requires Public Employees' Benefit Board, Oregon Educators Benefit Board and private insurers to provide insurance coverage to adult disabled children and adult disabled siblings of insureds under certain circumstances.

Government Unit(s) Affected:

Oregon Health Authority (OHA), Department of Consumer and Business Services (DCBS)

Summary of Fiscal Impact:

Costs related to the measure are indeterminate at this time - See explanatory analysis.

Analysis:

SB 748 requires the Public Employees' Benefit Board (PEBB), the Oregon Educators Benefit Board (OEBB), and individual and group health benefit plans, to provide coverage to adult disabled children and adult disabled siblings of enrollees. Adult disabled children and adult disabled siblings are eligible for coverage if a physician has certified that they are unable to engage in self-sustaining employment; if they were covered by a family member or guardian's insurance policy immediately before they exceeded the age for eligibility for coverage; and if the insured parent or sibling claims the adult disabled child or sibling as a dependent or is their legal guardian, or the adult disabled child or sibling has an adjusted gross income that does not exceed 150 percent of the federal poverty level.

Costs of this measure for the Oregon Health Authority (OHA) are indeterminate but anticipated to be minimal. PEBB and OEBB both currently provide insurance for certain disabled adults. This measure would add the requirement that adult disabled siblings of an eligible employee also be provided coverage. Additionally, this measure would now require PEBB and OEBB to allow adult disabled children or siblings with an adjusted gross income that does not exceed 150 percent of the federal poverty level, or adult disabled children or siblings whose legal guardian is covered by PEBB or OEBB, to receive coverage. These requirements would change how PEBB and OEBB conduct dependent eligibility reviews, but would have minimal impact for OHA as a whole.

While OHA does house PEBB and OEBB, costs related to PEBB impact the premiums paid by state agencies and universities, and the costs for OEBB primarily impact the premiums paid by the K-12 school system. Under this measure there could be additional costs for certain state agencies, universities, or schools if a number of adult disabled siblings choose to access PEBB or OEBB benefits. In most cases any additional coverage of dependents can be absorbed by state agencies. Statewide, there are approximately 100 to 112 disabled dependents currently on PEBB plans, and 155 disabled dependents currently on OEBB plans. PEBB and OEBB do not have numbers available on how many adult disabled siblings will be eligible for coverage under this measure, but assume that the number will be similarly low, and the fiscal impact of this measure is likely to be minimal statewide.

There is no fiscal impact for the Department of Consumer and Business Services.