



OREGON
HEALTH
AUTHORITY

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OEBB/PEBB Benefit Management System Replacement

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What are OEBB & PEBB?



Plan Year	January 1—December 31	October 1—September 30
Employers	100+ state agencies, universities, state lottery, semi-independent agencies	260+ school districts, community colleges, education service districts, and counties
Enrollment	155,446 total medical members enrolled	151,549 total medical members enrolled
Insurance Type	80% self funded, 20% fully insured	100% fully insured
Board	2 State Mgmt, 2 SEIU, 1 AFSCME, 1 Represented Employee (Non AFSCME, Non SEIU), 1 Director OHA (or designee), 1 HPA Administrator (or designee), 1 Representative, 1 Senator (vacant)	2 District Board, 2 District Mgmt, 1 OSEA, 2 OEA, 1 Non-Mgmt Non-Represented, 1 Local Gov't Non-Mgmt (vacant), 1 Local Gov't Mgmt, 1 Health Policy, 1 Classified Staff
Employer Contribution	Agencies pay 95% or 99%, and universities pay 95% or 97%, depending on plan choice	Each employer determines a flat dollar contribution amount
Plan Offerings	IRS Section 125 Cafeteria Plan—all employers must offer all plans to all employees	Operates like an “Exchange of Plans” where each employer can choose to offer a subset of plans, or all plans, to employees

OVERVIEW

Project purpose:

- 2017 Technical Assessment recommended replacement of aging Benefit Management Systems (BMS)
- 2017 SB 1067 directive to combine administrative functions for OEBS and PEBS.
- 2019-2021 – Planning phase to transition to a secure, scalable Commercial off-the-Shelf (COTS) or Software as a Service (SaaS) solution for sustainability and compliance.
 - Aligns with Enterprise Information Services (EIS) Strategic Framework.

MANAGEMENT OF PROJECT

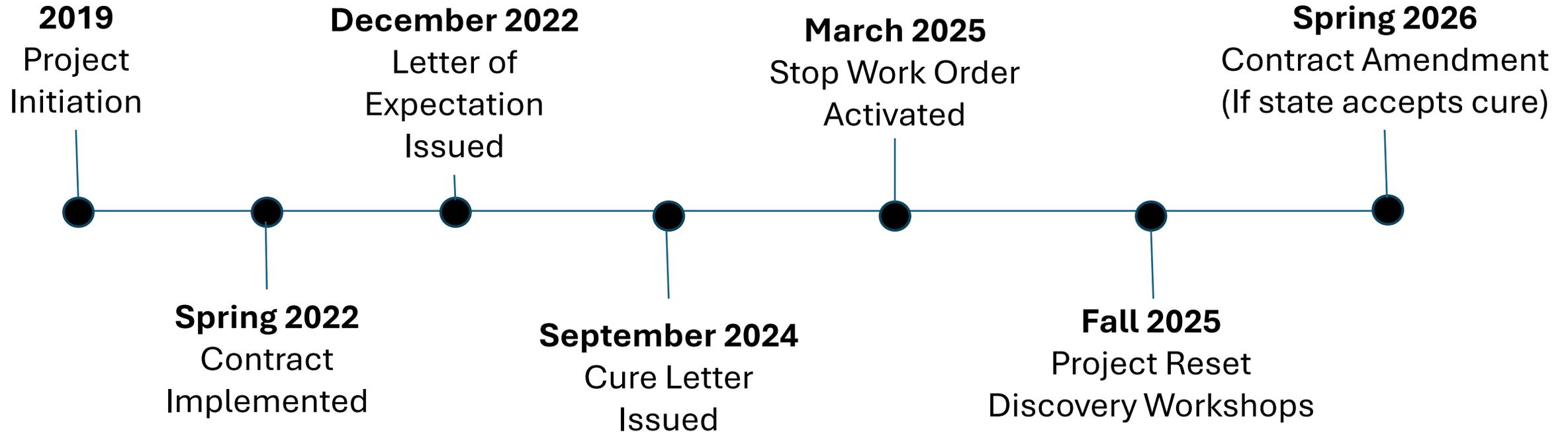
Project Oversight Structure

- Organizing Entities
 - Collaboration between OHA's Office of Information Services (OIS) and OEBB/PEBB staff
- Internal Governance
 - Business Project Director with support from OIS Project Management Office (PMO) and Project Manager
 - Change Authorization Board

MANAGEMENT OF CONTRACTS

- State Oversight provided by Executive Steering Committee
 - DAS EIS, LFO, DOJ/DAS Procurement
 - Project oversight
 - Decision making
 - Meet monthly
- Quality Assurance: Independent QA by NTT Data (EQMS)

TIMELINE



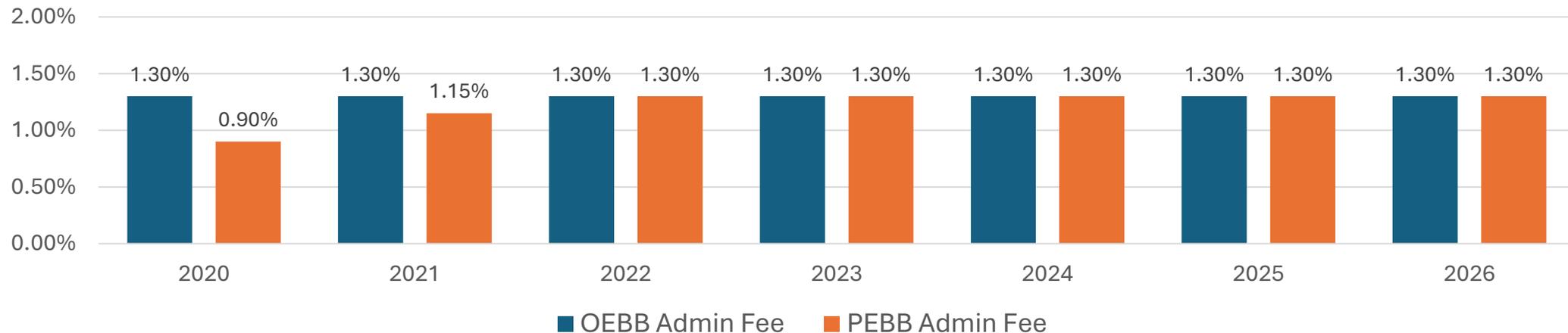
Current Status of Reset Workshops

Independent Quality Assurance (NTT Data) Analysis of Current Status

- Reset Workshops by the state and Telus Health have gone well providing cautious optimism.
- If Telus had brought this current team in and performed the way they're performing now at the beginning of the project, then the project would be in a very different place.
- Primary questions at the end of workshops:
 - What is the timeline for implementation?
 - What is the cost?

FUNDING of BMS PROJECT

- The Operating Budgets for OEGB and PEGB are supported by revenue generated through an administrative fee included in medical, dental and vision benefit premiums which is considered Other Funds revenue. The Boards consider increases or decreases to their administrative fee on an annual basis.
- By statute, the administrative fee cannot exceed two percent of total monthly medical, dental and vision premiums.
- The tables below show the fluctuations in administrative fees since 2020. The administrative fee is included in the annual 3.4% cap on premium increases established in statute.
 - System Project costs comprise approximately 13.0% of total Admin Fee



POLICY OPTION PACKAGES (POPs)

- Biennial POPs
 - 2019-21: \$1,806,102 Legislatively Approved Budget (LAB)
 - 2021-23: \$8,182,928 LAB
 - 2023-25: \$6,631,605 LAB
 - 2025-27: *TBD: Stop-work order ends **March 31, 2026**. The vendor will then present an updated schedule and cost proposal.
- POPs are budgeted as 100% Other Funds. No Federal Funds or General Fund.

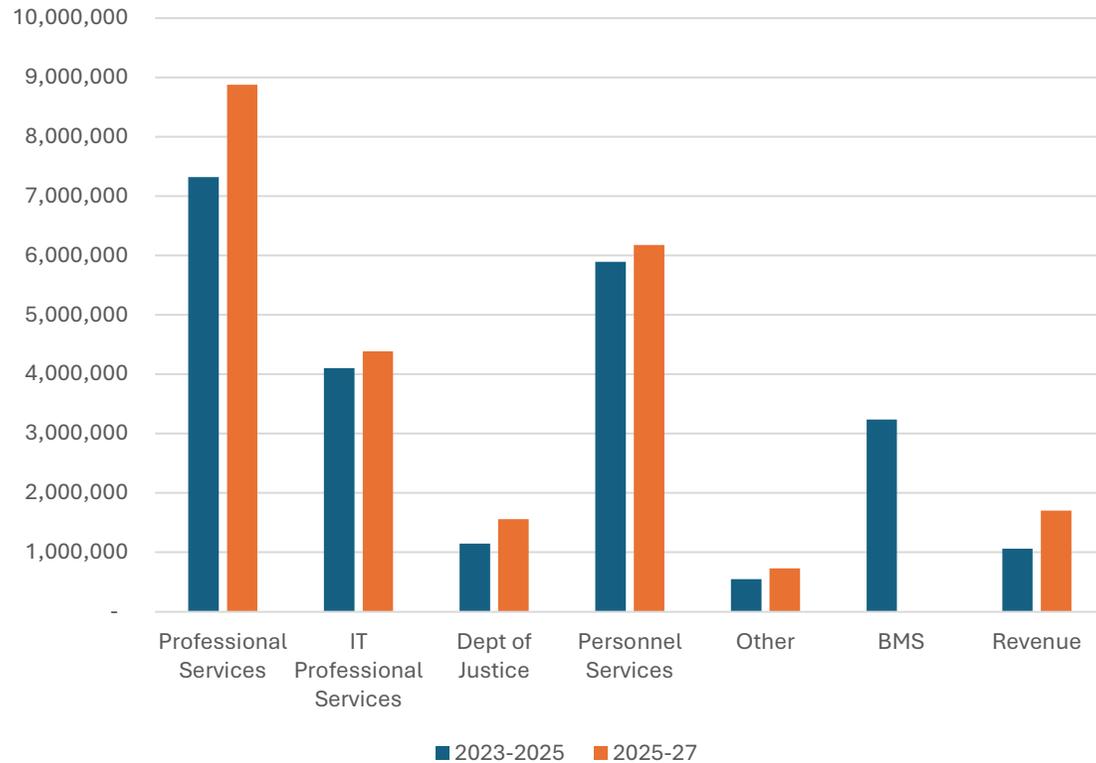
EXPENDITURE DETAIL – as of Dec. 2025

	Baseline Budget	2019-21 Biennium	2021-23 Biennium	2023-25 Biennium	2025-27 Biennium	Total Expended
Administrative Costs	\$3,616,768	\$640,764	\$1,441,815	\$2,109,018	\$366,152	\$4,557,749
Telus Health	\$8,135,417		\$2,333,073	\$3,517,591	\$425,000	\$6,275,664
NTT Data	\$644,031		\$266,919	\$361,808	\$67,660	\$696,387
Contingency	\$2,092,569					\$0
Total	\$14,488,785	\$640,764	\$4,041,807	\$5,988,417	\$858,812	\$11,529,800

- **The table displays total project expenditures to date for the duration of the project – as of December 2025**
- Administrative costs include state (OIS and OEBB/PEBB) staff costs for time allocated to the project.
- Telus Health is the Benefits Management System vendor
 - Telus Health amounts include third party hosting and licensing
- NTT Data is the Quality Assurance vendor

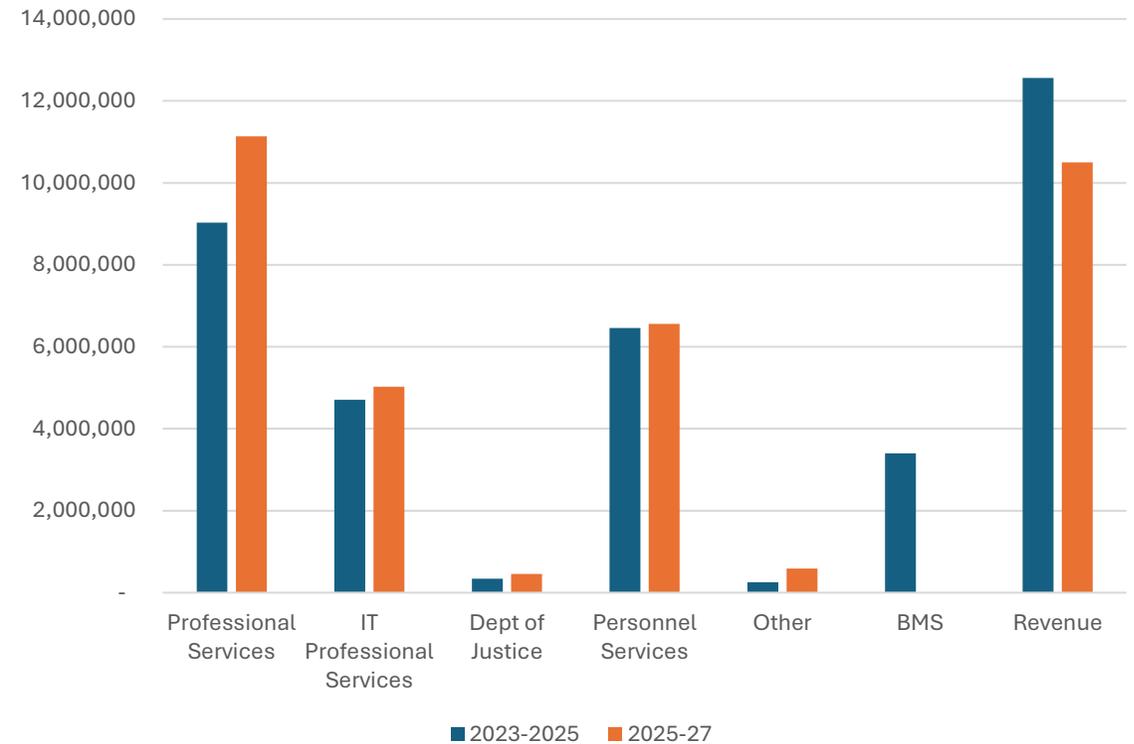
OEBB & PEBB OPERATIONS LAB BUDGET/REVENUE Current & Previous Biennium

OEBB 2023-25 & 2025-27 Budget



2023-25 budget \$22,249,638 / revenue ending balance \$1,062,421
 2025-27 budget \$21,721,327 / revenue ending balance \$1,700,000

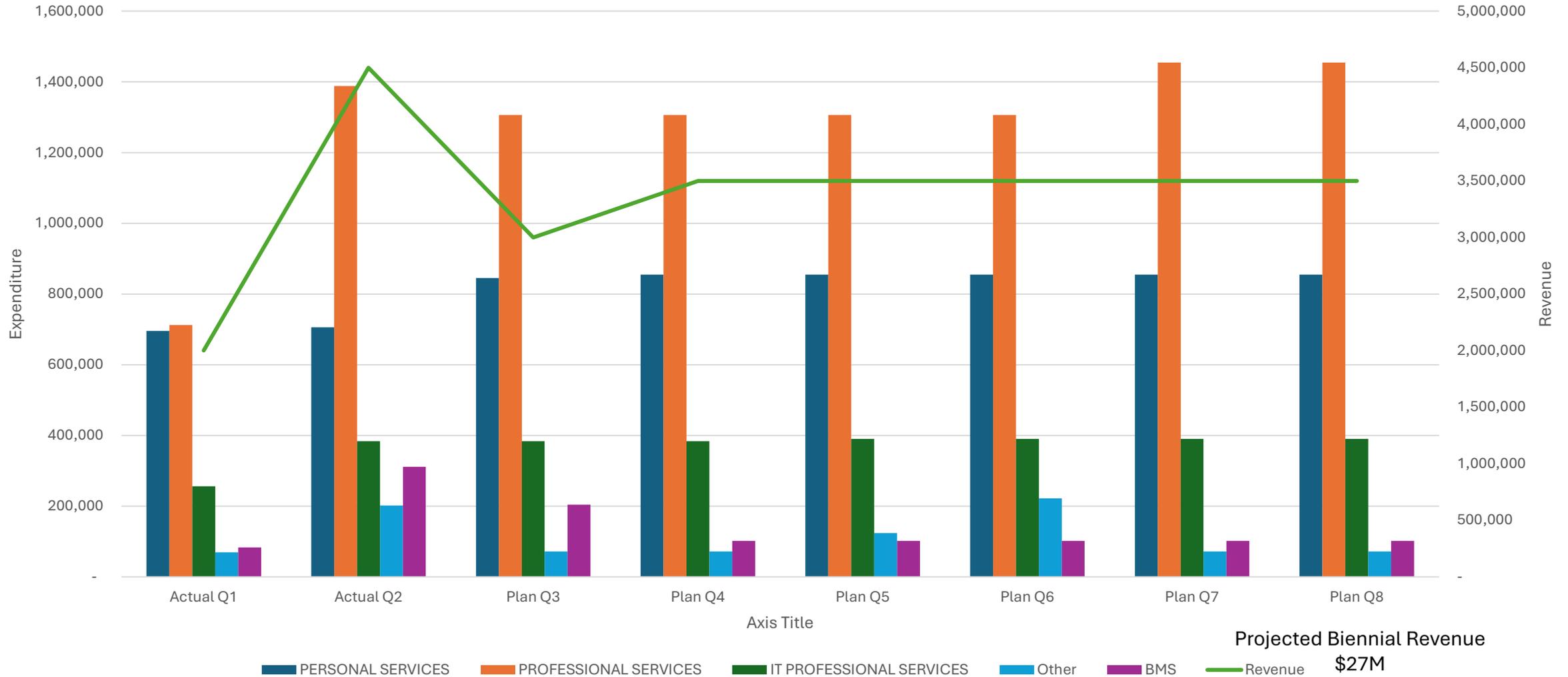
PEBB 2023-25 & 2025-27 Budget



2023-25 budget \$24,184,563 / revenue ending balance \$12,558,333
 2025-27 budget \$23,767,488 / revenue ending balance \$10,500,000

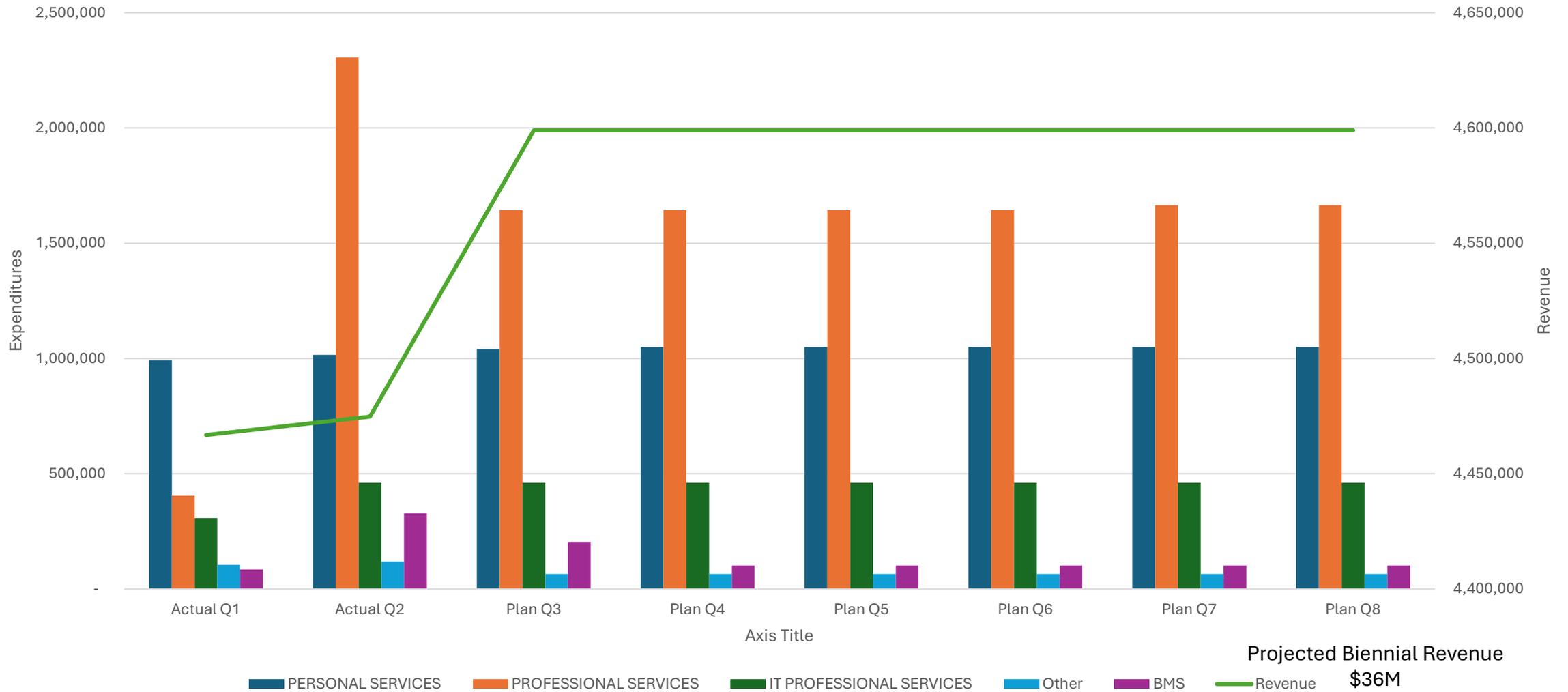
2025-27 OEGB OPERATIONS BUDGET/REVENUE

Actuals & Projected



2025-27 PEBB OPERATIONS BUDGET/REVENUE

Actuals & Projected



WRAP-UP

QUESTIONS?