77th OREGON LEGISLATIVE ASSEMBLY – 2013 Regular Session **MEASURE: SB 789 A**
STAFF MEASURE SUMMARY **CARRIER: Sen. Hass**
Senate Committee on Rules

REVENUE: No revenue impact
FISCAL: Minimal fiscal impact, no statement issued

Action:		Do Pass as Amended and Be Printed Engrossed
Vote:		3 - 2 - 0
	Yeas:	Beyer, Burdick, Rosenbaum
	Nays:	Ferrioli, Starr
	Exc.:	0
Prepared By:		Lori Brocker, Administrator
Meeting Dates:		6/5, 6/11, 6/12

WHAT THE MEASURE DOES: Limits total period of time school district or educational service district is subject to actuarial analysis to six years when district provides health benefit plans other than those provided by Oregon Educators Benefit Board (OEBB). Clarifies requirement that actuarial analysis does not apply to certain self-insured districts, districts with independent health insurance trusts, or community college districts. Removes current requirement actuarial analysis be performed at least once every two years.

ISSUES DISCUSSED:
- Reason for measure
- Amendments
- Actuarial analysis cost
- Cost comparisons of providing different plans
- Information gleaned from actuarial analysis
- Applicability of provisions to districts
- Oregon Educators Benefit Board
- Application of different amendments

EFFECT OF COMMITTEE AMENDMENT: Removes current requirement actuarial analysis be performed at least once every two years.

BACKGROUND: The Oregon Educators Benefit Board (OEBB) was created in 2007 with the passage of Senate Bill 426. It is responsible for the oversight and management of a statewide health benefits insurance pool for employees and certain retirees of school districts and education service districts. Oregon law requires districts to contract with plans provided or administered by OEBB or through the health insurance exchange, except for districts that were self-insured prior to January 1, 2007, and to offer plans with premiums equal to or less than those provided by OEBB.

Senate Bill 901A (2009) created an additional exception for districts that had not already offered OEBB-provided plans and the district offered plans that had premiums less than or equal to OEBB plans. To be eligible for the exception, a district had to undergo actuarial analysis at least once every two years.

Senate Bill 789A limits the requirement of an actuarial analysis to the first six years that a district claims an exception, and removes the requirement that an actuarial analysis be performed at least once every two years. The measure also clarifies that the requirement does not apply to self-insured districts that were self-insured prior to January 1, 2007, and that provided benefit plans other than those provided by OEBB.