

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 748 - 1

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

*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 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 anticipated to be minimal - See explanatory analysis.

Analysis:

SB 748 - 1 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 of enrollees. Adult disabled children 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 parent's insurance policy immediately before they exceeded the age for eligibility for coverage; and if the insured parent claims the adult disabled child as a dependent, or the adult disabled child 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 anticipated to be minimal. PEBB and OEBB both currently provide insurance for certain disabled adults. This measure would now require PEBB and OEBB to allow adult disabled children with an adjusted gross income that does not exceed 150 percent of the federal poverty level, or adult disabled children 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 houses 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. 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 additional dependents will be eligible for coverage under this measure but it is assumed that this measure will not increase enrollment for benefits, or will increase enrollees by a very small amount, resulting in the fiscal impact of this measure to be minimal statewide.

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