

To: Senate Committee On Labor and Business

From: Barbara Casey

RE: Support for SB 847

Date: March 7, 2025

Chair Taylor, Vice-Chair Bonham, and Members of the Committee:

Thank you for the opportunity to testify in support of Senate Bill 847. My name is Barbara Casey, and I am in strong support for this important legislation, which aims to increase the health insurance subsidies for retired members of the Public Employees Retirement System (PERS). Initially this bill provided full coverage for health care premiums but as I understand an amendment has been added to instead adjust the subsidy.

Unlike those PERS pensions The Oregonian loves to publish, my pension, after I pay taxes and my health care premium of over \$200 a month, nets me less than \$1100. I am a Tier 2 retiree and I receive a subsidy to offset that cost. My former coworkers - anyone hired after 2003 – who are in OPSRP (we always called it Tier 3) receive nothing.

This subsidy that Tier 1 and 2 has earned maxed out at \$60 per month has not been changed since 1988, while healthcare costs have substantially increased. The current employees, Tier 3, who now have been working full time for the State of Oregon for 22 years are completely shut out.

This bill aims to provide better health insurance subsidies for retired PERS members, ensuring comprehensive coverage, and changes the Retirement Health Insurance Account subsidy, with the -1 amendment now providing a \$100 subsidy, up from the \$60 set in 1988. This is especially crucial for retirees on fixed incomes who struggle with making ends meet on a daily basis.

Senate Bill 847 finally extends eligibility for the Retiree Health Insurance Premium Account (RHIPA) subsidy to members of Tier 3. This inclusive approach ensures that all retired public employees, regardless of their retirement plan, receive equitable support for their healthcare needs.

In conclusion, Senate Bill 847 addresses the critical needs of our retirees and their families and is a step in recognition for our Tier 3 employees and the ongoing work they provide to Oregon.

I urge the committee to support Senate Bill 847, and the -1 amendment if necessary, and help provide better health insurance subsidies for our committed public workforce.

Thank you for your time and attention to this matter.