

**OEBB Benefit Plan and Rate Structure Selection Policy**

**EFFECTIVE DATE:** 1/22/2009

**APPROVED:** 06/12/2008 (Revised, 1/22/09)

**Policy Form**

<b>POLICY/ PURPOSE:</b>	The purpose of the OEBB Benefit Plan and Rate Selection Policy is to detail the number and type of plans and rate structures that OEBB Participating Districts may select or allow for employee groups as well as determine the frequency and time periods plan changes or rate structure selections can be made.
<b>APPLICABILITY:</b>	Participating Districts and Employee Groups
<b>DEFINITIONS:</b>	<p>Participating Districts: School and education service districts, community colleges and charter schools that provide benefits to their employee groups through OEBB.</p> <p>Employee Groups: OEBB Members of similar employment type, for example: administrative, represented classified, non-represented classified, confidential, represented licensed, or non-represented licensed. If one or more collective bargaining units exist within an employee group, each unit will be considered a separate employee group.</p>
<b>GUIDELINES:</b>	OEBB Benefit Plan Selection Process and Requirements
<p><b>I. Plan Selection Process</b></p> <p>OEBB will offer Participating Districts the ability to select, or allow each employee group to select, from the coverage options available through OEBB during the annual plan selection period. The process for plan selection will include:</p> <ul style="list-style-type: none"> <li>• Release of final plan designs and rates for all medical, pharmaceutical, dental, vision, basic life and AD&amp;D, optional life and AD&amp;D, and short and long-term disability plan options to participating districts no later than April 30.</li> <li>• Participating Districts select, or allow each employee group to select, the</li> </ul>	

medical, pharmaceutical, dental and vision plan options to be offered to each employee group based on the plan selection limitations outlined under II below.

- Plan selections for medical, pharmaceutical, dental, vision, basic life and AD&D, optional life and AD&D, and short and long-term disability benefit coverages must be submitted in writing or an approved electronic format to OEBC no later than June 12<sup>th</sup> for existing Participating Districts and June 30<sup>th</sup> for new Participating Districts in order to be effective for the upcoming Plan Year, October 1 through September 30. District submissions must include the specific plan selections for each employee group and must be authorized by a district official.

## **II. Number of Plan Selections and Limitations**

### **A) Medical Plans**

Participating Districts may choose or allow up to four OEBC medical plans per Employee Group.

### **B) Pharmaceutical Plans**

Participating Districts may choose or allow one pharmaceutical plan for each medical plan selected with the following restrictions:

- Pharmacy Plan 1 must be selected for OEBC Medical Plans 1, 1A and 2.
- A Participating District may only choose or allow Pharmacy Plan A, a combination of Pharmacy Plan A and Pharmacy Plan C, Pharmacy Plan B, or a combination of Pharmacy Plan B and Pharmacy Plan C, or Pharmacy Plan C on OEBC Medical Plans 3 through 8. The pharmacy benefits are included in OEBC Medical Plan 9.
- A Participating District cannot offer the same OEBC medical plan to an Employee Group as more than one medical plan option, even if it is matched with different pharmacy plans.

### **C) Dental Plans**

Participating Districts may choose or allow up to three OEBC dental plans with or without orthodontia coverage per Employee Group with the following restrictions:

- The orthodontia option must be included in all or none of the ODS and

Kaiser, if applicable, dental plan selections.

The Kaiser dental plan options (Plans 7 and 8) are only available to an Employee Group that selects Kaiser Medical Plan 1, 1A, or 2 for that Employee Group.

Orthodontic coverage (Alt 2) will be included in dental plans 7 and 8 offered through Willamette Dental effective October 1, 2009.

#### **D) Vision Plans**

Participating Districts may choose or allow one vision plan per Employee Group, in addition to the vision plan offered through the HMO plan (OEBC Vision Plan 5 offered through Kaiser Permanente), if applicable, with the following restriction:

- The Kaiser Vision Plan 5 is only available to an Employee Group that selects Kaiser Medical Plan 1, 1A, or 2 for that Employee Group.

#### **E) Optional Benefit Plans**

**Basic Life Insurance** – Participating Districts may select or allow one Basic Life plan per Employee Group. Note: Employee Groups may select or allow one Basic Life amount *and* offer optional life if desired. Basic Life requires 100% enrollment if selected.

**Basic AD&D** - Participating Districts may select or allow one Basic AD&D plan per Employee Group. Note: Employee Groups can select or allow one Basic AD&D plan *and* offer optional AD&D if desired. An Employee Group must select Basic Life coverage in order to select or allow a Basic AD&D plan. Basic AD&D requires 100% enrollment if selected.

**Optional Employee Life Insurance and Optional Employee AD&D** - Participating Districts may select or allow each Employee Group to choose to offer Optional Employee Life and Optional Employee AD&D coverage for individual employee enrollment during the open enrollment period. No minimum enrollment requirement.

**Optional Spouse/Partner Life Insurance and Optional Spouse/Partner AD&D** – Participating Districts may select or allow each Employee Group to choose to offer Optional Spouse/Partner Life and Optional Spouse/Partner AD&D coverage for individual employee enrollment during the open enrollment period. No minimum enrollment requirement.

**Optional Child Life Insurance and Optional Child AD&D** - Participating Districts may select or allow each Employee Group to choose to offer Optional Child Life and Optional Child AD&D coverage for individual employee enrollment during the annual open enrollment period. No minimum enrollment requirement.

**Optional Early Retiree Life Insurance and Optional Early Retiree AD&D** - Participating Districts select or allow each Employee Group to choose to offer Optional Early Retiree Life and Optional Early Retiree AD&D coverage for individual early retirees enrollment. No minimum enrollment requirement, but enrollment is limited to initial open enrollment period only.

**An Employee Group cannot select more than one Short Term Disability Plan (Voluntary, Mandatory, or Mandatory/Employee-paid).**

**Short Term Disability (STD) -- Voluntary** - Participating Districts may select or allow one Voluntary STD plan per Employee Group. No minimum enrollment requirement. The employee pays all or part of the premium.

**Short Term Disability (STD) -- Mandatory** - Participating Districts may select or allow one Mandatory STD plan per Employee Group. This plan requires 100% enrollment if selected and the premium is employer paid.

**Short Term Disability (STD) -- Mandatory/Employee-paid** - Participating Districts may select or allow one Mandatory/Employee-paid STD plan per Employee Group. This plan requires 100% enrollment if selected, and the premium is paid by the employee.

**An Employee Group cannot select more than one Long Term Disability Plan (Voluntary, Mandatory, or Mandatory/Employee-paid).**

**Long Term Disability (LTD) -- Voluntary** - Participating Districts may select or allow one Voluntary LTD plan per Employee Group. No minimum enrollment requirement. The employee pays all or part of the premium.

**Long Term Disability (LTD) -- Mandatory** - Participating Districts may select or allow one Mandatory LTD plan per Employee Group. This plan requires 100% enrollment if selected **and** the premium is employer-paid.

**Long Term Disability (LTD) -- Mandatory/Employee-paid** - Participating Districts may select or allow one Mandatory/Employee-paid LTD plan per Employee Group. This plan requires 100% enrollment if selected **and** the premium is paid by the employee.

### **III. Premium Rate Structure Selection Process**

1) Participating Districts can choose or allow a composite or tiered rate structure for each Employee Group for the following types of coverage: medical, dental and vision. The rate structure selected for each coverage type applies to all individuals electing to participate as active employees.

2) Participating Districts can select or allow a tiered rate structure for retirees and composite rate structure for active employees of the same Employee Group. If a different rate structure is used for retired employees, that rate structure must apply to all participating retirees within that Employee Group.

3) Participating Districts can select or allow a tiered or composite rate structure for part-time employees of the same Employee Group. If a different rate structure is used for part-time employees, that structure must apply to all participating part-time employees within that Employee Group.

- Participating Districts select, or allow each Employee Group to select, the rate structure(s) to be applied within the limitations outlined under IV below.
- Rate structure selections must be authorized by a district official and submitted in writing or an approved electronic format to OEBC no later than June 12<sup>th</sup> for existing Participating Districts and June 30<sup>th</sup> for new Participating Districts to be effective for the upcoming Plan Year, October 1 through September 30.

### **IV. Rate Structure Selection Limitations**

Once a district elects or allows a change in rate structure for a type of coverage within an Employee Group, the rate structure selection for that type of coverage available to that Employee Group cannot be changed for at least three years.

The rate structure change will go into effect at the next plan year anniversary (10/1).