

D R A F T

SUMMARY

Digest: Lets police and firefighters into PEBB plans. Lets local government participate in PEBB and OEGB plans for one or more employee groups. (Flesch Readability Score: 61.0).

Makes members of a collective bargaining unit that represents police officers and firefighters eligible employees for purposes of benefit plans offered by the Public Employees' Benefit Board.

Allows a local government to elect to participate in a benefit plan offered by the Public Employees' Benefit Board or the Oregon Educators Benefit Board for all employees of the local government or for one or more employee groups.

A BILL FOR AN ACT

1
2 Relating to benefit plans for public employees; amending ORS 243.105, 243.129
3 and 243.867.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 243.105 is amended to read:

6 243.105. As used in ORS 243.105 to 243.285, unless the context requires
7 otherwise:

8 (1) "Benefit plan" includes, but is not limited to:

9 (a) Contracts for insurance or other benefits, including medical, dental,
10 vision, life, disability and other health care recognized by state law, and re-
11 lated services and supplies;

12 (b) Comparable benefits for employees who rely on spiritual means of
13 healing; and

14 (c) Self-insurance programs managed by the Public Employees' Benefit
15 Board.

1 (2) "Board" means the Public Employees' Benefit Board.

2 (3) "Carrier" means an insurance company or health care service con-
3 tractor holding a valid certificate of authority from the Director of the De-
4 partment of Consumer and Business Services, or two or more companies or
5 contractors acting together pursuant to a joint venture, partnership or other
6 joint means of operation, or a board-approved guarantor of benefit plan
7 coverage and compensation.

8 (4)(a) "Eligible employee" means an officer or employee of a state agency
9 or local government who elects to participate in one of the group benefit
10 plans described in ORS 243.135. The term includes, but is not limited to, state
11 officers and employees in the exempt, unclassified and classified service, and
12 state officers and employees, whether or not retired, who:

13 (A) Are receiving a service retirement allowance, a disability retirement
14 allowance or a pension under the Public Employees Retirement System or
15 are receiving a service retirement allowance, a disability retirement allow-
16 ance or a pension under any other retirement or disability benefit plan or
17 system offered by the State of Oregon for its officers and employees;

18 (B) Are eligible to receive a service retirement allowance under the Pub-
19 lic Employees Retirement System and have reached earliest retirement age
20 under ORS chapter 238;

21 (C) Are eligible to receive a pension under ORS 238A.100 to 238A.250, and
22 have reached earliest retirement age as described in ORS 238A.165; or

23 (D) Are eligible to receive a service retirement allowance or pension un-
24 der another retirement benefit plan or system offered by the State of Oregon
25 and have attained earliest retirement age under the plan or system.

26 (b) "Eligible employee" does not include individuals:

27 (A) Engaged as independent contractors;

28 (B) Whose periods of employment in emergency work are on an intermit-
29 tent or irregular basis;

30 (C) Who are employed on less than half-time basis unless the individuals
31 are employed in positions classified as job-sharing positions, unless the in-

1 individuals are defined as eligible under rules of the board;

2 (D) Appointed under ORS 240.309, except as required by 26 U.S.C. 4980H;

3 (E) **Who are** provided sheltered employment or make-work by the state
4 in an employment or industries program maintained for the benefit of such
5 individuals; **or**

6 (F) **Who are** provided student health care services in conjunction with
7 their enrollment as students at a public university listed in ORS 352.002[;
8 *or*].

9 *[(G) Who are members of a collective bargaining unit that represents police*
10 *officers or firefighters.]*

11 (5) “Family member” means an eligible employee’s spouse and any un-
12 married child or stepchild within age limits and other conditions imposed
13 by the board with regard to unmarried children or stepchildren.

14 (6) “Local government” means any city, county or special district in this
15 state or any intergovernmental entity created under ORS chapter 190.

16 (7) “Payroll disbursing officer” means the officer or official authorized to
17 disburse moneys in payment of salaries and wages of employees of a state
18 agency or local government.

19 (8) “Premium” means the monthly or other periodic charge for a benefit
20 plan.

21 (9) “Primary care” means family medicine, general internal medicine,
22 naturopathic medicine, obstetrics and gynecology, pediatrics or general psy-
23 chiatry.

24 (10) “State agency” means every state officer, board, commission, depart-
25 ment or other activity of state government.

26 (11) “Total medical expenditures” means payments to reimburse the cost
27 of physical and mental health care provided to eligible employees or their
28 family members, excluding prescription drugs, vision care and dental care,
29 whether paid on a fee-for-service basis or as part of a capitated rate or other
30 type of payment mechanism.

31 **SECTION 2.** ORS 243.129 is amended to read:

1 243.129. (1) The governing body of a local government may elect to par-
2 ticipate in a benefit plan offered by the Public Employees' Benefit Board.
3 **When electing to participate, the governing body of a local govern-**
4 **ment shall identify the employee group or groups of the local govern-**
5 **ment that will participate in the benefit plan.**

6 (2) [*The decision of the governing body of a local government to*] **Whether**
7 **an employee group or groups of a local government may** participate in
8 a benefit plan offered by the board is in the discretion of the governing body
9 of the local government and is a permissive subject of collective bargaining.

10 (3) If the governing body of a local government elects to offer a benefit
11 plan through the board, the governing body may elect one time only to pro-
12 vide alternative group health and welfare insurance benefit plans to eligible
13 employees if:

14 (a) The alternative benefit plan is offered through the health insurance
15 exchange under ORS 741.310 (1)(b); and

16 (b) The participation of the local government is not precluded under fed-
17 eral law on or after January 1, 2017.

18 **SECTION 3.** ORS 243.867 is amended to read:

19 243.867. (1) The governing body of a local government may elect to par-
20 ticipate in a benefit plan offered by the Oregon Educators Benefit Board.
21 **When electing to participate, the governing body of a local govern-**
22 **ment shall identify the employee group or groups of the local govern-**
23 **ment that will participate in the benefit plan.**

24 (2) [*The decision of the governing body of a local government to*] **Whether**
25 **an employee group or groups of a local government may** participate in
26 a benefit plan offered by the board is in the discretion of the governing body
27 of the local government and is a permissive subject of collective bargaining.

28 (3) If the governing body of a local government elects to offer a benefit
29 plan through the board, the governing body may elect one time only to pro-
30 vide alternative group health and welfare insurance benefit plans to eligible
31 employees if:

1 (a) The alternative benefit plan is offered through the health insurance
2 exchange under ORS 741.310 (1)(b); and

3 (b) The participation of the local government is not precluded under fed-
4 eral law on or after January 1, 2017.

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