"Elimination of Double Coverage and Opt-Out Incentives"

SB 1067

Oregon Health Authority
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Webinar Tips
4. Requires OEBB/PEEB to perform dependent audits
3. Eliminates Opt-out Payments
2. Prohibits Double Coverage Costs (3.4%)
1. Sets cap on increase in Government Employee Health

Here are just a few which mainly affect us:

- Spending and improve government efficiency.
- SB 1067 provides 17 cost containment to curb state legislation passed July 7, 2017

SB 1067–Where did it come from?
SB 1067
Communicate and work with membership implementing

SB 1067
Enhance system processes to enable tracking of SB

Create OARS

Collaborate with DOJ on opinions, policy and rules

Establish scenarios which affect our membership

SB 1067
Interpret the intent of the SB 1067

OEBB and PEBB are not the creators of SB 1067 but

OEBB/PEBB Role
OEBB and PEBB have merged administratively but our contracts and plans remain separate.

OEBB and PEBB will not merge plans or systems.

Their plan and the other spouse/DP to take their plan.

SB 1067 does not require one spouse/DP to take this time.

OEBB will not eliminate composite rate structure at

OEBB and PEBB do not propose to align plan years.

**Common FAQ's?**
a subset of the employer contribution
This could mean the entire employer contribution or

Employer Contribution

Vision

Medical/RX plan only (does not include dental or

Dental Benefit Plan

Definitions
Both Jack and Diane can still double cover the entire family on dental and vision.

- Both Jack and Diane can still double cover the entire family on dental and vision.

- Diane could take employee-only coverage. She would not be able to cover the children with medicare if Jack covers them.

- Jack could take the coverage for himself and their children and Diane could take the QEBB medical plan.

- Effective October 1, 2019, either Jack or Diane can cover the entire family with a QEBB medical plan.

- Usually both take the QEBB medical plan and cover their entire family.

#1 (QEBB/QEBB)

Double Coverage Scenarios
Both Jack and Diane can still double cover the entire family on PEBB's OE.

If Jack is not enrolled on PEBB during OE, he may have to open up their system for a QSC to allow Diane to enroll in their family.

If Diane is not enrolled on OE during OE, she may have to open up their system for a QSC to allow Jack to enroll in their family.

If Jack is not covered by PEBB during OE, he may have to open up their system for a QSC to allow Diane to enroll in their family.

If Diane is not covered by OE during OE, she may have to open up their system for a QSC to allow Jack to enroll in their family.

Effective October 1, 2019, Diane will not be able to take the OE and PEBB and cover Jack works for DOC and Diane works for Astoria SD. Jack and Diane usually both take medical coverage via PEBB and OEBB and cover dental and vision.

Double Coverage Scenarios

#2 (PEBB/OEBB)
Double Coverage Scenarios

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Jack and Diane will see no difference in how their plan works.

- Jack and Diane works for PG&E and OEBB and cover their entire family.

[Additional information on benefits and coverage details could be included here.]
Both Jack and Diane can still double cover the entire family on dental and vision.

- to cover the children with medical if Jack covers them.
- Diane could take employee only coverage. She would not be able Jack could take the coverage for himself and their children and monetary incentive.

Neither can take the entire family with a OEBB medical plan. Neither can cover the effective October 1, 2019, either Jack or Diane can cover the entire family with a OEBB medical plan.

Opt Out of medical and takes the monetary incentive. Opt Out of medical and takes the OEBB medical plan for the entire family and Diane usually takes the OEBB medical plan for different OEBB entities. Jack usually #1 (OEBB/OEBB)

Opt Out Scenarios
Both Jack and Diane can still double cover the entire family on the medical plan. Jack enrolls the entire family in the PEBB medical through the Oregon Works for Astoria SD. Both are currently eligible for an OPEB. But this incentive now goes away effective October 1, 2019 for Diane and January 1, 2020 for Jack.

Since Diane's enrollment comes first they may choose to enroll in the OEBB medical plan until January 1, 2020. Jack can still take the incentive until January 1, 2020.

They may evaluate the following:

- Richness of medical plan
- Out of pocket costs
- OEBB Medical Plans. They may evaluate the couple may evaluate PEBB and OEBB Medical Plans, or Diane works for Astoria SD.

#2 (PEBB/OEBB) Opt Out Scenarios
Out Patient Scenarios

- Jack and Diane will see no difference in how their plan works.
- Entire family usually both take medical coverage via PGE and OEBB and cover their
  works for PGE and Diane works for Astoria SD. Jack and Diane

#3 (PGE/OEBB)
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What have we been doing?

- Identifying System Changes
- Defining Health Benefit Plan
- Court Orders
- Special Contracts
- How Incentives Work
- DOJ Opinions
- Rule Construction
coverage is discovered via OEBB/PEBB?

- Who gets coverage terminated once double
- Rules for system processes will need to be developed
- on the OEBB side than PEBB.

many different monetary incentives exist
- Obviously, rules will be a bit more challenging on the

we will create a new SB 1067 section

Rule Construction
DOJ Opinion

- What is a monetary incentive versus employer contribution?
  - The PEBB incentive is $233 and clearly not the employer contribution
  - The PEBB incentive is cash and added to the payroll
  - The OEBB incentive could be anything even up to the employer contribution
  - The OEBB incentive might not be cash added to the payroll

- Does the incentive have to be paid to the subscriber waiving (opting out not eligible) or can it be paid to their spouse/DP

- Court Orders
  - Parent has a court order to cover children on medical

- Health Benefit Plan
  - Can we assume a Health Benefit Plan only refers to medical/RX
System Changes

Evaluate their enrollment series of questions when they click on medical to ask subscribers.

- Both OEBB and PEBB will have to ask subscribers a drop dependents.
- OScs during the other's enrollment period to add or
- Both OEBB and PEBB will have to allow special

OScs.
Contributions can differ at each entity (this
includes HSA contributions)

- We can't assume the richer plan is the best coverage
  • cover
  - the second (or third) person tries to double (triple)
  - Stopping subscriber in OEBB/OEBB enrollment when

- Whose coverage gets dropped (birthday rule?)
  • mom has child enrolled

- What if dad is under court order to carry coverage but
  • Coverage Changes and Language

- PEBB/PEEB, OEBB/OEBB & OEBB/PEEB Double

System Changes
Rule change around this plan offering
Possibly create a new non-plan called Non-Incentive Opt Out
New codes in PEBB to transfer to payroll
PEBB coverage
Incentive from a subscriber that opts out due to other OEBB/PEBB
PEBB will have to identify an Opt Out that qualifies for the $233

Do we hire extra staff to communicate these changes to subscribers
OEBB/PEBB or retro terminations
We will have to have protective language in both systems to protect
a series of questions to evaluate their enrollments
Instead of stopping the subscriber from enrolling we will have to ask
This scenario will be the most challenging as the systems are not
OEBB/PEBB Double Coverage Changes and Language

System Changes
Oregon Health Authority

Opting Out Testing Results

• OEBB will have to communicate to entities/members that are used to
  • OEBB opt out

System Changes
Processes will take time and effort to complete.
System changes will be costly and developing sound new
drop one coverage
communications between OEBB/PEBB members needing to
Potential need for OEBB/PEBB to hire staff to facilitate
OEBB/PEBB Needs
Thank you!

Oregon State Legislature website:

https://www.oregonlegislature.gov/findyourlegislator/leg-districts.html

Oregon State Legislature website:

address in the upper right search field on the
up your representatives contact information by putting your
you have further concerns you can look
2020 Plan Year. If you have further concerns you can look
SB 1067 as law and implement them by the
by the Governor. The Bards must comply with the
signed by the 2017 Oregon State Legislature and signed
SB 1067 was proposed legislation that was voted on and

What can I do?
Thank You!