

Secretary of State
NOTICE OF PROPOSED RULEMAKING HEARING*
A Statement of Need and Fiscal Impact accompanies this form

FILED
4-14-17 4:06 PM
ARCHIVES DIVISION
SECRETARY OF STATE

Oregon Health Authority, Oregon Educators Benefit Board

111

Agency and Division

Administrative Rules Chapter Number

April Kelly

(503) 378-6588

Rules Coordinator

Telephone

Oregon Health Authority, Oregon Educators Benefit Board, 500 Summer Street NE, E-88, Salem, OR 97301

Address

RULE CAPTION

Cleaning up language in rule

Not more than 15 words that reasonably identifies the subject matter of the agency's intended action.

Hearing Date	Time	Location	Hearings Officer
5-23-17	10:30 a.m.	500 Summer St NE, Rm 137B, Salem, OR 97301	OEBB Staff

RULEMAKING ACTION

Secure approval of rule numbers with the Administrative Rules Unit prior to filing.

ADOPT:

AMEND:

111-050-0010, 111-050-0015, 111-050-0016, 111-050-0020, 111-050-0025, 111-050-0030, 111-050-0035, 111-050-0045, 111-050-0050, 111-050-0060, 111-050-0065, 111-050-0070, 111-050-0075

REPEAL:

RENUMBER: Secure approval of new rule numbers with the Administrative Rules Unit prior to filing.

AMEND AND RENUMBER: Secure approval of new rule numbers with the Administrative Rules Unit prior to filing.

Statutory Authority:

ORS 243.860 to 243.886

Other Authority:

Statutes Implemented:

ORS 243.864(1)(a)

RULE SUMMARY

Cleaning up language used in Division 50 so that the language is consistent throughout all OEBB administrative rules.

The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing negative economic impact of the rule on business.

05-31-2017 5:00 p.m.	April Kelly	april.kelly@oregon.gov
Last Day (m/d/yyyy) and Time for public comment	Rules Coordinator Name	Email Address

*The Oregon Bulletin is published on the 1st of each month and updates the rule text found in the Oregon Administrative Rules Compilation.

Secretary of State
STATEMENT OF NEED AND FISCAL IMPACT
A Notice of Proposed Rulemaking Hearing accompanies this form.

FILED
4-14-17 4:06 PM
ARCHIVES DIVISION
SECRETARY OF STATE

Oregon Health Authority, Oregon Educators Benefit Board
Agency and Division

111
Administrative Rules Chapter Number

Cleaning up language in rule

Rule Caption (Not more than 15 words that reasonably identifies the subject matter of the agency's intended action.)

In the Matter of:

111-050-0010, 111-050-0015, 111-050-0016, 111-050-0020, 111-050-0025, 111-050-0030, 111-050-0035, 111-050-0045, 111-050-0050, 111-050-0060, 111-050-0065, 111-050-0070, 111-050-0075

Statutory Authority:

ORS 243.860 to 243.886

Other Authority:

Statutes Implemented:

ORS 243.864(1)(a)

Need for the Rule(s):

After an annual review, it was determined that there were some small changes needed to this rule. We are cleaning up language used in Division 50 so that the language is consistent throughout all OEGB administrative rules. There are no significant program changes.

Documents Relied Upon, and where they are available:

ORS 243.860 to 243.886, 2007 Oregon laws available online or by request of the OEGB staff.

OEGB Board Public Meeting minutes from March 7, 2017 are available online at
<http://www.oregon.gov/oha/OEGB/Pages/OEGB-Board-Meetings.aspx>

Fiscal and Economic Impact:

These proposed administrative rules are not predicted to have a fiscal or economic impact.

Statement of Cost of Compliance:

1. Impact on state agencies, units of local government and the public (ORS 183.335(2)(b)(E)):

No fiscal impact was identified.

2. Cost of compliance effect on small business (ORS 183.336):

a. Estimate the number of small business and types of businesses and industries with small businesses subject to the rule:

Not applicable. There are no OEGB entities that can be considered a small business in Oregon.

b. Projected reporting, recordkeeping and other administrative activities required for compliance, including costs of professional services:

Not applicable. There are no OEGB entities that can be considered a small business in Oregon.

c. Equipment, supplies, labor and increased administration required for compliance:

Not applicable. There are no OEGB entities that can be considered a small business in Oregon.

How were small businesses involved in the development of this rule?

Since small businesses are not impacted by the proposed rule changes, none were invited to participate in the development of this proposed rule.

Administrative Rule Advisory Committee consulted?: Yes

If not, why?:

05-31-2017 5:00 p.m.

April Kelly

april.kelly@oregon.gov

Last Day (m/d/yyyy) and Time

Printed Name

Email Address

for public comment

Administrative Rules Unit, Archives Division, Secretary of State, 800 Summer Street NE, Salem, Oregon 97310.

ARC 925-2007

DIVISION 50

CONTINUATION OF COVERAGE

111-050-0010

Eligibility for Retiree Insurance Coverage

(1) Active eligible employees and their enrolled eligible dependents not yet eligible for Medicare may continue coverage in OEBB medical, dental, vision, life and accidental death and dismemberment plan options upon retirement, provided the plans are offered to Eligible Early Retirees through the ~~Educational~~ Entity or OEBB. Insurance coverage under the OEBB or non-OEBB entity active employee benefit plans, as an employee or as a dependent of an employee, and retiree benefit plans must be continuous.

(2) Active eligible employees and/or their enrolled eligible dependents that are eligible for Medicare, and therefore not eligible to continue on the OEBB medical or vision plan options, may continue coverage on OEBB dental, life, and accidental death and dismemberment plan options upon retirement, provided the plans are offered to retirees through the ~~Educational~~ Entity or OEBB.

(3) An Eligible Early Retiree means and includes a previously Eligible Employee who is:

(a) Not Medicare-eligible; or

(b) Under 65 years old; and

(A) Receiving a service or disability retirement allowance or pension under the Public Employees Retirement System (PERS) or under any other retirement or disability benefit plan or system offered by an OEBB participating organization for its employees;

(B) Eligible to receive a service retirement allowance under PERS and has reached earliest retirement age under ORS Chapter 238;

(C) Eligible to receive a pension under ORS 238A.100 to 238A.245 and has reached earliest retirement age as described in ORS 238A.165; or

(D) Eligible to receive a service retirement allowance or pension under another retirement benefit plan or system offered by an OEBB participating organization and has reached earliest retirement age under the plan or system.

(4) An Eligible Early Retiree may continue medical, dental, vision, optional life and accidental death and dismemberment coverage for themselves only or may continue to cover any eligible dependents who were enrolled in the employee's active plan immediately prior to the retirement as long as the coverage and plan options are included in the plans offered by the ~~Educational~~ Entity.

(5) Basic life and basic accidental death and dismemberment requires 100 percent mandatory enrollment unless otherwise specified in a collective bargaining agreement in effect on or before September 30, 2009, and the ~~Educational~~ Entity can provide documentation that supports the administration of this benefit.

(6) A former Eligible Employee who elects COBRA and is also eligible for early retiree benefits or later becomes eligible as an Eligible Early Retiree will have the right to transfer the COBRA medical, dental, and vision insurance coverage to the OEBB early retiree benefit plans at any time during COBRA or

within 30 days of the COBRA end date. Insurance coverage under the OEBB active, COBRA and early retiree benefit plans must be continuous.

111-050-0015

Medical, Dental and Vision Termination Dates for Early Retirees

(1) An Eligible Early ~~Retiree~~ retiree enrolled in OEBB early retiree insurance plan that becomes eligible for Medicare coverage may not continue on an OEBB medical or vision plan, unless they are eligible as a result of end-stage renal disease. OEBB benefits end the last day of the month prior to the Medicare effective date. The retiree is responsible for reporting to their ~~Educational~~ Entity and to OEBB when the retiree is covered by Medicare within 31 days after the Medicare coverage effective date. Failure to report within this timeframe may be considered intentional misrepresentation by OEBB and OEBB may rescind OEBB coverage back to the last day of the month prior to the Medicare effective date.

(2) If an Eligible Early ~~Retiree~~ retiree becomes eligible for Medicare coverage, but his or her currently-enrolled eligible dependents are not, these eligible individuals may continue OEBB medical, dental and vision insurance coverage until such time as they no longer meet OEBB eligibility requirements or become eligible for Medicare coverage for reasons other than end-stage renal disease, whichever occurs first. The eligible individuals must confirm intent to continue coverage with the retiree plan administrator within 31 days after the retiree's eligibility for Medicare.

(3) Eligible dependents who were covered on a plan at the time of retirement who are eligible for Medicare, or who become eligible for Medicare, may not continue coverage on an OEBB medical or vision plan unless it is stated in a collective bargaining agreement or documented ~~district~~ entity policy in effect on or before February 1, 2010, that they may continue on OEBB medical plans until the retiree becomes eligible for Medicare with the following exception: OEBB coverage must end for Medicare-eligible dependents of a retiree enrolled on a Kaiser Permanente medical plan.

(4) If the Eligible Early ~~Retiree~~ retiree is responsible for self-paying all or partial premiums and fails to remit the premium amount to their ~~Educational~~ Entity, all coverage will terminate on the last day of the month in which premiums are paid in full to OEBB.

(5) Dental coverage may be continued subject to the ~~Educational~~ Entity's documented ~~district~~ entity policy or collective bargaining agreement. Coverage is based on the OEBB dental plans that the ~~Educational~~ Entity offers to retired OEBB Medicare-eligible individuals.

111-050-0016

Life and Accidental Death and Dismemberment Termination Dates for Early Retirees

(1) Eligible Early Retirees may continue to participate in any or all coverage and plan options selected by the ~~Educational~~ Entity for his or her Employee Group until they reach age 65, unless otherwise specified in a documented ~~district~~ entity policy or collective bargaining agreement effective on or before February 1, 2010.

(2) Eligible Early Retirees or dependents of retirees who lose eligibility for basic or optional life insurance plans due to reaching age 65 can convert their coverage if requested within 31 days of the date the coverage ends. Requests for conversion of coverage must be made to the Life and AD&D insurance carrier.

111-050-0020

Initial Enrollment

(1) An Eligible Early Retiree has 60 calendar days from the end date of active eligible employee insurance coverage to:

(a) Continue enrollment in OEGB-sponsored medical, dental, vision, basic life, basic accidental death and dismemberment, optional life and optional accidental death and dismemberment plans with the same eligible dependents which were included on your coverage as an active employee; provided they are offered by the Educational Entity.

(b) Disenroll eligible dependents covered during active enrollment. Dependents cannot be re-enrolled once they are dropped from coverage, **unless a Qualified Status Change event has occurred and is reported.**

(c) Disenroll in any or all plans. Once a retiree drops **any type of** coverage the retiree cannot re-enroll **in the coverage that was dropped.**

(d) Change medical plan to a less expensive medical plan if the Eligible Early Retiree is no longer receiving a monetary contribution.

(2) All **retiree** coverage and dependent **coverage** enrollments must be continuous from the date the active coverage ends.

(3) Coverage not ~~elect~~**continued** at the time of initial eligibility for early retiree benefits cannot be added at a later date.

(4) An Eligible Early Retiree may choose to continue enrollment in an OEGB-sponsored medical plan, dental plan, **vision plan**, basic life, basic accidental death and dismemberment, optional life, or optional accidental death and dismemberment plan, or any combination of these, unless determined otherwise by a collective bargaining agreement or documented district **entity** policy with the following restrictions:

~~(a) The Eligible Early Retiree must enroll in an OEGB-sponsored medical plan to continue an OEGB-sponsored vision plan; and~~

~~(ab)~~ The Eligible Early Retiree must be enrolled in an OEGB-sponsored optional life or optional accidental death and dismemberment plan to continue optional spouse or dependent life or accidental death and dismemberment, respectively.

~~(be)~~ The Educational Entity offers the plan(s) to their retiree group.

(5) Plan Change Periods: OEGB will offer an annual plan change period for Eligible Early Retirees.

(6) An Eligible Early Retiree can change benefit plans consistent with members of their former active Employee Group.

(7) An Eligible Early Retiree may not add dependents or enroll in coverage(s) he or she did not select during the initial enrollment period, **unless a Qualified Status Change event has occurred and is reported.**

(8) An Eligible Early Retiree may choose to reduce the amount of optional life and optional accidental death and dismemberment coverage for themselves and/or their dependents, but may not increase coverage in these plans.

(9) Qualified Status Changes (QSC): An Eligible Early Retiree may make changes consistent with the OEGB QSC Matrix.

111-050-0025

Effective Dates

(1) Benefit plan changes or initial elections, unless otherwise specified in a collective bargaining agreement or documented ~~district~~ **entity** policy in effect on June 30, 2008, are effective on the first of the month following termination of the active employee coverages.

(2) Effective Dates for Qualified Status Changes. Covered dependent changes are effective the first of the month following the date of the event causing the dependent to be eligible under OEGB administrative rules with the following exceptions:

(a) Coverage for a newborn child is effective on the date of birth. Retired eligible employee must add the newborn child to their benefit plans within 60 calendar days from the date of birth for the newborn child to be eligible for benefit coverage.

(b) Coverage for a newly adopted child is effective the date of the adoption decree or date of placement for adoption. Retired eligible employee must add the adopted child to their benefit plans within 60 calendar days from the date of the decree or placement for the newly adopted child to be eligible for benefit coverage; and

(A) Eligible Early Retiree must submit the adoption agreement with the enrollment forms to the ~~Educational~~ Entity.

(B) Claims payments will not be made for expenses incurred prior to the date of decree or placement.

(c) Coverage for an eligible grandchild is as follows:

(A) If the legal guardianship is finalized within the first 60 days following the birth of the grandchild, coverage will be effective retroactive to the date of the birth.

(B) If the legal guardianship is finalized 61 or more days from the date of birth of the grandchild, the coverage will be effective the first of the month following the date the guardianship documents are finalized.

(C) If the legal guardianship is finalized 61 to 180 days from the date of birth of the grandchild, and the effective date of legal guardianship is retroactive to the grandchild's date of birth, coverage will be effective retroactive to the date of birth. If legal guardianship is finalized after 180 days coverage will be effective the first of the month following the date the guardianship documents are finalized.

111-050-0030

Correcting Enrollment and Processing Errors

(1) Enrollment Errors. Enrollment errors occur when an Eligible Early Retiree employee provides incorrect information or fails to make correct selections when making benefit plan changes. The Eligible Early Retiree is responsible for identifying enrollment errors or omissions.

(a) OEGB authorizes Educational Entities to correct enrollment errors reported by the Eligible Early Retiree within 45 calendar days of the original eligibility date, annual plan change period end date, or Qualified Status Change date.

(b) Enrollment errors identified after 45 calendar days of the eligibility date, annual plan change period end date or Qualified Status Change date must be submitted to OEGB for review and approval based on OAR 111-080-0030.

(2) Benefit Administrator Processing Errors. Processing errors or omissions occur when benefit plan changes are processed incorrectly in the benefit system.

(a) OEGB authorizes Educational Entities to correct processing errors identified within 45 calendar days of the eligibility date, annual plan change period end date, or Qualified Status Change date. The Educational Entities must reconcile all premium discrepancies.

(b) Processing errors identified after 45 calendar days of the eligibility date, annual plan change period end date, or Qualified Status Change date must be submitted to OEGB for review and approval based on OAR 111-080-0030. If approved, corrections are retroactive to the original effective date as identified in 111-040-0001. The Educational Entity must reconcile all premium discrepancies within 30 calendar days of any adjustments made in the system.

111-050-0035

Late Enrollment

(1) Late enrollment occurs when an Eligible Early Retiree fails to enroll for benefits within 60 days of retirement or fails to notify their educational Entity of the Qualified Status Change within 31 calendar days of:

(a) The date a spouse, domestic partner, or child gains eligibility;

(b) The date of marriage to a spouse who was most recently enrolled as a domestic partner; or

(c) The date of birth of the retired eligible employee's biological newborn child.

(d) The date the child was adopted or the date the retiree became the legal guardian.

(2) OEGB authorizes Educational Entities to add and/or enroll Eligible Early Retirees and dependents within 45 calendar days of the eligibility dates referenced in sections (1)(a) and (1)(b), and within 60 calendar days of the eligibility dates referenced in (1)(c) and (1)(d).

(3) OEGB must review and approve all late enrollment requests based on OAR 111-080-0030 when the request and enrollment is made more than 45 calendar days after the eligibility dates referenced in sections (1)(a) and (1)(b), and more than 60 calendar days after the eligibility dates referenced in sections (1)(c) and (1)(d).

(4) Approved late enrollment requests, unless determined otherwise in a collective bargaining agreement or documented district entity policy in effect on June 30, 2008, are effective the first of the month following the date the request is received by a district benefits administrator or OEGB, except for approved requests to add newborn children or newly adopted child which are retroactive to the month the child was born or adopted along with any premium adjustments.

111-050-0045

Termination Dates

- (1) Effective October 1, 2011, if an Eligible Early Retiree requests a termination of coverage for them self, a spouse, a domestic partner, or a child, coverage ends on the last day of the month that eligibility is lost. Requests for coverage termination must be made consistent with a Qualified Status Change, as defined by 111-040-0040.
- (2) Retroactive termination of coverage may be made in the event of a delay in the ~~Educational~~ Entities' reconciliation process and shall generally be within 14 days of receiving notification from the Eligible Early Retiree of the qualified status change event and requested benefit changes.
- (3) Effective October 1, 2011, benefit coverage termination that is considered by OEGB to be intentional misrepresentation may be rescinded in compliance with the law. If this occurs, OEGB shall give the affected individual 30 days' notice of the rescission of benefit coverage and an opportunity to appeal before the rescission takes effect.
- (4) Benefit coverage for a spouse, domestic partner, or child ends on the last day of the month that a retired eligible employee dies, unless otherwise determined by a collective bargaining agreement or documented ~~district~~ entity policy in effect on June 30, 2008.

111-050-0050

Removing an Ineligible Individual from Benefit Plans

- (1) An Eligible Early Retiree who enrolls themselves and/or an eligible person is responsible for removing ineligible spouses, domestic partners and children from their OEGB-sponsored benefit plans by submitting completed, applicable forms to their ~~Educational~~ Entity benefits administrator within 31 calendar days after the date the individual becomes ineligible. Coverage ends on the date identified under OAR 111-050-0045.
- (2) An ~~Educational~~ Entity is responsible for removing ineligible individuals from the OEGB benefits management system. The ~~Educational~~ Entity must complete such removal within 14 calendar days after:
 - (a) An event resulting in loss of the early retiree's eligibility, or
 - (b) The receipt of notification of an event resulting in loss of eligibility of the early retiree's spouse, domestic partner or child.
- (3) If coverage of an ~~e~~Early ~~r~~Retiree's spouse, domestic partner or child is terminated retroactively then:
 - (a) The ~~e~~Early ~~r~~Retiree may be responsible for claims previously paid by the benefit plans to the providers during the period of ineligibility at the carrier's discretion; and
 - (b) Premium adjustments will be made retroactively based on the coverage end date.
- (4) OEGB shall conduct eligibility verifications and reviews to monitor compliance with OEGB administrative rules governing eligibility and enrollment. Eligibility reviews may occur at different times throughout the plan year. The member is responsible to submit documentation upon request. In the event the member does not provide the required documentation in a timely manner to sufficiently prove the dependent meets eligibility requirements, or the documentation provided is insufficient, the dependent's coverage will be terminated. Retroactive terminations may occur if the documentation provided shows the dependent was not eligible for coverage and the member misrepresented the dependent as being an eligible dependent as defined by OAR 111-080-0045.

(3) OEBC long term care carrier(s) will transfer the coverage from a Group Long Term Care to an Individual Long Term Care policy and premiums will be paid directly to the carrier upon request.

111-050-0060

Continuation of Coverage for Eligible Employees Covered under the Federal Family Medical Leave Act

OEBC will allow ~~Educational~~ Entities to continue medical, dental and vision coverage for Active Eligible Employees when the employee is granted leave under the Federal Family Medical Leave Act (FMLA) as required under related federal rules and regulations.

111-050-0065

Continuation of Coverage for Eligible Employees Covered under the Oregon Family Leave Act

OEBC will allow ~~Educational~~ Entities to continue medical, dental and vision coverage for Active Eligible Employees when the employee is granted leave under the Oregon Family Leave Act (OFLA) as required under related state rules and regulations.

111-050-0070

Continuation of Coverage for Eligible Employees during an Approved Leave of Absence.

OEBC will allow ~~Educational~~ Entities to continue medical, dental and vision coverage for Active Eligible Employees when the employee is granted a leave of absence based on collective bargaining agreements and/or documented ~~district~~ entity policies in effect on or before October 1, 2008.

111-050-0075

Continuation of coverage for Eligible Employees on Active Military Service

OEBC will allow ~~Educational~~ Entities to continue medical, dental, and vision coverage for Active Eligible Employees as required under the Uniformed Services Employment and Reemployment Rights Act (USERRA) and related federal rules and regulations.