

DIVISION 10

DEFINITIONS

111-010-0015

Definitions

Unless the context indicates otherwise, as used in OEBB administrative rules, the following definitions will apply:

(1) "Actuarial value" means the expected financial value for the average member of a particular benefit plan.

(2) "Adverse Benefit Determination" means a denial, reduction, or termination of, or a failure to provide or make payment (in whole or in part), for a benefit, including any such denial, reduction, termination, or failure to provide or make payment that is based on but not limited to:

(A) a determination of a member's eligibility to participate in the plan;

(B) a determination that the benefit is not a covered benefit; or

(C) a rescission of coverage, whether or not, in connection with rescission, there is an adverse effect on any particular benefit.

(3) "Affidavit of Domestic Partnership" means a document that attests the eligible employee and one other eligible individual meet the criteria in section (15)(b).

(4) "Benefit plan" includes, but is not limited to, insurance or other benefits including:

(a) Medical;

(b) Dental;

(c) Vision;

(d) Life, disability and accidental death;

(e) Long term care;

(f) Flexible **benefit plan** spending accounts;

(g) Supplemental medical, dental and vision;

(h) Any other remedial care recognized by state law, and related services and supplies;

(i) Comparable benefits for employees who rely on spiritual means of healing; and

(j) Self insurance programs managed by the Board.

(5) "Benefits" means goods and services provided under benefit plans.

(6) "Board" means the ten-member board established in the Department of Administrative Services as the Oregon Educators Benefit Board under chapter 00007, Oregon Laws 2007.

(7) "Child" means and includes the following:

(a) An eligible employee's, spouse's, or domestic partner's biological son, daughter, stepson, or stepdaughter; adopted child, child placed for adoption, or legally placed child, who is 25 or younger on the first day of the month. An eligible employee must provide the required custody or legal documents to their Educational Entity showing proof of adoption, legal guardianship or other court order if enrolling a child for whom the employee, spouse, or domestic partner is not the biological parent

(b) A person who is incapable of self-sustaining employment because of a developmental disability, mental illness, or physical disability. There is no age limit for a dependent child who is incapable of self-sustaining employment because of a developmental disability, mental illness, or physical disability. When the dependent child is 26 years of age or older all the following requirements must be met:

(A) The disability must have existed before attaining age 26.

(B) The employee must provide evidence to the Educational Entity or OEGB that (1) the person had health plan coverage, group or individual, prior to attaining age 26, and (2) health plan coverage continued without a gap until the OEGB health plan effective date.

(C) The person's attending physician must submit documentation of the disability to the eligible employee's OEGB health insurance plan for review and approval. If the person receives health plan approval, the health plan may review the person's health status at any time to determine continued OEGB coverage eligibility.

(D) The person must not have terminated from OEGB health plan coverage after attaining the age of 26.

(c) Eligibility for coverage under this rule includes people who may not be dependents under federal or state tax law and may require an Educational Entity to adjust an Eligible Employee's income based on the imputed value of the benefit.

(8) "Comparable cost (Medical, Dental and Vision)" means that the total cost to a district for enrollment in OEGB plans comparable in design to the district's plan(s) do not exceed the total cost to a district for enrollment in the district's plan(s) using the rate(s) in effect or proposed for the benefit plan year.

(9) “Comparable cost (Basic and Optional Life Insurance, Accidental Death & Dismemberment, and Short and Long Term Disability)” means that the premium rates of an OEGB plan design option do not exceed the average, aggregate premium rates of a district’s pre-OEGB plan design in effect the year prior to implementation.

(10) “Comparable plan design (Medical, Dental and Vision)” means that the actuarial values of two plan designs are within 2.5 percent higher or lower of each other.

(11) “Comparable plan design (Basic and Optional Life Insurance and Accidental Death & Dismemberment)” means that 90 percent of district employees can obtain a maximum benefit through an OEGB plan design that is within \$2,500 of the maximum benefit obtained through a pre-OEGB plan design in effect the year prior to implementation.

(12) “Comparable plan design (Short and Long Term Disability)” means 90 percent of the district employees can obtain the same elimination period, percentage of covered compensation, definition of covered compensation, coverage period duration, and maximum payment per benefit period through an OEGB plan design as through a pre-OEGB plan design in effect the year prior to implementation.

(13) “Dependent” means and includes the Employee’s Spouse or Domestic Partner, or child as defined by OAR 111-010-0010(7) or other person having a relation to the subscriber as defined by the Contractor.

(14) “Documented district policies” means Educational Entities’ policies and practices that apply to an employee group and are submitted to the Oregon Educators Benefit Board during the plan selection process. Educational Entities’ policies and practices must be identified and submitted with the applicable employee group plan selections.

(15) "Domestic partner," unless otherwise defined by a collective bargaining agreement or documented district policy in effect on January 31, 2008, means and includes the following:

(a) An unmarried individual of the same sex who has entered into a “Declaration of Domestic Partnership” with the eligible employee that is recognized under Oregon law; or

(b) An unmarried individual of the same or opposite sex who has entered into a partnership that meets the following criteria:

(A) Both are at least 18 years of age;

(B) Are responsible for each other's welfare and are each other's sole domestic partners;

(C) Are not married to anyone and have not had a spouse or another domestic partner within the prior six months. If previously married, the six-month period starts on the final date of divorce;

(D) Share a close personal relationship and are not related by blood closer than would bar marriage in the State of Oregon;

(E) Have jointly shared the same regular and permanent residence for at least six months immediately preceding the date the Affidavit of Domestic Partnership is signed and submitted to the Educational Entity; and

(F) Are jointly financially responsible for basic living expenses defined as the cost of food, shelter and any other expenses of maintaining a household. Financial information must be provided if requested.

(G) The eligible employee and domestic partner must jointly complete and submit to the Educational Entity an Affidavit of Domestic Partnership form, within five business days of the electronic enrollment date or the date the Educational Entity received the enrollment/change form. If the affidavit is not received, coverage will terminate for the domestic partner retroactive to the effective date.

(c) The domestic partner must notify the Educational Entity within 31 days of meeting all criteria as defined in 111-010-0015 (15)(b) or obtaining the "Declaration of Domestic Partnership" which is recognized under Oregon law.

(d) Educational Entities' must calculate and apply applicable imputed value tax for domestic partners covered under OEGB benefit plans.

(16) "Educational Entity" means public school districts (K-12), education service districts (ESDs), community colleges and public charter schools participating in OEGB.

(17) "Eligible employee" means and includes:

(a) "Active eligible employee" means an employee of an OEGB participating organization who is:

(A) employed or is in a job-sharing position on a half time or greater basis; or

(B) meets the definition of an eligible employee under a separate OEGB rule or under a collective bargaining agreement or documented district policy in effect on January 31, 2008; or

(C) an employee of a community college who is covered under a collectively bargained contract and has worked a class load of between 25 percent and 49 percent for a minimum period of two years and is expected to continue to work a class load of at least 25 percent. Coverage is limited to medical to include Kaiser Medical Plan 1A (where available), ODS Medical Plan 8 (with Plan C pharmacy) and ODS Medical Plan 9. The tiered rate structure will apply to all medical plans.

~~(a) "Active eligible employee" means an employee of an OEGB participating organization who is employed or is in a job-sharing position on a half time or greater basis or meets the definition of an eligible employee under a separate OEGB rule or under a collective bargaining agreement or documented district policy in effect on January 31, 2008.~~

(b) "Retired eligible employee" means a previously active eligible employee, who is:

(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 OEGB 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 OEGB participating organization and has reached earliest retirement age under the plan or system.

(18) "Employee Group" means employees of a similar employment type, for example administrative, represented classified, non-represented classified, confidential, represented licensed, or non-represented licensed, within an Educational Entity. If one or more collective bargaining unit exists within an employee group, each unit will be considered a separate employee group.

(19) "Members" means and includes the following:

(a) "Eligible employee" as defined by OAR 111-010-0015(17)

(b) "Child" as defined by OAR 111-010-0015(7)

(c) "Domestic Partner" as defined by OAR 111-010-0015(15)

(d) "Spouse" as defined by OAR 111-010-0015(25)

(20) "Non-subject District" means a community college, district or a charter school if the employees are not considered employees of a school district.

(21) "Oregon Educators Benefit Board or OEGB" means the program created under chapter 00007, Oregon Laws 2007.

(22) "OEGB participating organization" means a Subject District, Non-subject District, or Provisional Non-subject District that participates in benefit plans provided by the Oregon Educators Benefit Board (OEGB).

(23) "Provisional Non-subject District" means a common school district, a union high school district, or an education service district that:

(a) was self-insured on December 31, 2006;

(b) had an independent health insurance trust established and functioning on December 31, 2006;
or

(c) can provide comparable plan designs at a comparable cost as defined by sections (8) and (10) of this Rule.

(24) "Qualified Status Change (QSC)" means a change in family or work status that allows limited mid-year changes to benefit plans consistent with the individual event.

(25) "Spouse" means a person of the opposite sex who is a husband or wife. Except as provided in Oregon Constitution Article XV, Section 5a, a relationship recognized as a marriage in another state will be recognized in Oregon even though such a relationship would not be a marriage if the same facts had been relied upon to create a marriage in Oregon. The definition of spouse does not include a former spouse and a former spouse does not qualify as a dependent.

(26) "Subject District" means a common school district, a union high school district, or an education service district that:

(a) did not self-insure on January 1, 2007;

(b) did not have a health trust in effect on January 1, 2007; or

(c) does not provide comparable plan designs at a comparable cost as defined by sections (8) and (10) of this Rule.

Stat. Auth: ORS 243.860 – 243.886

Stats. Implemented: ORS 243.860(1)(a)

DIVISION 40

ENROLLMENT RULES

111-040-0040

Qualified Status Changes (QSC's)

(1) Active eligible employees experiencing a change in family or work status as noted below after annual enrollment, or anytime during the plan year, have 31 calendar days beginning on the date of the event to make changes. If the event is gaining a child, as defined by 111-040-0040(2)(c), or results in a loss of eligibility, the eligible employee has 60 calendar days after the event to make changes.

(2) The eligible employee can only make changes that are consistent with the event for themselves and/or dependents.

(3) The employee must report the Qualified Status Change (QSC) to the employee's Educational Entity within the specified timeframe. Failure to report a QSC that will result in removal of a spouse, domestic partner, or child within the timeframe stated in 111-040-0040(1) may be considered intentional misrepresentation, and OEBC may retroactively terminate the individual's coverage back to the last day of the month in which the individual lost eligibility. Please refer to the QSC matrix for details on what changes can occur with each event.

(4) Qualified Status Changes which allow the employee to make changes to his or her coverage are:

(a) Gain spouse by marriage or domestic partner by meeting domestic partner eligibility;

(b) Loss of spouse or domestic partner by divorce, annulment, death or termination of domestic partnership,

(c) Gain a child by birth, placement for/or adoption, or Domestic Partner's children (by affidavit of domestic partnership),

(d) Active eligible employee starts new employment and gains eligibility;

(e) Change in employment status by active eligible employee which affects eligibility;

(f) Active eligible employee ends employment or other change in employment status resulting in a loss of eligibility;

(g) Spouse or domestic partner starts new employment or other change in employment status which affects eligibility;

(h) Spouse or domestic partner's employment ends or other change in employment status resulting in a loss of eligibility under their employer's plan;

- (i) Event by which a child satisfies eligibility requirements under OEGB plans (for a list of requirements see 111-010-0015);
- (j) Event by which a child ceases to satisfy eligibility requirements under OEGB plans (for a list of requirements see 111-010-0015),
- (k) Changes in the residence of the active eligible employee, spouse, domestic partner, or child (i.e., moving out of the service area of an HMO);
- (l) Reinstatement of coverage. Reinstatement can be used in the following situations:
 - (A) Military (USERRA)
 - (B) When coverage was continued under COBRA
 - (C) When coverage was terminated in error and there is no lapse in coverage.
- (m) Significant changes in cost of the eligible employee's or early retiree's current plan and tier level that result in a negative impact of 10 percent or more to:
 - (A) The amount an active eligible employee or early retiree must contribute toward benefits.
 - (B) The amount a spouse or domestic partner must contribute toward his or her group health insurance plan cost.

(n) Different Open Enrollment/Plan Year under a spouse/domestic partner's employer plan.

- ~~(n-o)~~ Related laws or court orders. For example: Qualified Medical Child Support Order (QMSCO), Medicare, HIPAA, or Family Health Insurance Assistance Program (FHIAP). Changes are determined by the applicable law or court order.
- (5) Changes in coverage, or contribution amounts that result in a reduced amount that an employee or eligible dependent must contribute toward benefits, do not constitute a Qualified Status Change.
 - (6) The following applies to the Long Term Care benefit plans only:
 - (a) Cancel the plan at anytime without a QSC event.
 - (b) Plan additions or changes require a QSC event as defined 111-040-0040(2). The addition of a plan or change in plans with a QSC is subject to a medical evidence review by the LTC carrier.

Stat. Auth: ORS 243.860 – 243.886

Stats. Implemented: ORS 243.864

DIVISION 80

111-080-0040

Eligibility and Policy Term Violations - Definitions

For the purposes of OAR 111-080-0045 and 111-080-0050, the following definitions will apply:

(1) “Eligibility or Enrollment Violations” means and includes a violation of the Oregon Educators Benefit Board’s eligibility or enrollment rules or policies including fraud or material misrepresentation. Misstatements, misrepresentations, omissions or concealments on the part of the OEBB member are not fraudulent unless they are made with intent to knowingly defraud. OEBB has primary responsibility in investigating such violations. **If an Eligibility Violation is considered a violation of the insurance carrier’s policy, then the violation may also be considered a Policy Term Violation, and OAR 111-080-0050 would also apply.**

(A) “Intentional Violation” is a violation that has occurred in which OEBB has electronic documentation that the member took action in the MyOEBB Member Module during a New Hire event, QSC Request or Open Enrollment period which resulted in eligibility or enrollment confirmation of ineligible dependents. Such action verified eligibility status or enrollment in benefit plans.

(B) “Unintentional Violation” is a violation that has occurred in which the member was not aware that such violation had occurred and there is no evidence of the member logging in and enrolling in MyOEBB Member Module during a New Hire event, QSC Request or Open Enrollment period. Due to member inactivity, the member may not be aware of previously confirmed enrollments and/or dependents.

(2) “Policy Term Violations” means and includes a violation of the insurance carrier’s policy terms. The insurance carrier has primary responsibility in investigating such violations.

111-080-0045

Eligibility Violations

(1) Unintentional Violation:

(A) OEBB will remove from coverage an **ineligible** OEBB member due to eligibility or enrollment violations. Removal from all benefit plans will be retroactive to the date the individual person is determined to have no longer been eligible, or the effective date of coverage if eligibility criteria was never met.

(B) When an eligibility or enrollment violation has been discovered and investigated, OEBB will notify the member and the Educational Entity with the outcome. If the outcome includes rescission of coverage, OEBB will give a 30 day notice of such rescission prior to terminating coverage retroactively to the date the member was no longer eligible for benefits.

(C) The member may be responsible for any claims paid during the period of time the member was enrolled inappropriately.

(2) Intentional Violation:

(A) The ineligible member shall be removed from coverage. The ineligible member's coverage will be retroactively terminated to the date the individual is determined to have no longer been eligible, or the effective date of coverage if eligibility criteria was never met.

(B) The OEGB member shall be terminated along with remaining dependents from all plans excluding basic and mandatory plans selected by the educational entity. This will be a prospective termination lasting for a period of 12 months. The prospective termination will be effective the first day of the following month that the Intentional Violation was discovered.

111-080-0050

Policy Term Violations

(1) An OEGB-contracted insurance carrier may remove from coverage and/or deny the claims of an OEGB member due to policy term violations. Removal from coverage for policy term violations is at the discretion of the insurance carrier.

(A) If a policy term violation results in a termination from the plan or carrier that the violation was committed, it will not prevent the member from continuing enrollment in other OEGB types of coverages (e.g., medical, dental, vision, life, etc.), as long as they remain an employee and eligible for these benefits.

(B) If an eligible employee commits a policy term violation and loses coverage, OEGB will remove the entire family from the insurance plan since the benefits are extended to his or her dependents through the eligible employee. If the eligible employee chooses to, and it is offered, they can enroll in a different carrier plan (if applicable) during open enrollment and cover themselves and dependents during the upcoming plan year.

(C) If a dependent commits a policy term violation, OEGB will remove only the dependent from the insurance plan. If the eligible employee chooses to and it is offered, they can enroll in a different carrier plan (if applicable) during open enrollment and cover the dependent during the upcoming plan year, or as defined by the carrier.

(D) The OEGB member who is removed from an OEGB sponsored insurance plan may appeal the decision through the **carrier** entity that terminated coverage. ~~Once the appeal process is completed the OEGB member can request an Administrative Review.~~

(E) When a policy term violation has been discovered and investigated, the applicable insurance carrier will notify OEGB and the member with the outcome.

(2) The insurance carrier may do the following when a member has violated a provision of the policy the OEGB member has enrolled in, committed fraudulent activity or misrepresentation:

(A) The insurance carrier may retain the value of any expenditure it made related to the member who committed the fraudulent activity or misrepresentation.

(B) The insurance carrier may deny future enrollments of the individual in accordance with the carrier's policies.