

## DIVISION 20

### PROGRAM PARTICIPATION

111-020-0010

#### Entities Electing to Join OEGB

(1) Effective January 1, 2014 an Entity can elect to participate in benefit plans provided by the Board subject to the following conditions:

(a) The Entity completes and submits a Notice of Intent to join OEGB at least 90 days prior to the date OEGB coverage is to go into effect;

(b) OEGB will not transfer any deductibles or annual out-of-pocket maximums met with the prior carrier;

(c) For those members with an existing life insurance policy through the Entity, OEGB will transfer the life insurance amount in force on the last day the prior group coverage was in effect, rounded to the next highest \$10,000 increment, if requested and documented by the Entity.

(d) Early retiree participation in the OEGB plans will be limited to those individuals and eligible dependents currently enrolled in the Entity's medical, dental and/or vision plans and those Early Retirees who retire on or after the effective date of OEGB coverage and their eligible dependents.

(2) Entities electing to participate in benefit plans provided by the Board are limited to offering the coverages and plans provided by OEGB for medical, dental, vision, life, AD&D, disability plans, Employee Assistance Program (EAP) and Long Term Care (LTC). Entities cannot choose to offer some coverages or plans through OEGB and other coverages or plans outside of the OEGB benefits program.

(3) A Local Government must provide OEGB with medical plan premium rates and loss ratios for the two most-recent years, if available, with its Notice of Intent to join OEGB to allow OEGB's Consultant to perform an actuarial plan comparison. For self-funded groups, two years of claims experience data should be submitted in lieu of premium rates or loss ratios. The results of the actuarial analysis shall be used as follows:

(a) If the actuarial plan comparison for a Local Government demonstrates that costs are less than 10 percent over OEGB's costs during the same two-year period, the Local Government may participate in the OEGB plan(s) at current OEGB rates.

(b) If an actuarial plan comparison for a Local Government demonstrates that costs are equal to or greater than 10 percent higher than OEGB's costs during the same two year period, the Local Government may participate in the OEGB plan(s) subject to a special rate category, or surcharge, for up to three years. **After three years, the special rate category will be discontinued and the Local Government will move to OEGB's current rates.**

(4) The Local Government must submit a final Letter of Participation to OEGB at least 30 days prior to the effective date of participation.

~~(5) Local Governments providing a cash incentive to a member for opting out of medical coverage that exceeds 75 percent of the cost of employee only coverage of the lowest cost OEGB statewide medical plan, regardless of the Local Governments plan offerings, may shall be assessed a surcharge of up to \$100 per month per opt-out election.~~

~~(65)~~ Local Governments who elect to participate in benefit plans provided by the Board and then subsequently elect to leave OEGB and offer a plan or plans available through the health insurance exchange may re-elect to participate in benefit plans provided by the Board under the rate category the Local Government was in just prior to leaving OEGB on a one-time basis provided the Local Government completes and submits a Letter of Participation to OEGB at least 60 days prior to the date OEGB coverage is to go into effect.

~~(76)~~ Once a Local Government re-elects to participate in benefit plans provided by the Board after leaving, they are not eligible to offer alternative plans through any other source or sponsor.

~~(87)~~ Local Governments electing to join OEGB on or after April 1, 2015, are limited to using the tiered rate structure for medical, dental and vision plans.