DIVISION 70

HB 2557

DIVISION 80

OPERATIONS

DIVISION 1

PROCEDURAL RULES

111-001-0000
Notice of Proposed Rule Changes

Prior to adoption, amendment, or repeal of any permanent rule, the Oregon Educators Benefit Board (OEBB) will give notice of the intended action:

(1) In the Secretary of State's Bulletin at least 21 days before the effective date as provided in ORS 183.335.

(2) By mailing or electronically transmitting a copy of the notice to persons on the OEBB mailing list at least 28 days before the effective date of the rule as provided in ORS 183.335. Notice will be mailed electronically unless the recipient requests or approves the use of non-electronic mail; and

(3) By mailing, or transmitting by electronic mail, a copy of the notice to:

(a) The Associated Press;

(b) The Capitol Building Press Room;

(c) Oregon Education Association;

(d) Oregon School Board Association;

(e) Confederation of Oregon School Administrators;

(f) Oregon Federation of Teachers, Education and Health Professionals;

(g) Oregon School Employees Association;

(h) Oregon Community College Association;

(i) School and education service district superintendents, school board chairs and district payroll officers;

(j) AFT Oregon;

(k) The Oregon State Bar Association; and

(l) The state legislator who introduced legislation that created the need for a rule to be adopted, amended, or repealed, and the chair or co-chair of all committees that reported the bill out. If notice cannot be given to the legislator, notice will be provided to the Speaker of the House of Representatives and the President of the Senate.

Stat. Auth.: Ch. 7 OL 2007
Stats. Implemented: ORS 183.310-183.550, 192.660, Sec. 3(1), Ch.7 OL 2007
Hist.: OEBB 1-2007(Temp), f. & cert. ef. 7-23-07 thru 1-4-08; OEBB 1-2008, f. & cert. ef. 1-4-08

111-001-0005
Uniform and Model Rules of Procedure

The Attorney General's Uniform and Model Rules of Procedure under the Administrative Procedure Act, effective January 1, 2004, are adopted as rules of procedure of the Oregon Educators Benefit Board and are made a part of OAR chapter 111.

[ED. NOTE: The full text of the Attorney General's Model Rules of Procedures is available from the office of the Attorney General or the Oregon Educators Benefit Board.]

Stat. Auth.: Ch. 7 OL 2007
Stats. Implemented: ORS 183.310-183.550, 192.660, Sec. 3(1), Ch.7 OL 2007
Hist.: OEBB 1-2007(Temp), f. & cert. ef. 7-23-07 thru 1-4-08; OEBB 1-2008, f. & cert. ef. 1-4-08

DIVISION 2

POWERS OF THE BOARD

111-002-0005
Powers and Duties of the Board

(1) Pursuant to ORS 243.864, it will be within the powers and duties of the Board to study all matters connected with providing adequate benefit plan coverage for Eligible Employees, Early Retirees and their Dependents, with concern for the welfare of the Employees, Early Retirees and their Dependents and affordability for the Educational Entities.

(2) The board will design benefit plans, devise specifications, invite proposals, analyze responses to requests for proposals, and decide on the award of contracts for benefit plan coverage of Eligible Employees, Early Retirees and their Dependents.

(3) The Board will work collaboratively with Educational Entities, members, carriers and providers to offer value-added benefit plans that support improvement in members' health status, hold carriers and providers accountable for outcomes, and provide affordable benefits and services. The board will place emphasis on:

(a) Employee choice among high-quality benefit plans;

(b) A competitive marketplace;

(c) Benefit plan performance and information;

(d) Educational Entity flexibility in benefit plan design and contracting;

(e) Quality customer services;

(f) Creativity and innovation;

(g) Benefit plans as part of total employee compensation;

(h) Improvement of employee health;

(i) An innovative delivery system;

(j) A focus on improving quality and outcomes;

(k) Promotion of health and wellness;

(l) Appropriate provider, health plan, and consumer incentives;

(m) Accessible and understandable information about costs, outcomes, and other health data; and

(n) Benefits that are affordable to the Educational Entities and Employees, Early Retirees and their Dependents.

(4) The Board may retain consultants, brokers, or other advisory personnel as it determines necessary and will employ such personnel as are required to perform the functions of the Board.

(5) The Board may delegate authority to the Administrator and Staff to complete duties described in (2)–(4) above.

Stat. Auth: ORS 243.864 - 243.886
Stats. Implemented: ORS 243.864
Hist.: OEBB 1-2007(Temp), f. & cert. ef. 7-23-07 thru 1-4-08; OEBB 1-2008, f. & cert. ef. 1-4-08; OEBB 17-2010(Temp), f. & cert. ef. 12-13-10 thru 6-10-11; OEBB 9-2011, f. & cert. ef. 5-3-11

111-002-0010
Conduct of Meetings of the Board

(1) The board will select one of its appointed voting members as chair and another voting member as vice chair.

(2) The chair will conduct and control meetings of the board. The vice chair will preside over meetings in the absence of the chair. A majority vote of the board will designate the member to preside over meetings in the absence of the chair and the vice chair.

(3) All meetings of the board will be conducted according to Oregon Public Meetings Law, ORS 192.610 to 192.690.

(4) A person must not smoke any cigar or cigarette, or use tobacco in any form in meetings of the board.

Stat. Auth.: Ch. 7 OL 2007
Stats. Implemented: ORS 183.310-183.550, 192.660, 292.051, Sec. 2 & 3, Ch. 7 OL 2007

Hist.: OEBB 1-2007(Temp), f. & cert. ef. 7-23-07 thru 1-4-08; OEBB 1-2008, f. & cert. ef. 1-4-08

DIVISION 5

PROCUREMENT AND CONTRACTING FOR BENEFIT PLANS AND SERVICES

111-005-0010
Policy

The policy of the Oregon Educators Benefit Board (OEBB) is to select contractors and consultants in an expeditious, fair, and efficient manner that is consistent with the goal of delivering high-quality benefits and other services at a cost that is affordable to the Employees, Early Retirees and their Dependents and Educational Entities, and meets the requirements of ORS 243.866. The Board may enter into more than one contract for each type of benefit plan or other service sought.

Stat. Auth.: Ch. 7 OL 2007
Stats. Implemented: Ch. 7 OL 2007
Hist.: OEBB 1-2007(Temp), f. & cert. ef. 7-23-07 thru 1-4-08; OEBB 1-2008, f. & cert. ef. 1-4-08; OEBB 18-2010(Temp), f. & cert. ef. 12-13-10 thru 6-10-11; OEBB 10-2011, f. & cert. ef. 5-3-11

111-005-0015
Renewal, Screening and Selection for Benefits, Vendor and Personal Services Contracts

(1) The Board is charged with the obligation of obtaining Benefit Plans to provide Benefits to Eligible Employees, Early Retirees and their Dependents . OARs 111-005-0040 through 111-005-0080 set forth the screening, selection and renewal process to be used for all such Benefit Plan contracts. The Board has sole authority for procuring all benefits and services contemplated by ORS 243.860 through ORS 243.886.

(2) Except as provided in OARs 111-005-0040 through 111-005-0080, the Board adopts the DOJ model public contract rules in OAR 137, division 46 (General Provisions Related to Public Contracting) and division 47 (Public Procurements for Goods or Services), effective June 15, 2010, as the contracting rules that shall apply to its procurements for Benefit Plan contracts.

(3) The Board adopts the DOJ model public contract rules in OAR 137, division 46 (General Provisions Related to Public Contracting) and division 47 (Public Procurements for Goods or Services), effective April 15, 2011, as the contracting rules that shall apply to its procurements for vendor and personal service contracts within the Board's contracting authority.

Stat. Auth.: Ch. 7 OL 2007
Stats. Implemented: Sec. 19, Ch. 7 OL 2007
Hist.: OEBB 1-2007(Temp), f. & cert. ef. 7-23-07 thru 1-4-08; OEBB 1-2008, f. & cert. ef. 1-4-08; OEBB 18-2010(Temp), f. & cert. ef. 12-13-10 thru 6-10-11; OEBB 10-2011, f. & cert. ef. 5-3-11

111-005-0020
Definitions

For the purposes of OARs 111-005-0010, 111-005-0015 and 111-005-0040 through 111-005-0080 the following definitions will apply:

(1) "Apparent successful proposer" or "ASP" means the organization selected as a result of a competitive and completed procurement process.

(2) "Consultant" means brokers or other advisory personnel hired by the Board to:

(a) Assist in acquiring adequate benefit plan coverage for eligible Educational Entity Employees, Early Retirees and their Dependents;

(b) Assist in the study of all matters connected with the provision of adequate benefit plan coverage for eligible Educational Entity Employees, Early Retirees and their Dependents;

(c) Assist in the development and implementation of decision-making processes;

(d) Design and implement additional programs to review, monitor and assist in the improvement of eligible Educational Entity Employees, Early Retirees and their Dependents health; and

(e) Provide other services as required by the Board.

(3) "Contractor" means an individual or firm who provides services to the Board under a public contract.

(4) "Emergency" means circumstances that:

(a) Could not have been reasonably foreseen;

(b) Create a substantial risk of loss, damage or interruption of Benefits or other services or a substantial threat to property, public health, welfare or safety; and

(c) Require prompt execution of a contract to remedy the condition.

(5) "Extensive procurement" means the process of soliciting proposals and bids and selecting a contractor for services amounting to $150,000 and over.

(6) "Intermediate procurement" means the process of soliciting proposals and bids and selecting a contractor for services amounting to under $150,000 but over $5,000.

(7) "ORPIN" means the Oregon Procurement Information Network, an online service operated by the Department of Administrative Services that displays procurements and contracts issued by the state of Oregon's agencies.

(8) "Person" means a natural person capable of being legally bound, a sole proprietorship, a corporation, a partnership, a limited liability company or partnership, a limited partnership, a for-profit or nonprofit unincorporated association, a business trust, two or more persons having a joint or common economic interest, any other person with legal capacity to contract or a public body.

(9) "Proposal" means a competitive document, binding on the proposer and submitted in response to a Request for Proposal.

(10) "Proposer" means a Person submitting a proposal in response to a Request for Proposal.

(11) "Renewal contractor" means a contractor or consultant who provided the same or similar employee benefit plan or other services under a contract with the Board in the plan year immediately prior.

(12) "Request for Proposal" or "RFP" means all documents, whether attached or incorporated by reference, used for soliciting proposals.

(13) "Responsible proposer" means a person who meets the standards of responsibility described in OAR 111-005-0055.

(14) "Responsive proposal" means a proposal that substantially complies with the request for proposals and all prescribed procurement procedures and requirements.

(15) "Selection committee" means the group of individuals appointed by the Board Chair or approved by the Board to review, evaluate and score proposals received as part of an intermediate or extensive procurement.

(16) "Small procurement" means the process of securing contractors or consultants for services amounting to $5,000 or less.

(17) "Sole source" means the only contractor or consultant of a particular product or service reasonably available.

Stat. Auth.: Ch. 7 OL 2007
Stats. Implemented: Sec. 19, Ch. 7 OL 2007
Hist.: OEBB 1-2007(Temp), f. & cert. ef. 7-23-07 thru 1-4-08; OEBB 1-2008, f. & cert. ef. 1-4-08; OEBB 18-2010(Temp), f. & cert. ef. 12-13-10 thru 6-10-11; OEBB 10-2011, f. & cert. ef. 5-3-11

111-005-0040
Extensive Procurement Process

The Board will use the following procedure except as provided for under OAR 111-005-0046 or 111-005-0048.

(1) Announcement. The Board will post solicitation notices for benefits via the Oregon Procurement and Information Network (ORPIN). The Board may also post solicitation notices for benefits in trade periodicals or newspapers of general or specialized circulation. The solicitation notice will include a description of the benefits or services sought, the scope of the services required, evaluation and selection criteria, and a description of any special requirements. The notice will invite qualified prospective proposers to submit proposals. The notice will specify when and where to obtain the RFP, where to return the proposal, the method of submission, and the closing date.

(2) No remuneration will be offered to prospective proposers for attendance, travel, document preparation, etc. Unless otherwise specified in the RFP, the pre-proposal conference will:

(a) Be voluntary; and

(b) Be held in Salem, Oregon.

(3) RFP protest; request for change or request for clarification.

(a) Protest.

(A) A proposer may deliver a protest to the Board not less than ten calendar days prior to closing, unless otherwise specified in the RFP.

(B) Proposer protests must be in writing and must include:

(i) A detailed statement of the legal and factual grounds for the protest;

(ii) A description of the resulting prejudice to the proposer; and

(iii) A statement of the desired changes to the RFP.

(C) The Board will not consider a proposer's protest after the submission deadline.

(i) The Board will provide notice to the applicable entity if it entirely rejects a protest. If the Board agrees with the entity's protest, in whole or in part, the Board will issue an addendum reflecting its determination under OAR 137-030-0055 and 137-047-0430 or cancel the solicitation under 137-030-0115.

(ii) If the Board receives a written protest from a proposer according to this rule, the closing may be extended if the Board determines an extension is necessary to consider the protest and to issue any addendum to the RFP.

(b) Request for change.

(A) A proposer may request in writing a change to the RFP specifications, unless otherwise specified in the RFP. If the RFP allows a proposer to make a request for changes and does not specify otherwise, proposer must deliver the written request for change to the Board not less than ten calendar days prior to closing.

(B) A proposer's written request for change must include a statement of the requested changes to the RFP specifications, including the reason for the requested change.

(C) The Board will not consider a proposer's request for change after the submission deadline.

(i) The Board will provide notice to the applicable entity if it entirely rejects a change. If the Board agrees with the entity's request for change, in whole or in part, the Board will issue an addendum reflecting its determination under OAR 137-030-0055 and 137-047-0430 or cancel the solicitation under 137-030-0115.

(ii) If the Board receives a written request for a change from a proposer according to this rule, closing may be extended if the Board determines an extension is necessary to consider the request and to issue any addendum to the RFP.

(c) Request for clarification.

(A) A proposer may request in writing clarification of the RFP specifications, unless otherwise specified in the RFP. If the RFP allows a proposer to make a request for clarification and does not specify otherwise, a proposer must deliver the written request for clarification to the Board not less than ten calendar days prior to closing.

(B) A proposer may request that the Board clarify any provision of the RFP.

(C) The Board will not consider a proposer's request for clarification after the submission deadline. The Board's clarification to a proposer, whether orally or in writing, does not change the RFP and is not binding on the Board unless the Board amends the RFP by addendum.

(4) Addenda to an RFP following an appeal or request for change or clarification.

(a) Issuance; receipt. The Board may change an RFP only by written addenda. A proposer must provide written acknowledgement of receipt of all issued addenda with its proposal, unless the Board otherwise specifies in the addenda.

(b) Notice and distribution. The RFP must specify how the Board will provide notice of addenda and how the Board will make the addenda available.

(c) Timelines; extensions. The Board will issue addenda within a reasonable time to allow prospective proposers to consider the addenda in preparing their proposals. The Board may extend the closing if the Board determines prospective proposers need additional time to review and respond to addenda. The Board will not issue addenda less than 72 hours before the closing unless an addendum also extends the closing, except to the extent required by public interest.

(d) Request for change or protest. A proposer may submit a written request for change or protest to the addendum by the close of the Board's next business day after issuance of the addendum, unless a different deadline is set forth in an addendum.

(5) Submission. All proposals submitted must comply with the procurement's specifications.

(a) If portions of the proposal to any solicitation are deemed unacceptable or non-responsive to the specifications of the solicitation, the proposal will be deemed non-responsive and will not be given further evaluation or consideration. If a proposal to any solicitation is delivered late, it will be deemed non-responsive to the specification of the solicitation and will be returned to the proposer unopened.

(b) Submission of proposals must be in written hard copy or electronic format and delivered, as required by the specifications of the solicitation. OEBB is not responsible for unreadable or incomplete electronic transmissions of proposals or for electronic transmissions that are not received by the designated OEBB recipient by the closing date and time stated in the RFP.

(6) Evaluation. The Selection Committee will evaluate proposals only in accordance with criteria set forth in the RFP and applicable law. The Selection Committee and/or Consultants will provide their recommendations to the Board on the apparent successful proposer(s).

(7) Rejection of proposal. The Board may reject any proposal for good cause and deem it as non-responsive upon written finding that it is in the states', Educational Entities', or Employees, Early Retirees and their Dependents ' interest to do so or acceptance of the proposal may impair the integrity of the procurement process. The Board will notify the proposer of its rejection of the proposal in writing and provide the good cause justification and finding. OEBB is not liable to any Proposer for any loss or expense caused by or resulting from any rejection, cancellation, delay or suspension. Without limiting the generality of the foregoing, the Board may reject any Proposal upon OEBB's finding that the Proposal:

(a) Is contingent upon OEBB's acceptance of terms and conditions (including Specifications) that differ from the RFP;

(b) Takes exception to terms and conditions set forth in the RFP;

(c) Attempts to prevent public disclosure of matters in contravention of the terms and conditions of the RFP or in contravention of applicable law;

(d) Offers services that fail to meet the specifications of the RFP;

(e) Is late;

(f) Is not in substantial compliance with the RFP;

(g) Is not in substantial compliance with all prescribed procurement procedures;

(h) Is from a Proposer that has been debarred as set forth in ORS 279B.130;

(i) Has failed to provide the certification of non-discrimination required under ORS 279A.110(4); or

(j) Is from a Proposer found non-responsible as described in OAR 111-005-0055.

(8) Intent to award, discuss or negotiate. After the protest period provided in subsection (3)(a) expires, or after the Board has provided a final response to any protest, whichever date is later, the Board may engage in discussions and negotiations with proposers in the competitive range.

(9) Discussions and negotiations. If the Board chooses to enter into discussions and negotiations with the Proposers in the competitive range, the Board will proceed as follows:

(a) Initiating discussions. The Board must initiate oral or written discussions and negotiations with all of the proposers in the competitive range regarding their proposals.

(b) Conducting discussions. The Board may conduct discussions and negotiations with each proposer in the competitive range as necessary to fulfill the purposes of this section, but need not conduct the same amount of discussions or negotiations with each proposer. The Board may terminate discussions and negotiations with any proposer in the competitive range at any time. All proposers in the competitive range will be offered the opportunity to discuss their proposals with the Board before the Board notifies proposers of the award decisions. In conducting discussions, the Board and any designated representatives:

(A) Will treat all proposers fairly and will not favor any proposer over another.

(B) Will not discuss proposers' proposals with any other proposers and will maintain all proposals as confidential documents to the extent permitted by the Public Records Law.

(C) Will not divulge the name of the proposers or the content of the proposals until cost negotiations are complete or an apparent successful proposer has been announced.

(D) Will determine whether other factors, including but not limited to, Oregon residency of the primary business office and proposer demonstration of services and products, will be used to determine the apparent successful proposer, if a tie between proposers occurs.

(c) At any time during the period allowed for discussions and negotiations, the Board may:

(A) Continue discussions and negotiations with a particular proposer or proposers; or

(B) Terminate discussions with a particular proposer and continue discussions with other proposers in the competitive range.

(d) The Board may continue discussions and negotiations with proposers until determining who will be awarded contracts.

(10) Notice of intent to award. The Board will provide written notice to all proposers of intent to award the contract, unless otherwise provided in the RFP. The Board's award will not be final until the later of the following:

(a) Seven calendar days after the date of the notice, unless the RFP provided a different period for protest; or

(b) The Board's written response to all timely filed protests that denies the protests and affirms the award.

(11) Right to protest award. An adversely affected or aggrieved proposer may submit to the Board a written protest of the Board's intent to award. The protest must be made within seven calendar days after issuance of the notice of intent to award the contract, unless otherwise specified in the RFP.

(a) The proposer's protest must be in writing and must specify the grounds upon which the protest is based.

(b) A proposer is adversely affected or aggrieved only if the Proposer would be eligible to be awarded the contract in the event that the protest were successful, and the reason for the protest is that:

(A) All higher ranked Proposals are nonresponsive;

(B) OEBB has failed to conduct the evaluation of Proposals in accordance with the criteria or processes described in the RFP;

(C) OEBB has abused its discretion in rejecting the protestor's Proposal as nonresponsive; or

(D) OEBB's evaluation of Proposals or OEBB's subsequent determination of award is otherwise in violation of OEBB's rules or ORS 243.860 to 243.886.

(c) The Board will not consider a protest submitted after the time period specified in this section or a different period if provided in the RFP.

(d) The Board Chair, or designee, has the authority to settle or resolve a written protest meeting the submission requirements of this rule.

(e) If a protest is not settled, the Board Chair, or designee, will promptly issue a written decision on the protest. Judicial review of this decision will be available if provided by statute.

(12) Award of contracts. The Board will approve the apparent successful proposer(s) based on the Selection Committee and/or Consultants recommendation and the evaluation criteria included in OAR 111-002-0005(3) and the RFP including, but not limited to, contractor or consultant availability; capability; experience; approach; compensation requirements; previous litigation and remedy applied; customer service history with the OEBB, members and clients; debarment status; and references.

(13) Confidentiality: Until after the notice of intent to award and contract is issued, Proposals are not required to be open for public inspection, and OEBB shall in good faith seek to protect Proposals from disclosure under ORS 192.502(4) as a confidential submission or under other applicable exemptions from disclosure. There will be no public opening of proposals. OEBB will not disclose the content of proposals, the number of proposals submitted, or the names of the proposers that submitted proposals until after the notice of intent to award. That information may then be obtained by means of a "Public Records Request" submitted to OEBB. The Intent to Award letter sent to each individual proposer will include the name of the Apparent Successful Proposer and the name and ranking of each proposer that ranked higher than the individual proposer receiving the Intent to Award letter. After the notice of intent to award and contract is issued, OEBB may withhold from disclosure to the public, materials included in a Proposal that are exempt or conditionally exempt from disclosure under ORS 192.501 or 192.502.

(14) Contract. The successful proposer must promptly execute the contract after the award is final and all contractual terms and conditions have been negotiated and agreed upon. The Board Chair, or designee, will execute the contract only after it has obtained all applicable required documents and contractor signatures.

Stat. Auth.: Ch. 7 OL 2007

Stats. Implemented: Sec. 19, Ch. 7 OL 2007

Hist.: OEBB 1-2007(Temp), f. & cert. ef. 7-23-07 thru 1-4-08; OEBB 1-2008, f. & cert. ef. 1-4-08; OEBB 18-2010(Temp), f. & cert. ef. 12-13-10 thru 6-10-11; OEBB 10-2011, f. & cert. ef. 5-3-11; OEBB 1-2012(Temp), f. & cert. ef. 1-13-12 thru 7-10-12; OEBB 2-2012, f. & cert. ef. 4-18-12

111-005-0042
Intermediate Procurement Process

For an intermediate procurement, the Board will use the following procedure except as provided for under OAR 111-005-0046 or 111-005-0048.

(1) Announcement. The Board will post solicitation notices for benefits via the Oregon Procurement and Information Network (ORPIN). The Board may also post solicitation notices for benefits in trade periodicals or newspapers of general or specialized circulation. The notice will include a description of the benefits or services sought, the scope of the services required, and a description of any special requirements. The notice will invite qualified prospective proposers to submit proposals. The notice will specify when and where to obtain the RFP and return the proposal and the closing date.

(2) Submission. All submitted proposals must comply with the RFP's specifications. If portions of the proposal to any solicitation are deemed unacceptable or non-responsive to the specifications of the solicitation, the proposal will be deemed non-responsive and will not be given further evaluation or consideration. If a proposal to any solicitation is delivered late, it will be deemed non-responsive to the specification of the solicitation and will be returned to the proposer unopened.

(a) Submission of proposals must be in written hard copy or electronic format and delivered as required by the specifications of the solicitation. OEBB is not responsible for unreadable or incomplete electronic transmissions of proposals or for electronic transmissions that are not received by the designated OEBB recipient by the closing date and time stated in the RFP.

(b) The proposal from the prospective proposer will describe the proposer's credentials, performance data and other information sufficient to establish proposer's qualifications for providing the benefits sought and all other information requested in the RFP.

(3) Opening. There will be no public opening of proposals. OEBB will not disclose the content of proposals, the number of proposals submitted, or the names of the proposers that submitted proposals until after the notice of intent to award. That information may then be obtained by means of a "Public Records Request" submitted to OEBB. The Intent to Award letter sent to each individual proposer will include the name of the Apparent Successful Proposer and the name and ranking of each proposer that ranked higher than the individual proposer receiving the Intent to Award letter.

(4) Evaluation. The Selection Committee will evaluate proposals only in accordance with criteria set forth in the RFP and applicable law. The Selection Committee and/or Consultants will provide their recommendations to the Board on the apparent successful proposer(s).

(5) Discussions and negotiations. If the Board chooses to enter into discussions and negotiations with the proposers, the Board:

(a) Will treat all proposers fairly and will not favor any proposer over another.

(b) Will not discuss proposers' proposals with any other proposers and will maintain all proposals as confidential documents.

(c) Will not divulge the name of the proposers or the content of the proposals until cost negotiations are complete.

(d) Will determine whether other factors, including but not limited to, Oregon residency of the primary business office and proposer demonstration of services and products, will be used to award the contract.

(6) Notice of intent to award. The Board will provide written notice to all proposers of intent to award the contract, unless otherwise provided in the RFP. The Board's award will not be final until the later of the following:

(a) Seven calendar days after the date of the notice, unless the RFP provided a different period for protest; or

(b) The Board's written response to all timely filed protests that denies the protests and affirms the award.

(7) Right to protest award. An adversely affected or aggrieved proposer may submit to the Board a written protest of the Board's intent to award. The protest must be made within seven calendar days after issuance of the notice of intent to award the contract, unless otherwise specified in the RFP.

(a) The proposer's protest must be in writing and must specify the grounds upon which the protest is based.

(b) A proposer is adversely affected or aggrieved only if:

(A) the proposer is eligible for award of the contract as a responsible proposer; and

(B) the Board committed a substantial violation of a provision in the RFP or of an applicable procurement statute or administrative rule.

(c) The Board will not consider a protest submitted after the time period specified in this section or a different period if provided in the RFP.

(d) The Board Chair, or designee, has the authority to settle or resolve a written protest meeting the submission requirements of this rule.

(e) If a protest is not settled, the Board Chair, or designee, will promptly issue a written decision on the protest. Judicial review of this decision will be available if provided by statute.

(8) Award of contracts. The Board will approve the apparent successful proposer(s) based on the evaluation the Selection Committee and/or Consultant recommendation and the criteria included in OAR 111-002-0005(3) and the RFP including, but not limited to, contractor availability; capability; experience; approach; compensation requirements; previous litigation and remedy applied; customer service history with the OEBB, members and clients; debarment status; and references. The Board will place emphasis on employee choice among high-quality plans, plan performance and information, a competitive marketplace, employer flexibility in plan design and contracting, quality customer service, creativity and innovation and the improvement of employee health.

(9) Confidentiality: Until after the notice of intent to award and contract is issued, Proposals are not required to be open for public inspection, and OEBB shall in good faith seek to protect Proposals from disclosure under ORS 192.502(4) as a confidential submission or under other applicable exemptions from disclosure. After the notice of intent to award and contract is issued, OEBB may withhold from disclosure to the public, materials included in a Proposal that are exempt or conditionally exempt from disclosure under ORS 192.501 or 192.502.

(10) Contract. The successful proposer must promptly execute the contract after the award is final. The Board Chair, or designee, will execute the contract only after it has obtained all applicable required documents and contractor signatures.

(11) An amendment for additional services shall not increase the total contract cost to a sum that is greater than twenty-five percent of the original contract cost.

Stat. Auth.: ORS 243.860 – 243.886

Stats. Implemented: ORS 243.864

Hist.: OEBB 1-2007(Temp), f. & cert. ef. 7-23-07 thru 1-4-08; OEBB 1-2008, f. & cert. ef. 1-4-08; OEBB 18-2010(Temp), f. & cert. ef. 12-13-10 thru 6-10-11; OEBB 10-2011, f. & cert. ef. 5-3-11; OEBB 1-2012(Temp), f. & cert. ef. 1-13-12 thru 7-10-12; OEBB 2-2012, f. & cert. ef. 4-18-12

111-005-0044
Small Procurement Process

For a small procurement, OEBB may procure contractor services in any manner it deems practical, including by direct selection, negotiation and award.

(1) The Board Chair delegates authority to the OEBB Administrator and Deputy Administrator to enter into contracts on behalf of the Board.

(2) Award of contracts. The OEBB Administrator or Deputy Administrator will base selections on evaluation criteria which may include, but is not limited to, contractor availability; capability; experience; approach; compensation requirements; previous litigation and remedy applied; customer service history with the OEBB, members and clients; debarment status; and references. Emphasis will be placed on quality customer service, creativity and innovation and the improvement of employee health.

(3) Contract. The selected contractor must promptly execute the contract. The OEBB Administrator or Deputy Administrator will execute the contract only after obtaining all applicable required documents and contractor signatures.

(4) An amendment for additional services shall not increase the total contract cost to a sum that is greater than twenty-five percent of the original contract cost.

Stat. Auth.: Ch. 7 OL 2007

Stats. Implemented: Sec. 19, Ch. 7 OL 2007

Hist.: OEBB 1-2007(Temp), f. & cert. ef. 7-23-07 thru 1-4-08; OEBB 1-2008, f. & cert. ef. 1-4-08; OEBB 18-2010(Temp), f. & cert. ef. 12-13-10 thru 6-10-11; OEBB 10-2011, f. & cert. ef. 5-3-11

111-005-0046
Sole Source Procurement Process

The Board may award a contract for Benefits without competition when the Administrator of OEBB determines in writing that the services are available from only one source, or the contractor is defined as a Qualified Rehabilitation Facility as defined in Oregon's public contracting code.

(1) The determination of a sole source must be based on written findings that may include:

(a) That the efficient utilization of existing services requires the acquisition of compatible services;

(b) That the services required for the exchange of software or data with other public or private agencies are available from only one source;

(c) That the services are for use in a pilot or an experimental project; or

(d) Other findings that support the conclusion that the goods or services are available from only one source.

(2) To the extent reasonably practical, OEBB shall negotiate with the sole source to obtain contract terms advantageous to OEBB.

(3) Contract. The single source provider must promptly execute the contract after the award is final. The Board Chair, or designee, will execute the contract only after it has obtained all applicable required documents and contractor signatures.

Stat. Auth.: Ch. 7 OL 2007

Stats. Implemented: Sec. 19, Ch. 7 OL 2007

Hist.: OEBB 1-2007(Temp), f. & cert. ef. 7-23-07 thru 1-4-08; OEBB 1-2008, f. & cert. ef. 1-4-08; OEBB 18-2010(Temp), f. & cert. ef. 12-13-10 thru 6-10-11; OEBB 10-2011, f. & cert. ef. 5-3-11

111-005-0047
Renewal Process

(1) If the Board does not issue an RFP or Single Source procurements to solicit formal proposals from qualified potential Contractors or Vendors, the Board may directly negotiate and enter into renewal contracts each plan year with renewal contractors to provide Benefits and other services without following the procedures set forth in sections 111-005-0040.

(2) The Board may renew contracts with renewal contractors for as many years as the Board determines is in the best interest of the state, Educational Entities and Employees, Early Retirees and their Dependents.

(3) The Board may invite renewal Proposals from those Contractors or Vendors who provided the same or similar employee Benefit Plan or other services in the year immediately prior. An employee Benefit Plan or other services contract is similar if it is reasonably related to the scope of work described in the procurement under which such a contract was awarded.

Stat. Auth.: ORS 243.860 - 243.886
Stats. Implemented: ORS 243.864
Hist.: OEBB 18-2010(Temp), f. & cert. ef. 12-13-10 thru 6-10-11; OEBB 10-2011, f. & cert. ef. 5-3-11

111-005-0048
Emergency Contract Process

The Board may select a contractor to provide benefits without following any of the procedures under OAR 111-005-0040, 111-005-0042, 111-005-0044, or 111-005-0046 when required by emergency. The Board will determine if an emergency exists, declare the emergency and negotiate a contract with the contractor based on the following criteria: contractor availability; capability; experience; approach; compensation requirements; previous litigation and remedy applied; customer service history with the OEBB, members and clients; debarment status; and references. The Board will place emphasis on employee choice among high-quality plans, plan performance and information, a competitive marketplace, employer flexibility in plan design and contracting, quality customer service, creativity and innovation and the improvement of employee health.

Stat. Auth.: Ch. 7 OL 2007
Stats. Implemented: Sec. 19, Ch. 7 OL 2007
Hist.: OEBB 1-2007(Temp), f. & cert. ef. 7-23-07 thru 1-4-08; OEBB 1-2008, f. & cert. ef. 1-4-08

111-005-0050
Mistakes

(1) Treatment of mistakes. If the OEBB discovers certain mistakes in a proposal before award of the contract, and the mistakes are not identified as those qualifying as non-responsive to the specifications of the procurement, the OEBB may take the following action:

(a) Waive or permit a proposer to correct a minor informality. A minor informality is a matter of form rather than substance that is evident on the face of the proposal, or an insignificant mistake that can be waived or corrected without prejudice to other proposers. Mistakes including, but not limited to, signatures not affixed to the proposal document, proposals sent to the incorrect address, insufficient number of proposals submitted, or incorrect format will not be considered minor.

(b) Correct a clerical error if the intended proposal and the error are evident on the face of the proposal, or other documents submitted with the proposal, and the proposer confirms the correction in writing. A clerical error includes, but is not limited to, a proposer's error in transcribing its proposal.

(2) Rejection for mistakes. OEBB may reject any proposal in which a mistake is evident on the face of the proposal and the intended correct proposal is not evident or cannot be substantiated from documents accompanying the proposal. In order to ensure integrity of the competitive procurement process and to assure fair treatment of proposers, mistakes discovered that are contrary to the specifications of the procurement will be carefully reviewed and will be determined, under sole authority of the OEBB, to be waived or not be waived.

(3) If the OEBB discovers mistakes in the proposal after award, and the mistakes are not considered minor, the Board reserves the right to determine if the award will be revoked. The Board will then re-evaluate proposals deemed to be in second, third, fourth, etc., in the standings.

Stat. Auth.: Ch. 7 OL 2007
Stats. Implemented: Sec. 19, Ch. 7 OL 2007
Hist.: OEBB 1-2007(Temp), f. & cert. ef. 7-23-07 thru 1-4-08; OEBB 1-2008, f. & cert. ef. 1-4-08; OEBB 18-2010(Temp), f. & cert. ef. 12-13-10 thru 6-10-11; OEBB 10-2011, f. & cert. ef. 5-3-11

111-005-0055
Responsible Proposer

(1) Before awarding a Contract, the Board must have information that indicates the Proposer meets the applicable standards of responsibility. OEBB shall prepare a written determination of non-responsibility for a Proposer if OEBB determines that the Proposer does not meet the standards of responsibility.

(2) In determining whether a Proposer has met the standards of responsibility, OEBB shall consider whether a Proposer:

(a) Has available the appropriate financial, material, equipment, facility and personnel resources and expertise, or has the ability to obtain the resources and expertise, necessary to meet all contractual responsibilities.

(b) Completed previous contracts of a similar nature with a satisfactory record of performance. For purposes of this paragraph, a satisfactory record of performance means that to the extent that the costs associated with and time available to perform a previous contract remained within the Proposer's control, the Proposer stayed within the time and budget allotted for the procurement and otherwise performed the contract in a satisfactory manner. OEBB shall document the Proposer's record of performance if OEBB finds under this paragraph that the Proposer is not responsible.

(c) Has a satisfactory record of integrity. OEBB in evaluating the Proposer's record of integrity may consider, among other things, whether the Proposer has previous criminal convictions for offenses related to obtaining or attempting to obtain a contract or subcontract or in connection with the Proposer's performance of a contract or subcontract. OEBB shall document the Proposer's record of integrity if OEBB finds under this paragraph that the Proposer is not responsible.

(d) Is legally qualified to contract with OEBB.

(e) Supplied all necessary information in connection with the inquiry concerning responsibility. If a Proposer fails to promptly supply information concerning responsibility that OEBB requests, OEBB shall determine the Proposer's responsibility based on available information or may find that the Proposer is not responsible.

(f) Was not debarred by OEBB in accordance with ORS 279B.130.

(3) OEBB may refuse to disclose outside of OEBB confidential information furnished by a Proposer under this section when the Proposer has clearly identified in writing the information the Proposer seeks to have treated as confidential and OEBB has authority under ORS 192.410 to 192.505 to withhold the identified information from disclosure.

Stat. Auth.: ORS 243.860 - 243.886
Stats. Implemented: ORS 243.864
Hist.: OEBB 18-2010(Temp), f. & cert. ef. 12-13-10 thru 6-10-11; OEBB 10-2011, f. & cert. ef. 5-3-11

111-005-0080
Contract Amendments

OEBB may amend a contract without additional competition in any of the following circumstances:

(1) The amendment is within the scope of the procurement as described in RFP, the sole source determination, or special procurement (the "Procurement Document"). An amendment is not within the scope of the procurement if the Agency determines that if it had described the changes to be made by the amendment in the Procurement Document, it would likely have increased competition or affected award of the contract.

(2) These rules otherwise permit OEBB to award a contract without competition for the goods or services to be procured under the amendment.

(3) The amendment is necessary to comply with a change in law that affects performance of the contract.

(4) The amendment results from renegotiation of the terms and conditions, including the contract price, of a contract and the amendment is advantageous to OEBB, subject to all of the following conditions:

(a) The Services to be provided under the amended contract are the same as the Services to be provided under the unamended contract.

(b) OEBB determines that, with all things considered, the amended contract is at least as favorable to OEBB as the unamended contract.

(c) The amended contract does not have a total term greater than allowed in the Procurement Document after combining the initial and extended terms.

Stat. Auth.: ORS 243.860 - 243.886
Stats. Implemented: ORS 243.864
Hist.: OEBB 18-2010(Temp), f. & cert. ef. 12-13-10 thru 6-10-11; OEBB 10-2011, f. & cert. ef. 5-3-11

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 (including non-integrated health reimbursement arrangements (HRAs));

(b) Dental;

(c) Vision;

(d) Life, disability and accidental death;

(e) Long term care;

(f) Employee Assistance Program Plans;

(g) Supplemental medical, dental and vision coverages (including Integrated General Purpose and Integrated Post-Deductible health reimbursement arrangements (HRAs); and Limited Purpose, Post-Separation/Retiree, and Premium Only health reimbursement arrangements (HRAs));

(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 or daughter; 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. Grandchildren are only eligible when the eligible employee is the legal guardian or adoptive parent of the grandchild.

(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 OEBB 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 OEBB health plan effective date.

(C) The person's attending physician must submit documentation of the disability to the eligible employee's OEBB 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 OEBB coverage eligibility.

(D) The person must not have terminated from OEBB 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 OEBB 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 OEBB plan design option do not exceed the average, aggregate premium rates of a district's pre-OEBB 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 OEBB plan design that is within $2,500 of the maximum benefit obtained through a pre-OEBB 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 OEBB plan design as through a pre-OEBB plan design in effect the year prior to implementation.

(13) "Dependent" means and includes the eligible employee's spouse or domestic partner, or child as defined by OAR 111-010-0010(7), unless otherwise defined in another OEBB rule.

(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) "Eligible 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 Eligible Employee 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 OEBB benefit plans.

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

(17) "Eligible employee" means and includes an employee of an Educational Entity or Local Government who is actively working or on paid or unpaid leave that is recognized by federal or state law, and:

(a) Is employed in a half time or greater position or is in a job-sharing position; or

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

(c) Is 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 2 (where available), Moda Health Plan E, Moda Health Plan G, or Moda Health Plan H. Moda Health Plan H can only be elected if the eligible employee is eligible for and actively contributing to a Health Savings Account (HSA). The tiered rate structure will apply to all medical plans.

(18) "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.

(19) "Employee Group" means employees and early retirees 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.

(20) "Entity" means an Educational Entity, Local Government or Special district.

(21) "Flexible benefit plan" includes plans that allow contributions on a tax-favored basis including health savings accounts.

(22) "Health Reimbursement Arrangement (HRA)" means an account established and funded solely by the employer that can be used to pay for qualified health care expenses for eligible employees and their spouses and federal tax dependents, up to a maximum dollar amount for a coverage period, and any unused portion of the maximum dollar amount at the end of a coverage period is carried forward to increase the maximum reimbursement amount in subsequent coverage periods. This definition should be interpreted to comply with the guidelines established by the IRS for treatment of HRAs on a tax-favored basis in Technical Release No. 2013-03, IRS Publication 969 and IRS Notice 2002-45. HRA includes, but is not limited to, the following:

(a) "Integrated General Purpose HRA" is an HRA that allows participants to be reimbursed for all IRS qualified expenses and is available only to eligible employees who are enrolled in an OEBB medical plan as the primary subscriber, or as an eligible dependent.

(b) "Integrated Post-Deductible HRA" is an HRA that allows participants to be reimbursed for expenses up to a certain amount, but only after the participants have met the annual deductible on an OEBB medical plan in which the employee participant is enrolled as the primary subscriber, or as an eligible dependent.

(c) "Limited Purpose HRA" is an HRA that allows participants to be reimbursed for only standard dental, vision, and orthodontia expenses and does not require the employee participant to be enrolled in an OEBB medical plan as the primary subscriber, or as a dependent.

(d) "Non-integrated HRA" is an HRA that allows participants to be reimbursed for all IRS qualified expenses when the employee participant is not enrolled in an OEBB medical plan as the primary subscriber, or as an eligible dependent.

(e) "Post-Separation/Retiree HRA" is an HRA that allows participants to be reimbursed for qualified expenses only after the employee separates/retires and does not require the employee participant to be enrolled in an OEBB medical plan as the primary subscriber, or as a dependent.

(f) "Premium Only HRA" is an HRA that allows participants to be reimbursed only for insurance premiums paid on an after tax basis, where the employee participant has no ability to pay the premium on a pre-tax basis and the HRA does not require the employee participant to be enrolled in an OEBB medical plan as the primary subscriber, or as a dependent.

(23) "Health Savings Account (HSA)" means a tax-exempt trust or custodial account that is set up with a qualified HSA trustee to pay or reimburse certain incurred medical expenses, as defined in 26 U.S.C. Sec. 223(d) and IRS Publication 969.

(24) "High Deductible Health Plan (HDHP)" means a health plan that meets the criteria for a "high deductible health plan" as outlined in 26 U.S.C. Sec. 223(c)(2). Enrollment in an HDHP is one of the requirements that must be met in order to qualify to contribute to a health savings account (HSA).

(25) "Local Government" means cities, counties and special districts in Oregon.

(26) "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(34).

(27) Newly-hired and newly-eligible employee means a benefit-eligible employee who is being hired at an Entity and has not been

employed or eligible for benefits through the hiring Entity in the past six months, or within the same benefit Plan Year.

(28) "Non-subject District" means a community college not yet participating in benefit plans provided by the Oregon Educators Benefit Board, or a charter school whose employees are not considered employees of a school district.

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

(30) "OEBB 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 (OEBB).

(31) "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.

(32) "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.

(33) "Special district" means any district listed in ORS chapter 198 "Special Districts Generally," or as determined by the Board.

(34) "Spouse" means a person who is married under the laws of the State of Oregon or under the laws of any other state or country.The definition of spouse does not include a former spouse and a former spouse does not qualify as a dependent.

(35) "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 243.864(1)(a)

Hist.: OEBB 2-2007(Temp), f. & cert. ef. 9-21-07 thru 3-18-08; OEBB 2-2008, f. & cert. ef. 1-4-08; OEBB 10-2008(Temp), f. & cert. ef. 8-13-08 thru 2-6-09; OEBB 1-2009, f. & cert. ef. 1-30-09; OEBB 5-2009(Temp), f. & cert. ef. 3-10-09 thru 9-4-09; OEBB 8-2009, f. & cert. ef. 5-1-09; OEBB 12-2009(Temp), f. & cert. ef. 7-31-09 thru 1-26-10; OEBB 19-2009, f. & cert. ef. 12-17-09; OEBB 7-2010(Temp), f. & cert. ef. 8-3-10 thru 1-29-11; OEBB 11-2010(Temp), f. 9-30-10, cert. ef. 10-1-10 thru 1-29-11; OEBB 1-2011, f. & cert. ef. 2-11-11; OEBB 6-2011(Temp), f. & cert. ef. 2-15-11 thru 8-13-11; OEBB 14-2011, f. & cert. ef. 8-2-11; OEBB 15-2011(Temp), f. & cert. ef. 8-2-11 thru 1-28-12; OEBB 16-2011(Temp), f. 9-30-11, cert. ef. 10-1-11 thru 1-28-12; OEBB 20-2011, f. 10-13-11, cert. ef. 10-14-11; OEBB 22-2011, f. & cert. ef. 12-14-11; OEBB 13-2012, f. & cert. ef. 12-19-12; OEBB 6-2013, f. & cert. ef. 7-12-13; OEBB 12-2013(Temp), f. & cert. ef. 10-11-13 thru 4-8-14; OEBB 19-2013(Temp), f. & cert. ef. 11-19-13 thru 4-8-14; OEBB 20-2013, f. & cert. ef. 12-27-13; OEBB 24-2013(Temp), f. & cert. ef. 12-27-13 thru 4-8-14; OEBB 1-2014, f. & cert. ef. 3-7-14

DIVISION 15

ELIGIBILITY RULES

111-015-0001
Eligible Individuals

(1) Unless otherwise defined under a separate OEBB administrative rule or a collective bargaining agreement or documented district policy in effect on July 1, 2007, the following individuals are eligible to participate in OEBB-sponsored benefit plans:

(a) An eligible employee as defined in OAR 111-010-0015;

(b) A spouse or eligible domestic partner as defined by OAR 111-010-0015;

(c) A child as defined by OAR 111-010-0015.

(2) Collective bargaining agreements and documented district policies scheduled to become effective on or after February 1, 2008, with a definition different than OAR 111-010-0015 must receive written authorization from the OEBB Board prior to finalization.

Stat. Auth.: ORS 243.860 – 243.886

Stats. Implemented: ORS 243.864(1)(a)

Hist.: OEBB 4-2008, f. & cert. ef. 2-19-08; OEBB 14-2012, f. & cert. ef. 12-19-12

DIVISION 20

PROGRAM PARTICIPATION

111-020-0001
Initial Employee Group Phase-in

(1) Any employee group in Subject Districts or Provisional Non-subject Districts may elect to participate in benefit plans provided by the Board beginning on October 1, 2008, October 1, 2009, or October 1, 2010, without having to meet the phase-in requirements outlined under Sections 2, 3 and 4; however:

(a) Eligible employees of a Subject District who are represented under a collective bargaining agreement with an end date of July 1, 2007, through June 30, 2008, must participate in benefit plans provided by the Board beginning October 1, 2008.

(b) Eligible employees of a Subject District who are represented under a collective bargaining agreement with an end date of July 1, 2008, through June 30, 2009, must participate in benefit plans provided by the Board beginning October 1, 2009.

(c) Eligible employees of a Subject District who are represented under a collective bargaining agreement with an end date on or after July 1, 2009, must participate in benefit plans provided by the Board beginning October 1, 2010.

(d) Eligible employees of a Subject District who are not represented under a collective bargaining agreement must participate in benefit plans provided by the Board consistent with the requirements governing eligible employees of the Subject District who are represented under a collective bargaining contract as outlined under section 1(a), (b) and (c) above. If more than one collective bargaining contract exists in the Subject District, the earliest collective bargaining contract end date must be applied. If no employee group in the Subject District is represented through a collective bargaining agreement, all eligible employees of the district must participate in benefit plans provided by the Board beginning October 1, 2008.

(2) An employee group electing to participate in benefit plans provided by the Board under section 1 must provide notice of such election not later than June 30 of the year in which they plan to move to the OEBB benefit plans on October 1, or at least 90 days or more from the date benefits under OEBB will go into effect if moving from a plan year other than October 1 through September 30.

(3) Employee groups in Provisional Non-subject Districts who elect to participate in benefit plans provided by the Board cannot return to benefit plans provided or administered by an entity other than the Board.

(4) Employee groups electing to participate in OEBB benefit plans prior to the date mandated by Senate Bills 426 and 1066 (Chapter 7, Oregon Laws 2007, as amended by Chapter 39, Oregon Laws 2008) must participate in all types of benefit coverage provided by the Board at the time of plan selection.

Stat. Auth.: ORS 243.860 - 243.886

Stats. Implemented: ORS 243.886

Hist.: OEBB 2-2007(Temp), f. & cert. ef. 9-21-07 thru 3-18-08; OEBB 3-2007(Temp), f. & cert. ef. 11-15-07 thru 3-18-08; OEBB 5-2008, f. & cert. ef. 4-1-08; OEBB 12-2008(Temp), f. & cert. ef. 8-15-08 thru 2-11-09, OEBB 2-2009, f. & cert. ef. 1-30-09; OEBB 6-2009(Temp), f. & cert. ef. 3-10-09 thru 9-4-09; OEBB 9-2009, f. & cert. ef. 5-1-09; OEBB 3-2010, f. & cert. ef. 3-15-10; OEBB 11-2013(Temp), f. & cert. ef. 10-11-13 thru 4-8-13; OEBB 22-2013, f. & cert. ef. 12-27-13

111-020-0005
Employee Group Phase-in for Non-subject Districts

(1) An Employee Group in a Non-subject District may elect to participate in a benefit plan provided by the Board on October 1, 2008, or on October 1 of any following year, or on another date if moving from a plan year other than October 1 through September 30.

(2) An Employee Group in a Non-subject District electing to participate in benefit plans provided by the Board under section 1 must provide notice of such election not later than June 30 of the year in which they plan to move to the OEBB benefit plans on October

1, or at least 90 days or more from the date benefits under OEBB will go into effect if moving from a plan year other than October 1 through September 30.

(3) An Employee Group in a Non-subject District who elects to participate in benefit plans provided by the Board cannot return to benefit plans provided or administered by an entity other than the Board.

Stat. Auth.: ch.7, OL 2007
Stats. Implemented: Sec.14, ch. 7, OL 2007, Sec.16, ch. 7, OL 2007
Hist.: OEBB 3-2008, f. & cert. ef. 1-4-08; OEBB 11-2013(Temp), f. & cert. ef. 10-11-13 thru 4-8-13; OEBB 22-2013, f. & cert. ef. 12-27-13

111-020-0010
Entities Electing to Join OEBB

(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 or completes and submits a Notice of Intent to join OEBB at least 90 days prior to the date OEBB coverage is to go into effect;

(b) OEBB 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, OEBB 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 OEBB 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 OEBB coverage and their eligible dependents.

(2) A Local Government must provide OEBB with medical plan premium rates and loss ratios for the two most-recent years, if available, with its Notice of Intent to join OEBB to allow OEBB'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 OEBB's costs during the same two-year period, the Local Government may participate in the OEBB plan(s) at current OEBB rates.

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

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

(4) 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 OEBB medical plan may be assessed a surcharge of up to $100 per month per opt-out election.

(5) Local Governments who elect to participate in benefit plans provided by the Board and then subsequently elect to leave OEBB 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 OEBB on a one-time basis provided the Local Government completes and submits a Letter of Participation to OEBB at least 60 days prior to the date OEBB coverage is to go into effect.

(6) 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.

Stat. Auth.: ORS 243.860 – 243.886
Stats. Implemented: ORS 243.864(1)(a), 243.867
Hist.: OEBB 11-2013(Temp), f. & cert. ef. 10-11-13 thru 4-8-13; OEBB 22-2013, f. & cert. ef. 12-27-13; OEBB 3-2014, f. & cert. ef. 7-22-14

DIVISION 30

PLAN DESIGN DEVELOPMENT AND SELECTION

111-030-0010
Medical, Pharmaceutical, Dental and Vision Plan Selection Criteria

Educational Entities may choose or allow all medical, dental and vision plans available in the service area to be available to some or all Entity Employee Groups with the following exceptions:

(1) The HMO vision plan offered through Kaiser Permanente is only available if the HMO medical plan offered through Kaiser Permanente is available.

(2) Moda Health Plan H can only be offered to employee groups who have the option to participate in a Health Savings Account (HSA) effective October 1, 2013. Eligible employees must qualify and contribute to an HSA during the plan year to enroll in Moda Health Plan H.

Stat. Auth.: ORS 243.860–243.886
Stats. Implemented: ORS 243.864(1)(a))
Hist.: OEBB 8-2010(Temp), f. & cert. ef. 8-3-10 thru 1-29-11; OEBB 2-2011, f. & cert. ef. 2-11-11; OEBB 3-2012(Temp), f. & cert .ef. 4-20-12 thru 10-16-12; OEBB 8-2012, f. & cert. ef. 10-9-12; OEBB 8-2013(Temp), f. & cert. ef. 7-12-13 thru 1-7-14; OEBB 14-2013, f. & cert. ef. 10-23-13

111-030-0035
Optional Benefit Plans Selection Criteria

(1) Basic Life Insurance — Educational Entities may select or allow one Basic Life plan per Employee Group unless otherwise specified in an OEBB administrative rule. Note: Employee Groups may select one Basic Life amount and offer optional life. Basic Life requires 100 percent enrollment if selected.

(2) Basic Accidental Death and Dismemberment (AD&D) —Educational Entities may select or allow one Basic AD&D plan per Employee Group unless otherwise specified in an OEBB administrative rule. Note: Employee Groups can select one Basic AD&D plan and offer optional AD&D if desired. The Employee Group must select Basic Life coverage to select a Basic AD&D plan. Basic AD&D requires 100 percent enrollment if selected.

(3) Optional Employee Life Insurance and Optional Employee AD&D — Educational Entities may select or allow Optional Employee Life and Optional AD&D for each Employee Group unless otherwise specified in an OEBB administrative rule. No minimum enrollment requirement.

(4) Optional Spouse/Partner Life Insurance and Optional Spouse/Partner AD&D — Educational Entities may select or allow Optional Spouse/Partner Life and Optional Spouse/Partner AD&D coverage for each Employee Group unless otherwise specified in an OEBB administrative rule. No minimum enrollment requirement. The Employee Group must offer Optional Employee Life and Optional AD&D to offer this coverage. The Optional Employee Life Insurance and Optional Employee AD&D must be greater or equal to Optional Spouse/Partner Life Insurance and Optional Spouse/Partner AD&D.

(5) Optional Child Life Insurance and Optional Child AD&D — Educational Entities may select or allow Optional Child Life and Optional Child AD&D coverage for each Employee Group unless otherwise specified in an OEBB administrative rule. No minimum enrollment requirement. The Employee Group must offer Optional Employee Life and Optional AD&D to offer this coverage. Optional Child Life Insurance and Optional Child Life AD&D requires enrollment in the minimum amount of Optional Employee Life and Optional AD&D by the employee.

(6) Optional Early Retiree Life Insurance and Optional Early Retiree AD&D — Educational Entities may select or allow Optional Early Retiree Life and Optional Early Retiree AD&D coverage unless otherwise specified in an OEBB administrative rule. No minimum enrollment requirement, but enrollment is limited to initial open enrollment period only and subject to the following restrictions:

(a) Optional Early Retiree Life and Optional Early Retiree AD&D are only available to early retirees who had this coverage as an active employee.

(b) The Educational Entity must offer this coverage for the early retiree to continue enrollment.

(c) When an employee moves from active to retiree status they may select coverage up to the amount they had as an active employee, or decrease coverage. Increases in coverage are not allowed.

(7) Voluntary Short Term Disability (STD) — Educational Entities may select or allow one Voluntary STD plan per Employee Group unless otherwise specified in an OEBB administrative rule. No minimum enrollment requirement. The employee pays all or part of the premium. An Employee Group cannot select more than one STD Plan (Voluntary, Mandatory, or Mandatory/Employee-paid).

(8) Mandatory Short Term Disability (STD) — Educational Entities may select or allow one Mandatory STD plan per Employee Group unless otherwise specified in an OEBB administrative rule. This plan requires 100 percent enrollment if selected and the premium is employer-paid. An Employee Group cannot select more than one STD Plan (Voluntary, Mandatory, or Mandatory/Employee-paid).

(9) Mandatory/Employee-paid Short Term Disability (STD) — Educational Entities may select or allow one Mandatory/Employee-paid STD plan per Employee Group unless otherwise specified in an OEBB administrative rule. This plan requires 100 percent enrollment and the premium is paid by the employee. An Employee Group cannot select more than one STD Plan (Voluntary, Mandatory, or Mandatory/Employee-paid).

(10) Voluntary Long Term Disability (LTD) — Educational Entities may select or allow one Voluntary LTD plan per Employee Group unless otherwise specified in an OEBB administrative rule. No minimum enrollment requirement. The employee pays all or part of the premium. An Employee Group cannot select more than one LTD Plan (Voluntary, Mandatory, or Mandatory/Employee-paid).

(11) Mandatory Long Term Disability (LTD) — Educational Entities may select or allow one Mandatory LTD plan per Employee Group unless otherwise specified in an OEBB administrative rule. This plan requires 100 percent enrollment and the premium is employer-paid. An Employee Group cannot select more than one LTD Plan (Voluntary, Mandatory, or Mandatory/Employee-paid).

(12) Mandatory/Employee-paid Long Term Disability (LTD) — Educational Entities may select or allow one Mandatory/Employee-paid LTD plan per Employee Group unless otherwise specified in an OEBB administrative rule. This plan requires 100 percent enrollment and the premium is paid by the employee. An Employee Group cannot select more than one LTD Plan (Voluntary, Mandatory, or Mandatory/Employee-paid).

Stat. Auth.: ORS 243.860 - 243.886
Stats. Implemented: ORS 243.864(1)(a), 243.868(1) & 243.872(2)
Hist.: OEBB 8-2010(Temp), f. & cert. ef. 8-3-10 thru 1-29-11; OEBB 2-2011, f. & cert. ef. 2-11-11

111-030-0040
Long Term Care (LTC) Benefit Plan Selection Criteria

Educational Entities may select or allow LTC options to be available for or to each Employee Group unless otherwise specified in an OEBB administrative rule. OEBB offers employer-paid and employee-paid LTC options.

(1) Employee-paid LTC is a voluntary plan where members can choose to enroll. No minimum enrollment requirement.

(2) Employer-paid LTC requires 100 percent eligible employee enrollment if selected.

Stat. Auth.: ORS 243.860 - 243.886
Stats. Implemented: ORS 243.864(1)(a), 243.868(1) & 243.872(2)
Hist.: OEBB 8-2010(Temp), f. & cert. ef. 8-3-10 thru 1-29-11; OEBB 2-2011, f. & cert. ef. 2-11-11

111-030-0045
Employee Assistance Program (EAP) Plan Selection Criteria

(1) Educational Entities may select or allow an EAP option to be available to all Entity employees including, but not limited to, OEBB benefit-eligible employees and their dependents.

(2) Enrollment will happen automatically if selected by an Educational Entity.

Stat. Auth.: ORS 243.860 - 243.886
Stats. Implemented: ORS 243.864(1)(a), 243.868(1), 243.872(2)
Hist.: OEBB 8-2010(Temp), f. & cert. ef. 8-3-10 thru 1-29-11; OEBB 2-2011, f. & cert. ef. 2-11-11

111-030-0046
Development of Health Savings Accounts (HSA)

(1) Effective October 1, 2011, OEBB will offer the use of an employer sponsored vendor for Health Savings Accounts (HSA). For purposes of this rule, an HSA vendor will be considered employer sponsored if the Educational Entity offers:

(A) Employer contributions to the HSA; or

(B) Pre-tax or direct deposit of employee contributions to the HSA.

(2) If an Educational Entity chooses to offer an employer sponsored HSA, the Educational Entity may offer this plan through the OEBB-contracted HSA.

(3) Educational Entities may select or allow the HSA option to be available to eligible employees who enroll in OEBB's high-deductible health plan (HDHP) option (currently Moda Health Plan H).

(4) Eligible employees who are eligible to enroll in an HSA, and choose the employer sponsored HSA vendor, may do so directly through the HSA vendor or their Educational Entity.

(5) Eligible employees must meet requirements established by the Internal Revenue Service (IRS) to qualify for enrollment in an HSA. Once enrolled in an HSA, members are responsible to adhere to tax requirements of the IRS.

(6) Because IRS requirements for an individual to qualify for enrollment in an HSA include concurrent enrollment in a high-deductible health plan (HDHP), an Educational Entity that offers an employer sponsored HSA must offer its employees the choice of a HDHP option from among OEBB's medical plans (i.e., prior to the 2013–14 plan year, ODS Health Plan 9; beginning with the 2013–14 plan year, Moda Health Plan H). If an employee is enrolled in an OEBB medical plan other than OEBB's HDHP, the employee may not enroll in the OEBB HSA.

Stat. Auth.: ORS 243.860 - 243.886
Stats. Implemented: ORS 243.874(5)
Hist.: OEBB 13-20111(Temp), f. & cert. ef. 8-2-11 thru 1-28-12; OEBB 21-2011, f. 10-13-11, cert. ef. 10-14-11; OEBB 8-2013(Temp), f. & cert. ef. 7-12-13 thru 1-7-14; OEBB 14-2013, f. & cert. ef. 10-23-13

111-030-0047
Development of Flexible Spending Accounts

(1) Effective October 1, 2012, OEBB will offer the use of an employer sponsored vendor for Flexible Spending Accounts (FSAs) including a Health Care Flexible Spending Account, Limited Health Care Spending Account and Dependent Care Flexible Spending Account.

(2) If an Educational Entity chooses to offer an employer sponsored FSA, the Educational Entity may offer this plan through the OEBB-contracted FSA vendor.

(3) Eligible employees who are eligible to enroll in an FSA, and choose the employer sponsored FSA vendor, do so directly through their Educational Entity.

(4) Eligible employees must meet requirements established by the Internal Revenue Service (IRS) to qualify for enrollment in an FSA. Once enrolled in an FSA, members are responsible to adhere to tax requirements of the IRS.

Stat. Auth.: ORS 243.860–243.886
Stats. Implemented: ORS 243.874(5)
Hist.: OEBB 3-2012(Temp), f. & cert .ef. 4-20-12 thru 10-16-12; OEBB 8-2012, f. & cert. ef. 10-9-12

111-030-0050
Premium Rate Structure Selection Process and Limitations

(1) Educational Entities and Local Governments may choose a composite or tiered rate structure for each Employee Group for medical, dental and vision coverage unless otherwise specified in an OEBB administrative rule. The rate structure selected for each coverage type applies to all individuals electing to participate as active employees within an Employee Group.

(2) Educational Entities and Local Governments may select a composite or tiered rate structure for early retirees unless otherwise specified in an OEBB administrative rule.

(3) Educational Entities and Local Governments may select a composite or tiered rate structure for part-time employees of an Employee Group unless otherwise specified in an OEBB administrative rule. If a different rate structure is selected for part-time employees that structure must apply to all participating part-time employees within that Employee Group.

(4) Rate structures must be selected during the plan selection process.

(5) Once an Educational Entity or Local Government elects a change in rate structure for a type of coverage within an Employee Group, the rate structure selection cannot be changed for at least three plan years. The rate structure change will go into effect on the first day of the next plan year, October 1.

(6) Educational Entities or Local Governments who offered LTD on a composite rate structure prior to moving to OEBB coverages can continue to do so. Use of the composite rate structure for LTD plans is only available on a mandatory LTD plan and requires 100 percent enrollment.

(a) Employee Groups using a composite rate structure for mandatory LTD plans effective October 1, 2012, may continue to use either the employer-paid or employee-paid option.

(b) Effective October 1, 2013, OEBB will expand the availability of the composite rate structure for mandatory LTD plans only to those Employee Groups that chose to elect an employer-paid plan option.

(c) Rate structures must be selected during the plan selection period and become effective the first day of the next plan year, October 1.

Stat. Auth.: ORS 243.860 - 243.886
Stats. Implemented: ORS 864(1)(a)
Hist.: OEBB 8-2010(Temp), f. & cert. ef. 8-3-10 thru 1-29-11; OEBB 2-2011, f. & cert. ef. 2-11-11; OEBB 1-2013(Temp), f. & cert. ef 2-21-13 thru 8-19-13; OEBB 4-2013, f. & cert. ef. 5-10-13; OEBB 10-2013(Temp), f. & cert. ef. 10-11-13 thru 4-8-14; OEBB 21-2013, f. & cert. ef. 12-27-13

DIVISION 40

ENROLLMENT

111-040-0001
Effective Dates

(1) Effective Dates for Newly Eligible Employees. Initial benefit elections, unless otherwise specified in a collective bargaining agreement or documented Entity policy in effect on June 30, 2008, are effective on the later of:

(a) The first of the month following a completed online enrollment in the OEBB benefit management system or submission of a paper enrollment or change form, or

(b)(A) The first of the month following the date of hire or the date of eligibility; with the following exception:

(B) The first of the month following approval of Evidence of Insurability for Optional Life Insurance above the guarantee issue amount, Long Term Disability, or Long Term Care insurance.

(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 OEBB administrative rules with the following exceptions:

(a) Coverage for a newborn child is effective on the date of birth. The active eligible employee must add the newborn child to their benefit plans within 60 calendar days from the date of birth in order 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. The active eligible employee must add the adopted child to their benefit plans within 60 calendar days from the date of the decree or placement in order for the newly adopted child to be eligible for benefit coverage; and

(A) The active eligible employee must submit the adoption agreement with the enrollment forms to the 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.

(d) The first of the month following approval of Evidence of Insurability for Optional Spouse/Domestic Partner Life insurance above the guaranteed issue amount, if applicable, or Long Term Care Insurance.

(3) Elections made during an open enrollment period are effective on the first day of the new plan year. There will be a 12-month waiting period for services other than preventive dental exams and cleanings and/or routine vision exams for coverage added during the open enrollment period if enrolling in a dental or vision plan in which the employee and/or dependents were previously eligible.

Stat. Auth.: ORS 243.860 - 243.886
Stats. Implemented: ORS 243.864(1)(a)
Hist.: OEBB 14-2008, f. & cert. ef. 8-15-08; OEBB 14-2009(Temp), f. & cert. ef. 7-31-09 thru 1-26-10; OEBB 21-2009, f. & cert. ef. 12-17-09; OEBB 9-2010(Temp), f. & cert. ef. 8-3-10 thru 1-29-11; OEBB 12-2010(Temp), f. 9-30-10, cert. ef. 10-1-10 thru 1-29-11; OEBB 3-2011, f. & cert. ef. 2-11-11; OEBB 17-2011(Temp), f. 9-30-11, cert. ef. 10-1-11 thru 3-29-12; OEBB 23-2011, f. & cert. ef. 12-14-11; OEBB 4-2012(Temp), f. & cert. ef. 4-20-12 thru 10-16-12; OEBB 9-2012, f. & cert. ef. 10-9-12; OEBB 23-2013(Temp), f. & cert. ef. 12-27-13 thru 6-25-14; OEBB 2-2014, f. & cert. ef. 3-7-14

111-040-0005
Termination Dates

(1) Effective October 1, 2011, if an active eligible employee 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 Entities' reconciliation process and shall generally be within 14 days of receiving notification from the employee of the Qualified Status Change event and requested benefit changes.

(3) Effective October 1, 2011, benefit coverage termination that is considered by OEBB to be intentional misrepresentation may be rescinded in compliance with the law. If this occurs, OEBB 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 active eligible employees ends on the last day of the month that they retire, unless otherwise determined in a collective bargaining agreement or documented Entity policy in effect on June 30, 2008. Benefit coverage may be continued based on the requirements and limitations in OARs 111-050-0001 through 111-050-0050.

Stat. Auth.: ORS 243.860 - 243.886
Stats. Implemented: ORS 243.864(1)(a)
Hist.: OEBB 14-2008, f. & cert. ef. 8-15-08; OEBB 12-2010(Temp), f. 9-30-10, cert. ef. 10-1-10 thru 1-29-11; OEBB 3-2011, f. & cert. ef. 2-11-11; OEBB 23-2011, f. & cert. ef. 12-14-11; OEBB 4-2012(Temp), f. & cert. ef. 4-20-12 thru 10-16-12; OEBB 9-2012, f. & cert. ef. 10-9-12; OEBB 23-2013(Temp), f. & cert. ef. 12-27-13 thru 6-25-14; OEBB 2-2014, f. & cert. ef. 3-7-14

111-040-0010
Newly-hired and Newly-eligible Employees

(1) Newly-hired and newly-eligible employees must enroll in OEBB-sponsored benefit plans through the OEBB benefit management system or paper equivalent within 31 calendar days of the date of hire or date of gaining eligibility, unless determined otherwise in

a separate OEBB administrative rule or in a collective bargaining agreement or documented Entity policy in effect on June 30, 2008.

(2) An employee enrolling in OEBB-sponsored benefit plans and terminating employment before the effective date of benefit coverage is not eligible to receive benefits.

Stat. Auth: 2007 OL Ch. 7
Stats. Implemented: 2007 OL Ch. 7, Sec. 3
Hist.: OEBB 14-2008, f. & cert. ef. 8-15-08; OEBB 4-2012(Temp), f. & cert. ef. 4-20-12 thru 10-16-12; OEBB 9-2012, f. & cert. ef. 10-9-12; OEBB 23-2013(Temp), f. & cert. ef. 12-27-13 thru 6-25-14; OEBB 2-2014, f. & cert. ef. 3-7-14

111-040-0011
Returning to Benefit Eligible Status

(1) A former Eligible Employee returning to benefit-eligible status with the same Entity following an unpaid leave of absence, or termination of employment, or returning from a strike, lock-out, layoff, within six months of the date eligibility was lost will have their benefit plans and coverages reinstated.

(a) All coverages and plans previously enrolled in will be effective the first of the month following the date eligibility is regained, unless otherwise stipulated in a collective bargaining agreement or documented Entity policy in effect on or before May 1, 2013.

(b) The 12-month late enrollment waiting period for dental and/or vision coverage will only apply if it was in effect at the time coverage was initially lost.

(c) Plan changes or changes to covered dependents may only be made if:

(A) A Qualified Status Change occurred during the period of ineligibility, consistent with OAR 111-040-0040, and requested within 31 days of returning to benefit-eligible status, or

(B) Benefits are being reinstated in a new plan year from which benefits were initially lost.

(2) If reinstatement occurs within the same plan year, medical, dental and vision coverage will be reinstated at the same level as was in effect immediately prior to the loss of eligibility. (i.e., dental incentive levels, amounts applied toward deductibles, annual maximum out-of-pockets and benefit maximums, and benefits beyond routine and basic dental and vision), if applicable.

(3) The Uniformed Services Employment and Reemployment Rights Act (USERRA). USERRA gives an employee and previously covered dependents the right to reinstate coverage upon returning to employment with the Entity in a benefit eligible position with no waiting period.

Stat. Auth.: ORS 243.860 – 243.886
Stats. Implemented: ORS 243.864(1)(a)
Hist.: OEBB 3-2013, f. & cert. ef. 4-26-13; OEBB 23-2013(Temp), f. & cert. ef. 12-27-13 thru 6-25-14; OEBB 2-2014, f. & cert. ef. 3-7-14

111-040-0015
Removing an Ineligible Individual from Benefit Plans

(1) An active employee who enrolls them self and/or an eligible person is responsible for removing spouses, domestic partners and children from their OEBB-sponsored benefit plans by submitting completed, applicable forms to their Entity benefits administrator within 31 calendar days after the date the individual becomes ineligible. Coverage ends on the date identified under OAR 111-040-0005.

(2) An Entity is responsible for removing ineligible individuals from the OEBB benefits management system. The Entity must complete such removal within 14 calendar days after:

(a) An event resulting in loss of the employee's eligibility, or

(b) The receipt of notification of an event resulting in loss of eligibility of the employee's spouse, domestic partner or child.

(3) If coverage of an employee's spouse, domestic partner or child is terminated retroactively then:

(a) The employee 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) OEBB shall conduct eligibility verifications and reviews to monitor compliance with OEBB 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.

Stat. Auth.: ORS 243.860 - 243.886
Stats. Implemented: ORS 243.864(1)(a)
Hist.: OEBB 14-2008, f. & cert. ef. 8-15-08; OEBB 9-2010(Temp), f. & cert. ef. 8-3-10 thru 1-29-11; OEBB 12-2010(Temp), f. 9-30-10, cert. ef. 10-1-10 thru 1-29-11; OEBB 3-2011, f. & cert. ef. 2-11-11; OEBB 17-2011(Temp), f. 9-30-11, cert. ef. 10-1-11 thru 3-29-12; OEBB 23-2011, f. & cert. ef. 12-14-11; OEBB 4-2012(Temp), f. & cert. ef. 4-20-12 thru 10-16-12; OEBB 9-2012, f. & cert. ef. 10-9-12; OEBB 15-2013, f.& cert. ef. 10-23-13; OEBB 23-2013(Temp), f. & cert. ef. 12-27-13 thru 6-25-14; OEBB 2-2014, f. & cert. ef. 3-7-14

111-040-0020
Open Enrollment

(1) Eligible employees may make benefit plan changes or elections and add or remove eligible dependents during open enrollment periods as designated by OEBB.

(2) Coverage under OEBB-sponsored benefits plans for an eligible individual added during open enrollment begins on the first day of the new plan year. Dental and vision coverage added during the open enrollment period will be limited to preventive dental exams and cleanings and routine vision exams for the first 12 months of coverage, if the eligible individual and/or their eligible dependents were eligible for the coverage directly prior to the beginning of the new plan year. Coverage for an individual terminated during open enrollment ends on the last day of the month of the current plan year.

(3) Benefit plan elections are irrevocable for the new plan year except as specified in OAR 111-040-0040.

Stat. Auth.: ORS 243.860 - 243.886
Stats. Implemented: ORS 243.864(1)(a)
Hist.: OEBB 14-2008, f. & cert. ef. 8-15-08; OEBB 12-2010(Temp), f. 9-30-10, cert. ef. 10-1-10 thru 1-29-11; OEBB 3-2011, f. & cert. ef. 2-11-11; OEBB 4-2012(Temp), f. & cert. ef. 4-20-12 thru 10-16-12; OEBB 9-2012, f. & cert. ef. 10-9-12

111-040-0025
Correcting Enrollment and Processing Errors

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

(a) OEBB authorizes Entities to correct enrollment errors reported by the Eligible Employee within 45 calendar days of the original eligibility date, open enrollment period end date, or Qualified Status Change date.

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

(2) Benefit Administrator Processing Errors. Processing errors or omissions occur when benefit plan elections are processed incorrectly in the benefit system or when a newly eligible employee does not receive correct enrollment information.

(a) OEBB authorizes Entities to correct processing errors identified within 45 calendar days of the eligibility date, open enrollment period end date, or Qualified Status Change date. The Entity must reconcile all premium discrepancies.

(b) Processing errors identified after 45 calendar days of the eligibility date, open enrollment period end date, or Qualified Status Change date must be submitted to OEBB for review and approval based on OAR 111-080-0030. The Educational Entity must reconcile all premium discrepancies within 30 calendar days of any adjustments made in the system.

(3) The effective date for the correction of either an employee enrollment error or benefit administrator error is retroactive to the original effective date as identified in OAR 111-040-0001.

(4) The OEBB Administrator has the authority to grant exceptions to OEBB's Administrative Rules when there are extenuating circumstances which can be supported by documentation and verified by OEBB staff.

Stat. Auth.: ORS 243.860 - 243.886
Stats. Implemented: ORS 243.864(1)(a)
Hist.: OEBB 14-2008, f. & cert. ef. 8-15-08; OEBB 14-2009(Temp), f. & cert. ef. 7-31-09 thru 1-26-10; OEBB 21-2009, f. & cert. ef. 12-17-09; OEBB 9-2010(Temp), f. & cert. ef. 8-3-10 thru 1-29-11; OEBB 3-2011, f. & cert. ef. 2-11-11; OEBB 17-2011(Temp), f. 9-30-11, cert. ef. 10-1-11 thru 3-29-12; OEBB 23-2011, f. & cert. ef. 12-14-11; OEBB 4-2012(Temp), f. & cert. ef. 4-20-12 thru 10-16-12; OEBB 9-2012, f. & cert. ef. 10-9-12; OEBB 23-2013(Temp), f. & cert. ef. 12-27-13 thru 6-25-14; OEBB 2-2014, f. & cert. ef. 3-7-14

111-040-0030
Late Enrollment

(1) Late enrollment occurs when an active eligible employee fails to notify their Entity of the Qualified Status Change within 31 calendar days, or unless otherwise specified in rule, of:

(a) The date of hire or other benefit eligibility date as identified in OAR 111-040-0001;

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

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

(d) The date of birth of the employee's biological newborn child;

(e) The date the child was adopted or the date the employee became the legal guardian.

(2) OEBB authorizes Entities to add and/or enroll employees and dependents within 45 calendar days of the eligibility dates referenced in sections (1)(a), (1)(b), and (1)(c) and within 60 calendar days of the eligibility dates referenced in (1)(d) and (1)(e).

(3) OEBB 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), (1)(b), and (1)(c), and more than 60 calendar days after the eligibility dates referenced in sections (1)(d) and (1)(e).

(4) Approved late enrollment requests, unless determined otherwise in a collective bargaining agreement or documented district policy in effect on June 30, 2008, are effective the first of the month following the date the request is received by an Entity benefits administrator or OEBB, 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.

Stat. Auth.: ORS 243.860 - 243.886
Stats. Implemented: ORS 243.864(1)(a)
Hist.: OEBB 14-2008, f. & cert. ef. 8-15-08; OEBB 14-2009(Temp), f. & cert. ef. 7-31-09 thru 1-26-10; OEBB 21-2009, f. & cert. ef. 12-17-09; OEBB 9-2010(Temp), f. & cert. ef. 8-3-10 thru 1-29-11; OEBB 3-2011, f. & cert. ef. 2-11-11; OEBB 4-2012(Temp), f. & cert. ef. 4-20-12 thru 10-16-12; OEBB 9-2012, f. & cert. ef. 10-9-12; OEBB 23-2013(Temp), f. & cert. ef. 12-27-13 thru 6-25-14; OEBB 2-2014, f. & cert. ef. 3-7-14

111-040-0040
Qualified Status Changes (QSC's)

(1) An Eligible Employee experiencing a change in family or work status as noted below after an annual open enrollment, or anytime during the plan year, has 31 calendar days beginning on the date of the event to make allowable changes. If the event is gaining a child, as defined by 111-040-0040(4)(c), or results in a loss of eligibility, the Eligible Employee has 60 calendar days after the event to make allowable changes.

(2) An Eligible Employee can only make changes that are consistent with the event for them self and/or dependents.

(3) An Eligible Employee must report the Qualified Status Change (QSC) to the employee's 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 OEBB may rescind 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 an employee to make changes to his or her coverage are:

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

(d) Change in employee group which affects plan option availability;

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

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

(g) Event by which a child satisfies eligibility requirements under OEBB plans;

(h) Event by which a child ceases to satisfy eligibility requirements under OEBB plans;

(i) 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);

(j) 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.

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

(l) Related laws or court orders. For example: Qualified Medical Child Support Order (QMSCO), Entitlement to Medicare or Medicaid, HIPAA, or Children's Health Insurance Program (CHIP) 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 any time 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(1)(a)
Hist.: OEBB 14-2008, f. & cert. ef. 8-15-08; OEBB 10-2009(Temp), f. 5-4-09, cert. ef. 5-5-09 thru 10-31-09; OEBB 11-2009, f. & cert. ef. 7-31-09; OEBB 17-2009(Temp), f. & cert. ef. 10-7-09 thru 4-4-10; OEBB 22-2009, f. & cert. ef. 12-17-09; OEBB 2-2010(Temp), f. & cert. ef. 3-3-10 thru 8-29-10; OEBB 6-2010, f. & cert. ef. 8-3-10; OEBB 9-2010(Temp), f. & cert. ef. 8-3-10 thru 1-29-11; OEBB 12-2010(Temp), f. 9-30-10, cert. ef. 10-1-10 thru 1-29-11; OEBB 3-2011, f. & cert. ef. 2-11-11; OEBB 7-2011(Temp), f. & cert. ef. 2-15-11 thru 8-13-11; OEBB 11-2011, f. & cert. ef. 6-22-11; OEBB 17-2011(Temp), f. 9-30-11, cert. ef. 10-1-11 thru 3-29-12; OEBB 23-2011, f. & cert. ef. 12-14-11; OEBB 4-2012(Temp), f. & cert. ef. 4-20-12 thru 10-16-12; OEBB 9-2012, f. & cert. ef. 10-9-12; OEBB 23-2013(Temp), f. & cert. ef. 12-27-13 thru 6-25-14; OEBB 2-2014, f. & cert. ef. 3-7-14

111-040-0050
Declination of Coverage

(1) As used in this section:

(a) "Opting out of coverage" means that an otherwise Eligible Employee elects not to enroll in a medical plan and is eligible to receive a portion of the cash contribution or other type of remuneration as provided for under a collective bargaining agreement, documented Entity policy, or employment contract.

(b) "Waiving benefits" means that an otherwise Eligible Employee elects not to enroll in any one of the benefit plans available under the OEBB-sponsored benefits program and is not eligi-

ble to receive any portion of a cash contribution or other type of remuneration.

(2) Unless otherwise specified in a collective bargaining agreement, documented Entity policy or employment contract in effect on July 1, 2008, an Eligible Employee may opt out of the OEBB-sponsored medical benefit plans. Eligible Employees electing to opt out must:

(a) Maintain coverage under another employer-sponsored group medical benefit plan;

(b) Meet the requirements of the Entity opt out program in which they are participating;

(c) Submit their election to opt out through the OEBB benefit management system; and

(d) If requested, provide proof of current coverage under another employer-sponsored group medical benefit plan.

(3) Eligible Employees electing to opt out of the OEBB-sponsored medical benefit plans may enroll in the dental benefit plans, vision benefit plans, and optional benefit plans.

(4) The level and type of funds and allowances retained by Eligible Employees and Entities as a result of opt out programs are determined through collective bargaining agreements and documented Entity policies.

(5) An Entity will provide OEBB with a written description of its opt out program upon request.

(6) An otherwise Eligible Employee may opt-out of medical if the criteria above are met, decline dental and/or vision, or elect any combination of benefits provided under the OEBB-sponsored benefits program, unless otherwise stated in a collective bargaining agreement or documented Entity policy.

(7) Elections to opt out of the medical benefit plans or waive benefits must be made at the time of hire, when initially meeting eligibility, during an open enrollment period, or following a QSC event whereby the OEBB QSC Matrix allows this as an option.

(a) Coverage for previously OEBB-eligible employees or a previously OEBB-eligible dependent enrolling in the dental and/or vision plans during an open enrollment period will be limited to routine and preventive care for the first 12 months and subject to a 12-month waiting period for orthodontia coverage.

(b) An Eligible Employee who enrolls in the dental or vision plans, or adds previously OEBB- eligible dependents to the dental and vision plans following and consistent with a QSC event will not be subject to waiting periods.

(8) An Eligible Employee electing to not enroll when initially eligible for optional insurance plans, or enrolling for more than the guarantee issue amount, will have to go through a medical review. Failure to remit a medical history statement or complete other requirements will result in a declination of requested amounts, or the amount above the guaranteed amount, if applicable.

(9) An Eligible Employee electing to not enroll when initially eligible for optional short term disability will be subject to a late enrollment penalty upon enrollment.

Stat. Auth.: ORS 243.860 - 243.886

Stats. Implemented: ORS 243.864(1)(a)

Hist.: OEBB 9-2008, f. 6-25-08, cert. ef. 6-26-08; OEBB 14-2009(Temp), f. & cert. ef. 7-31-09 thru 1-26-10; OEBB 21-2009, f. & cert. ef. 12-17-09; OEBB 9-2010(Temp), f. & cert. ef. 8-3-10 thru 1-29-11; OEBB 3-2011, f. & cert. ef. 2-11-11; OEBB 4-2012(Temp), f. & cert. ef. 4-20-12 thru 10-16-12; OEBB 9-2012, f. & cert. ef. 10-9-12; OEBB 23-2013(Temp), f. & cert. ef. 12-27-13 thru 6-25-14; OEBB 2-2014, f. & cert. ef. 3-7-14

DIVISION 50

CONTINUATION OF COVERAGE

111-050-0001
Continuation of Group Medical and Dental Insurance Coverage under the Consolidated Omnibus Budget Reconciliation Act (COBRA)

COBRA allows an eligible individual losing group health plan coverage due to a qualifying event to continue their coverage for a limited time on a self-pay basis.

(1) OEBB will issue or cause the issuance of an initial COBRA notice explaining the right to continue medical and dental insurance plans to all newly eligible employees and individuals.

(a) The notice must be mailed to the eligible employee's known address immediately following enrollment in OEBB medical or dental insurance plans. The notice must include all known eligible individuals residing at the address. Known eligible individuals residing separately from the eligible employee must be mailed a separate notice at their known address.

(b) The initial COBRA notice must be mailed to individuals becoming newly eligible due to marriage or the formation of a domestic partnership.

(2) A COBRA triggering event must cause the loss of benefit coverage. COBRA triggering events include:

(a) An involuntary reduction in hours or layoff;

(b) A strike or lockout;

(c) The beginning of an unpaid leave of absence;

(d) The termination of employment;

(e) Retirement;

(f) A child no longer satisfying eligibility requirements;

(g) The loss of employer-sponsored group coverage for dependents due to Medicare eligibility;

(h) A divorce or termination of a domestic partnership; and

(i) The death of the employee.

(3) All individuals losing eligibility due to a triggering event must receive a COBRA continuation notice.

(4) An eligible employee or dependent has 60 days from the receipt of the COBRA notice to activate their COBRA rights of continuation and 45 days from the election date to pay the initial premium. Generally, OEBB-sponsored insurance coverage must be continuous.

(5) Generally, medical plans may be continued under COBRA provisions for the following basic maximum coverage periods:

(a) 18 months after the date of the triggering events specified in section (2)(a)–(e) above; and

(b) An 11 month extension is provided to COBRA participants when there is a disability determination by the Social Security Administration and the plan is notified within the required timeline, resulting in a 29 month coverage period; or

(c) 36 months after the date of the triggering events specified in section (2)(f)–(i) above.

(6) An eligible employee's spouse or domestic partner who is 55 years of age or older and who loses benefit coverage due to events specified in section (2)(h) and (i) above, may continue OEBB medical insurance coverage for themselves and their children beyond the general 36-month COBRA continuation period. An eligible individual may continue their OEBB medical insurance coverage until they are entitled to Medicare, are covered under another group medical insurance plan or otherwise lose eligibility.

(7) An eligible individual continuing OEBB medical insurance coverage only or medical and dental insurance coverage under COBRA provisions has the same rights as active eligible employees for making changes midyear and during the open enrollment period.

(8) COBRA coverage will terminate on the last day of the month for which premiums are paid in full.

Stat. Auth.: ORS 243.860 - 243.886

Stats. Implemented: ORS 243.864(1)(a)

Hist.: OEBB 2-2007(Temp), f. & cert. ef. 9-21-07 thru 3-18-08; OEBB 7-2008, f. & cert. ef. 4-15-08; OEBB 13-2008(Temp), f. & cert. ef. 8-15-08 thru 2-11-09; OEBB 3-2009, f. & cert. ef. 1-30-09; OEBB 13-2010(Temp), f. 9-30-10, cert. ef. 10-1-10 thru 1-29-11; OEBB 4-2011, f. & cert. ef. 2-11-11

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.

Stat. Auth.: ORS 243.860 - 243.886
Stats. Implemented: ORS 243.864(1)(a)
Hist.: OEBB 2-2007(Temp), f. & cert. ef. 9-21-07 thru 3-18-08; OEBB 7-2008, f. & cert. ef. 4-15-08; OEBB 13-2008(Temp), f. & cert. ef. 8-15-08 thru 2-11-09; OEBB 3-2009, f. & cert. ef. 1-30-09; OEBB 15-2009(Temp), f. & cert. ef. 7-31-09 thru 1-26-10; OEBB 1-2010, f. & cert. ef. 2-1-10; OEBB 10-2010(Temp), f. & cert. ef. 8-3-10 thru 1-29-11; OEBB 4-2011, f. & cert. ef. 2-11-11; OEBB 5-2012(Temp), f. & cert. ef. 4-20-12 thru 10-16-12; OEBB 10-2012, f. & cert. ef. 10-9-12; OEBB 16-2013, f.& cert. ef. 10-23-13

111-050-0015
Medical, Dental and Vision Termination Dates for Early Retirees

(1) An Eligible Early 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 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 31days 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 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 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 policy or collective bargaining agreement. Coverage is based on the OEBB dental plans that the Educational Entity offers to retired OEBB Medicare-eligible individuals.

Stat. Auth.: ORS 243.860 - 243.886
Stats. Implemented: ORS 243.864(1)(a)
Hist.: OEBB 2-2007(Temp), f. & cert. ef. 9-21-07 thru 3-18-08; OEBB 7-2008, f. & cert. ef. 4-15-08; OEBB 3-2009, f. & cert. ef. 1-30-09; OEBB 15-2009(Temp), f. & cert. ef. 7-31-09 thru 1-26-10; OEBB 1-2010, f. & cert. ef. 2-1-10; OEBB 13-2010(Temp), f. 9-30-10, cert. ef. 10-1-10 thru 1-29-11; OEBB 4-2011, f. & cert. ef. 2-11-11; OEBB 18-2011(Temp), f. 9-30-11, cert. ef. 10-1-11 thru 3-29-12; OEBB 24-2011, f. & cert. ef. 12-14-11; OEBB 5-2012(Temp), f. & cert. ef. 4-20-12 thru 10-16-12; OEBB 10-2012, f. & cert. ef. 10-9-12

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 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.

Stat. Auth.: ORS 243.860 - 243.886
Stats. Implemented: ORS 243.864(1)(a)
Hist.: OEBB 1-2010, f. & cert. ef. 2-1-10; OEBB 10-2010(Temp), f. & cert. ef. 8-3-10 thru 1-29-11; OEBB 4-2011, f. & cert. ef. 2-11-11; OEBB 5-2012(Temp), f. & cert. ef. 4-20-12 thru 10-16-12; OEBB 10-2012, f. & cert. ef. 10-9-12

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 OEBB-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.

(c) Disenroll in any or all plans. Once a retiree drops coverage the retiree cannot re-enroll.

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

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

(3) Coverage not elected 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 OEBB-sponsored medical plan, dental 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 policy with the following restrictions:

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

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

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

(5) Plan Change Periods: OEBB 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.

(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 OEBB QSC Matrix.

Stat. Auth.: ORS 243.860 - 243.886
Stats. Implemented: ORS 243.864(1)(a)
Hist.: OEBB 13-2008(Temp), f. & cert. ef. 8-15-08 thru 2-11-09; OEBB 3-2009, f. & cert. ef. 1-30-09; OEBB 15-2009(Temp), f. & cert. ef. 7-31-09 thru 1-26-10; OEBB 1-2010, f. & cert. ef. 2-1-10; OEBB 10-2010(Temp), f. & cert. ef. 8-3-10 thru 1-29-11; OEBB 4-2011, f. & cert. ef. 2-11-11; OEBB 5-2012(Temp), f. & cert. ef. 4-20-12 thru 10-16-12; OEBB 10-2012, f. & cert. ef. 10-9-12

111-050-0025
Effective Dates

(1) Benefit plan changes or initial elections, unless otherwise specified in a collective bargaining agreement or documented district 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 OEBB 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.

Stat. Auth.: ORS 243.860 - 243.886
Stats. Implemented: ORS 243.864(1)(a)
Hist.: OEBB 13-2008(Temp), f. & cert. ef. 8-15-08 thru 2-11-09; OEBB 3-2009, f. & cert. ef. 1-30-09; OEBB 15-2009(Temp), f. & cert. ef. 7-31-09 thru 1-26-10; OEBB 1-2010, f. & cert. ef. 2-1-10; OEBB 10-2010(Temp), f. & cert. ef. 8-3-10 thru 1-29-11; OEBB 4-2011, f. & cert. ef. 2-11-11; OEBB 18-2011(Temp), f. 9-30-11, cert. ef. 10-1-11 thru 3-29-12; OEBB 24-2011, f. & cert. ef. 12-14-11; OEBB 5-2012(Temp), f. & cert. ef. 4-20-12 thru 10-16-12; OEBB 10-2012, f. & cert. ef. 10-9-12

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) OEBB 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 OEBB 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) OEBB 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 OEBB 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.

Stat. Auth.: ORS 243.860 - 243.886
Stats. Implemented: ORS 243.864(1)(a)
Hist.: OEBB 13-2008(Temp), f. & cert. ef. 8-15-08 thru 2-11-09; OEBB 3-2009, f. & cert. ef. 1-30-09; OEBB 10-2010(Temp), f. & cert. ef. 8-3-10 thru 1-29-11; OEBB 13-2010(Temp), f. 9-30-10, cert. ef. 10-1-10 thru 1-29-11; OEBB 4-2011, f. & cert. ef. 2-11-11; OEBB 18-2011(Temp), f. 9-30-11, cert. ef. 10-1-11 thru 3-29-12; OEBB 24-2011, f. & cert. ef. 12-14-11; OEBB 5-2012(Temp), f. & cert. ef. 4-20-12 thru 10-16-12; OEBB 10-2012, f. & cert. ef. 10-9-12

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 of the date the retiree became the legal guardian.

(2) OEBB 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) OEBB 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 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 OEBB, except for approved requests to add newborn chil-

dren or newly adopted child which are retroactive to the month the child was born or adopted along with any premium adjustments.

Stat. Auth.: ORS 243.860 - 243.886
Stats. Implemented: ORS 243.864(1)(a)
Hist.: OEBB 13-2008(Temp), f. & cert. ef. 8-15-08 thru 2-11-09; OEBB 3-2009, f. & cert. ef. 1-30-09; OEBB 10-2010(Temp), f. & cert. ef. 8-3-10 thru 1-29-11; OEBB 4-2011, f. & cert. ef. 2-11-11; OEBB 5-2012(Temp), f. & cert. ef. 4-20-12 thru 10-16-12; OEBB 10-2012, f. & cert. ef. 10-9-12

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 OEBB to be intentional misrepresentation may be rescinded in compliance with the law. If this occurs, OEBB 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 policy in effect on June 30, 2008.

Stat. Auth.: ORS 243.860 - 243.886
Stats. Implemented: ORS 243.864(1)(a)
Hist.: OEBB 13-2008(Temp), f. & cert. ef. 8-15-08 thru 2-11-09; OEBB 3-2009, f. & cert. ef. 1-30-09; OEBB 13-2010(Temp), f. 9-30-10, cert. ef. 10-1-10 thru 1-29-11; OEBB 4-2011, f. & cert. ef. 2-11-11; OEBB 18-2011(Temp), f. 9-30-11, cert. ef. 10-1-11 thru 3-29-12; OEBB 24-2011, f. & cert. ef. 12-14-11; OEBB 5-2012(Temp), f. & cert. ef. 4-20-12 thru 10-16-12; OEBB 10-2012, f. & cert. ef. 10-9-12

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 OEBB-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 OEBB 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 early retiree's spouse, domestic partner or child is terminated retroactively then:

(a) The early retire 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) OEBB shall conduct eligibility verifications and reviews to monitor compliance with OEBB 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) OEBB 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.

Stat. Auth.: ORS 243.860 - 243.886
Stats. Implemented: ORS 243.864(1)(a)
Hist.: OEBB 13-2008(Temp), f. & cert. ef. 8-15-08 thru 2-11-09; OEBB 3-2009, f. & cert. ef. 1-30-09; OEBB 10-2010(Temp), f. & cert. ef. 8-3-10 thru 1-29-11; OEBB 13-2010(Temp), f. 9-30-10, cert. ef. 10-1-10 thru 1-29-11; OEBB 4-2011, f. & cert. ef. 2-11-11; OEBB 18-2011(Temp), f. 9-30-11, cert. ef. 10-1-11 thru 3-29-12; OEBB 24-2011, f. & cert. ef. 12-14-11; OEBB 5-2012(Temp), f. & cert. ef. 4-20-12 thru 10-16-12; OEBB 10-2012, f. & cert. ef. 10-9-12; OEBB 16-2013, f.& cert. ef. 10-23-13

111-050-0060
Continuation of Coverage for Eligible Employees Covered under the Federal Family Medical Leave Act

OEBB 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.

Stat. Auth.: ORS 243.860 - 243.886
Stats. Implemented: ORS 243.864(1)(a)
Hist.: OEBB 16-2008(Temp), f. & cert. ef. 10-16-08 thru 4-13-09; OEBB 3-2009, f. & cert. ef. 1-30-09; OEBB 10-2010(Temp), f. & cert. ef. 8-3-10 thru 1-29-11; OEBB 4-2011, f. & cert. ef. 2-11-11

111-050-0065
Continuation of Coverage for Eligible Employees Covered under the Oregon Family Leave Act

OEBB 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.

Stat. Auth.: ORS 243.860 - 243.886
Stats. Implemented: ORS 243.864(1)(a)
Hist.: OEBB 16-2008(Temp), f. & cert. ef. 10-16-08 thru 4-13-09; OEBB 3-2009, f. & cert. ef. 1-30-09; OEBB 10-2010(Temp), f. & cert. ef. 8-3-10 thru 1-29-11; OEBB 4-2011, f. & cert. ef. 2-11-11

111-050-0070
Continuation of Coverage for Eligible Employees during an Approved Leave of Absence.

OEBB 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 policies in effect on or before October 1, 2008.

Stat. Auth.: ORS 243.860 - 243.886
Stats. Implemented: ORS 243.864(1)(a)
Hist.: OEBB 16-2008(Temp), f. & cert. ef. 10-16-08 thru 4-13-09; OEBB 3-2009, f. & cert. ef. 1-30-09; OEBB 10-2010(Temp), f. & cert. ef. 8-3-10 thru 1-29-11; OEBB 4-2011, f. & cert. ef. 2-11-11

111-050-0075
Continuation of coverage for Eligible Employees on Active Military Service

OEBB 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.

Stat. Auth.: ORS 243.860 - 243.886
Stats. Implemented: ORS 243.864(1)(a)
Hist.: OEBB 16-2008(Temp), f. & cert. ef. 10-16-08 thru 4-13-09; OEBB 3-2009, f. & cert. ef. 1-30-09; OEBB 10-2010(Temp), f. & cert. ef. 8-3-10 thru 1-29-11; OEBB 4-2011, f. & cert. ef. 2-11-11

111-050-0080
Portability and Conversion of Coverage

(1) OEBB medical, life and accidental death and dismemberment carrier(s) will make portability plans available to members in accordance with related state and federal laws, rules and regulations. Eligibility criteria for this coverage can be found in carrier member handbooks.

(2) OEBB life insurance carrier(s) will make conversion plans available to members in accordance with related state and federal

laws, rules and regulations. Eligibility criteria for this coverage can be found in the carrier's member handbook.

(3) OEBB 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.

Stat. Auth.: ORS 243.860 - 243.886
Stats. Implemented: ORS 243.864(1)(a)
Hist.: OEBB 16-2008(Temp), f. & cert. ef. 10-16-08 thru 4-13-09; OEBB 3-2009, f. & cert. ef. 1-30-09; OEBB 15-2009(Temp), f. & cert. ef. 7-31-09 thru 1-26-10; OEBB 1-2010, f. & cert. ef. 2-1-10; OEBB 10-2010(Temp), f. & cert. ef. 8-3-10 thru 1-29-11; OEBB 4-2011, f. & cert. ef. 2-11-11

DIVISION 60

INFORMATION REQUIREMENTS AND REQUESTS

111-060-0001
Use of Social Security Numbers

(1) The Oregon Educators Benefit Board (OEBB) will comply with the requirements of Section 7 of the Privacy Act of 1974 and the Oregon Consumer Identity Theft Protection Act, ORS 646A.600 to 646A.628 when requesting or requiring complete or partial disclosure of an eligible employee's or family member's, as defined in ORS 243.860(4) and (5) respectively, social security number.

(2) OEBB may request voluntary disclosure and consent to use the social security number of an eligible employee or family member for the following reasons:

(a) OEBB's internal verification and identification of enrollments or elections for participation in benefits provided by OEBB.

(b) Medicare Secondary Payer Mandatory Reporting Provisions in Section 111 of the Medicare, Medi-caid, and SCHIP Extension Act of 2007 (Public Law 110-173).

(3) A request for disclosure of an employee's social security number will notify the eligible employee or family member:

(a) Whether disclosure is mandatory or voluntary;

(b) Under what statutory or other authority the social security number is requested;

(c) What specific use or uses will be made of the number; and

(d) What effect, if any, refusal to provide the number or to grant consent for a voluntary use as described above in (2) will have on an individual.

(4) An eligible employee's or family member's social security number may not be put to a voluntary use as described above in (2) unless the eligible employee or family member has granted consent for that use. If, after having provided notice and received consent to use an eligible employee's or family member's social security number for specified purposes, OEBB wishes to use the social security number for addi-tional purposes not included in the original notice and consent, OEBB must provide the eligible employee or family member notice and receive the eligible employee's or family member's consent to use the num-ber for those additional purposes.

(5) An eligible employee's or family member's refusal to permit voluntary use of his or her social security number will not be used as a basis to deny the eligible employee or family member a right, benefit, or privilege provided by law.

(6) The request for the disclosure of the SSN has been incorporated in the MyOEBB Benefit Management System where all OEBB benefit eligible employees select, enroll, and manage their benefits.

(7) Per guidelines established by Section 111 of the Medicare, Medicaid, and SCHIP Extension Act of 2007, an entity, a plan administrator, or a fiduciary that fails to comply with the requirements may be sub-ject to a civil money penalty of $1,000 for each day of noncompliance for each eligible employee. Failure by the eligible employee to supply the required information, including, but not limited to, their own or their family member's social security number, Health Insurance Claim Number (HICN) or compliance letter issued by the Centers for Medicare and Medicaid Services (CMS) could result in the termination of coverage provided by the insurance carrier or administrator.

Stat Auth: ORS 243.864; Other Auth: Sec. 1862 of the Social Security Act (42 U.S.C. 1395y(b)(7)&(b)(8))
Stats. Implemented: ORS 243.860, 646A.600 - 646A.628 & Sec. 1862 of the Social Security Act (42 U.S.C. 1395y(b)(7)&(b)(8))
Hist.: OEBB 6-2008(Temp), f. & cert. ef. 4-1-08 thru 9-28-08; OEBB 15-2008, f. 9-25-08, cert. ef. 9-29-08; OEBB 16-2009(Temp) f. & cert. ef. 7-31-09 thru 1-26-10; OEBB 23-2009, f. & cert. ef. 12-17-09

DIVISION 65

OEBB ADMINISTRATION OF EARLY RETIREE GROUPS

111-065-0001
Definitions

For the purpose of this rule:

(1) "Direct Debit" for purposes of this OAR refers to a payment through an Automated Clearing House (ACH) credit or ACH debit that initiates the movement of funds electronically from the early retiree's individual banking account within the United States to the OEBB Treasury account.

(2) "OEBB Administered Early Retiree" means an individual who meets the definition of Eligible Early Retiree in OAR 111-010-0015 and whose benefits are administered by OEBB.

(3) "Overpayment" means the amount of the early retiree's monthly payment to OEBB that exceeded the amount due.

(4) "Payment in full" means payment received by OEBB which is equal to the current monthly amount due for all benefit premiums which the early retiree is currently enrolled in.

(5) "Underpayment" means a payment submitted on or before the due date by the early retiree that is less than the invoiced amount.

Stats. Auth.: 243.860 - 243.886
Stats. Implemented: ORS 243.864(1)(a)
Hist.: OEBB 6-2012(Temp), f. & cert. ef. 4-20-12 thru 10-16-12; OEBB 11 2012, f. & cert. ef. 10-9-12

111-065-0005
Untitled

The following administrative rules in Division 65 pertain to OEBB Administered Early Retirees in addition to OEBB's Division 50 rules which pertain to all Early Retirees.

Stats. Auth.: 243.860 - 243.886
Stats. Implemented: ORS 243.864(1)(a)
Hist.: OEBB 6-2012(Temp), f. & cert. ef. 4-20-12 thru 10-16-12; OEBB 11 2012, f. & cert. ef. 10-9-12

111-065-0010
OEBB Early Retiree Invoicing

(1) OEBB will enroll the Early Retiree after OEBB has received the enrollment form and one of the following is completed:

(a) The required ACH Authorization for a recurring Direct Debit Payment is received from the early retiree to initiate the setup of automated payments via ACH; or

(b) An Exception Request Form is received from the early retiree and reviewed and approved by OEBB.

(2) OEBB will send payment invoices to early retirees that will provide notification of the amount and payment due date or the date the automatic checking deduction will occur. OEBB will send invoices on or around the 15th of the month with payment due on the 2nd business day of the following month.

(3) Advance payments may be made only within the same Plan Year. However, any remaining balances will be carried into the next Plan Year.

Stats. Auth.: 243.860 - 243.886
Stats. Implemented: ORS 243.864(1)(a)
Hist.: OEBB 6-2012(Temp), f. & cert. ef. 4-20-12 thru 10-16-12; OEBB 11 2012, f. & cert. ef. 10-9-12; OEBB 2-2013(Temp) f. & cert. ef. 4-22-13 thru 10-18-13; OEBB 5-2013, f. & cert. ef. 7-12-13

111-065-0015
Early Retiree Payment Methods and Due Dates

(1) Premium payments will be made through Direct Debit via ACH on the 2nd business day of the month unless otherwise prior authorized by designated OEBB staff.

(2) As necessary, or upon written request of a participating Early Retiree, OEBB staff will review and determine if an alterna-

tive withdrawal date is warranted to avoid future payments being returned for Non-sufficient Funds (NSF) on a recurring basis.

(3) OEBB will accept payment from early retirees by methods other than Direct Debit when specific exceptions apply:

(a) The individual does not have an account with a financial institution within the United States;

(b) The individual's special circumstances, which OEBB will review on a case by case basis.

(4) A request for exception must be made in writing and include the reason why or special circumstance that would not allow the member to submit payment via Direct Debit.

(5) OEBB will review the request for exception, determine whether to allow or deny the exception, and notify the requesting party of its decision within 21 days of receipt of the request.

(6) Notwithstanding OAR 111-065-0010, all premium payments must be received on or before the 2nd business day of the month for the current month's health care coverage. All payments will be subject to this due date.

(7) If the Early Retiree has a checking account, but submits a written letter declining to use the Direct Debit payment method, a $35.00 processing fee shall be applied to the Early Retiree's monthly premium.

Stats. Auth.: 243.860 - 243.886
Stats. Implemented: ORS 243.864(1)(a)
Hist.: OEBB 6-2012(Temp), f. & cert. ef. 4-20-12 thru 10-16-12; OEBB 11 2012, f. & cert. ef. 10-9-12; OEBB 2-2013(Temp) f. & cert. ef. 4-22-13 thru 10-18-13; OEBB 5-2013, f. & cert. ef. 7-12-13

111-065-0020
Early Retiree Overpayments

(1) OEBB will include overpayment amounts on the monthly invoice. The invoice will include the total payment received, the date it was received, the amount of premium payment due, and any remaining balance of additional premiums paid.

(2) OEBB will automatically apply any overpayments to the next month's premium due. The early retiree may complete a Request for Reimbursement form if a refund of an overpayment is desired. The early retiree may be responsible for processing fees associated with refunds less than $100. Reimbursements will be refunded via check.

(3) Remaining balances on coverage that has ended will be refunded in full within 30 days of the coverage end date or the date OEBB is notified that coverage should end, whichever occurs later.

Stats. Auth.: 243.860 - 243.886
Stats. Implemented: ORS 243.864(1)(a)
Hist.: OEBB 6-2012(Temp), f. & cert. ef. 4-20-12 thru 10-16-12; OEBB 11 2012, f. & cert. ef. 10-9-12

111-065-0025
Early Retiree Underpayments

(1) Premiums must be paid in full on or before the 2nd business day of the month, unless otherwise pre-approved by OEBB under OAR 111-065-0015(2).

(2)(a) Early retirees will be notified if their coverage was terminated due to the premium not being paid in full on the specified due date, including payments returned by the bank for Non-Sufficient Funds (NSF), closed bank accounts, and frozen accounts.

(b) A check or ACH transaction that is returned for NSF, closed bank account, or frozen account is considered non-payment of premiums.

Stats. Auth.: 243.860 - 243.886
Stats. Implemented: ORS 243.864(1)(a)
Hist.: OEBB 6-2012(Temp), f. & cert. ef. 4-20-12 thru 10-16-12; OEBB 11 2012, f. & cert. ef. 10-9-12; OEBB 2-2013(Temp) f. & cert. ef. 4-22-13 thru 10-18-13; OEBB 5-2013, f. & cert. ef. 7-12-13

111-065-0030
Termination

(1) OEBB shall not be responsible for any unpaid portion of premiums for coverage and will terminate the early retiree and dependent coverage for non-payment or underpayment of premiums due.

(2) OEBB coverage will be terminated under the following circumstances:

(a) Premiums are not paid in full by the due date. If the payment is not received in full on the 2nd business day of the month unless otherwise preapproved by OEBB under OAR 111-065-0015(2), the early retiree's coverage will be terminated on the last day of the month in which a full premium payment was received; or

(b) As referenced in 111-050-0015.

Stats. Auth.: 243.860 - 243.886
Stats. Implemented: ORS 243.864(1)(a)
Hist.: OEBB 6-2012(Temp), f. & cert. ef. 4-20-12 thru 10-16-12; OEBB 11 2012, f. & cert. ef. 10-9-12; OEBB 2-2013(Temp) f. & cert. ef. 4-22-13 thru 10-18-13; OEBB 5-2013, f. & cert. ef. 7-12-13

111-065-0035
Appeals

Early retirees have the right to use the OEBB Appeals and Administrative Review process as defined in OAR 111-080-0030.

(1) Early retirees may appeal OEBB's eligibility decision.

(2) Early retirees have the right to request a review of benefit and claim issues that are not resolved following the completion of the carrier appeal process. Administrative Review requests relating to denied benefits are limited to a determination of whether or not a benefit was intended to be covered under the current contract.

Stats. Auth.: 243.860 - 243.886
Stats. Implemented: ORS 243.864(1)(a)
Hist.: OEBB 6-2012(Temp), f. & cert. ef. 4-20-12 thru 10-16-12; OEBB 11 2012, f. & cert. ef. 10-9-12

111-065-0040
Continuation of Coverage

(1) Early Retirees and dependents have COBRA rights consistent with 111-050-0001.

(2) Loss of coverage due to failure to make a premium payment is not a qualifying event.

Stats. Auth.: 243.860 - 243.886
Stats. Implemented: ORS 243.864(1)(a)
Hist.: OEBB 6-2012(Temp), f. & cert. ef. 4-20-12 thru 10-16-12; OEBB 11 2012, f. & cert. ef. 10-9-12

DIVISION 70

HB 2557

111-070-0001
Definitions

For the purpose of this rule:

(1) "HB 2557 eligible member" means a part time faculty who is eligible for membership in the Public Employees Retirement System (PERS) by teaching or conducting research at a single institution of higher education or in aggregate at multiple public institutions of higher education during the prior year. "HB 2557 eligible member" does not mean or include a part time faculty member who has revoked PERS membership by opting to enroll in another employer retirement plan, or a part time faculty member who is eligible for benefits through the Public Employees' Benefit Board (PEBB).

(2) "Eligible dependent" means a Spouse, Domestic Partner or dependent child as defined in OAR 111-010-0015.

(3) "Overpayment" means the amount of a participating HB 2557 eligible member's monthly payment to OEBB that exceeded the amount due.

(4) "PERS" means the Oregon Public Employees Retirement System.

(5) "Plan Year" means the coverage period, usually 12 months long that is used for administration of a health benefits plan.

(6) "Public institution of higher education" means an Oregon community college or a state institution of higher education listed in ORS 352.002.

(7) "Underpayment" means a payment submitted by a participating HB 2557 eligible member that is less than the invoiced amount.

(8) "Electronic funds transfer" refers to a payment through an Automated Clearing House (ACH) credit or ACH debit that initiates the movement of funds from an HB 2557 eligible member's individual banking account to the OEBB Treasury account electronically.

Stat. Auth.: ORS 243.864, 2009 OL Ch. 351 (HB 2557)

Stats. Implemented: 2009 OL Ch. 351 (HB 2557)
Hist.: OEBB 4-2010, f. & cert. ef. 3-15-10

111-070-0005
Plan Selections

(1) HB 2557 eligible members will use the tiered rate structure and may elect to enroll in the following plans:

(a) Kaiser Permanente Plan 3 (limited to OEBB members in the Kaiser service area),

(b) Moda Health Plan E,

(c) Moda Health Plan G,

(d) Moda Health Plan H (limited to members who qualify for and contribute to a Health Savings Account (HSA).

(2) If enrolling in a Moda Health medical plan, the HB 2557 eligible member may elect to enroll in the Statewide option (ODS Plus Network) or the Synergy or Summit network plan option if the HB 2557 member lives or works in an area where the Synergy or Summit network is available.

Stat. Auth.: ORS 243.860 - 243.886
Stats. Implemented 243.864(1)(a)
Hist.: OEBB 4-2010, f. & cert. ef. 3-15-10; OEBB 7-2013(Temp), f. & cert. ef. 7-12-13 thru 1-7-14; OEBB 17-2013, f.& cert. ef. 10-23-13; OEBB 4-2014(Temp), f. & cert. ef. 7-31-14 thru 1-27-15; OEBB 5-2014, f. & cert. ef. 11-5-14

111-070-0015
Enrollment

(1) OEBB will directly provide HB 2557 eligible members notice of their eligibility, the open enrollment schedule and instructions for completing the required enrollment information prior to the beginning of the open enrollment period.

(2) HB 2557 eligible members and eligible dependents may enroll in a medical plan as specified in 111-070-0005 when one of the following occurs:

(a) During the annual open enrollment period (August 15 through September 25);

(A) Required enrollment information may be submitted by the member to the OEBB office prior to the beginning of the open enrollment period;

(B) All required enrollment information must be received from the member by OEBB by close of business on September 25;

(C) Required enrollment information not received from the member on or before the end of the open enrollment period will be considered a declination of coverage for the Plan Year;

(D) Coverage selected will be effective at the beginning of the new Plan Year (October 1) for HB 2557 eligible member and dependent(s) who have submitted the required enrollment information by the submission deadline; or

(b) Following confirmation that an individual not initially identified as eligible for benefits is eligible for benefits:

(A) All required enrollment information must be received from the member by OEBB by close of business on the date specified in the written eligibility notice sent to the HB 2557 eligible member. Failure to meet the due date will be considered a declination of coverage for the Plan Year;

(B) Coverage selected will be effective the first day of the month following eligibility confirmation and receipt of the required enrollment information.

Stat. Auth.: ORS 243.860 - 243.886
Stats. Implemented 243.864(1)(a)
Hist.: OEBB 4-2010, f. & cert. ef. 3-15-10; OEBB 7-2013(Temp), f. & cert. ef. 7-12-13 thru 1-7-14; OEBB 17-2013, f.& cert. ef. 10-23-13

111-070-0020
Effective Date

(1) HB 2557 eligible members who are eligible for membership in PERS during a calendar year are eligible for medical benefits through the Oregon Educators Benefit Board for the following Plan Year.

(2) Eligibility will be determined annually within 30 days after the first quarter of the current calendar year.

Stat. Auth.: ORS 243.864, 2009 OL Ch. 351 (HB 2557)
Stats. Implemented: 2009 OL Ch. 351 (HB 2557)
Hist.: OEBB 4-2010, f. & cert. ef. 3-15-10

111-070-0030
Termination

(1) OEBB coverage will be terminated under the following circumstances:

(a) Premiums are not paid in full by the due date. Coverage is contingent upon the receipt of the full monthly premium payment. Coverage will be terminated on the last day of the month in which premiums were paid in full; or

(b) Upon notification and confirmation that an individual was not eligible for benefits due to adjustments that affect the individual's PERS membership. Coverage will be terminated on the last day of the month in which OEBB receives confirmation of ineligibility; or

(c) Upon notification and confirmation that an individual was not eligible for benefits due to not being a teaching or research faculty member during the calendar year upon which eligibility determination was based. Coverage will be terminated on the last day of the month in which OEBB receives confirmation of ineligibility.

(2) Eligibility for PERS membership is lost during the previous calendar year. Coverage will be terminated on the September 30th following the calendar year in which PERS membership is lost.

(3) Upon loss of OEBB coverage due to a Qualified Status Change (QSC), HB 2557 eligible members and their eligible dependents will have COBRA rights. Cancellation due to failure to make a premium payment does not constitute COBRA rights.

Stat. Auth.: ORS 243.860 – 243.886
Stats. Implemented: ORS 243.864(1)(a)
Hist.: OEBB 4-2010, f. & cert. ef. 3-15-10; OEBB 14-2010(Temp), f. 9-30-10, cert. ef. 10-1-10 thru 1-29-11; OEBB 5-2011, f. & cert. ef. 2-11-11; OEBB 4-2014(Temp), f. & cert. ef. 7-31-14 thru 1-27-15; OEBB 5-2014, f. & cert. ef. 11-5-14

111-070-0040
Qualified Status Changes (QSC's)

(1) HB 2557 eligible members experiencing a change in family status 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 111-070-0040(2)(c), or results in a loss of eligibility, the eligible member has 60 calendar days after the event to make changes.

(a) The member must report the Qualified Status Change (QSC) to the Oregon Educators Benefit Board within the specified timeframe. Failure to report a QSC that would result in a removal of a spouse, domestic partner or child within the timeframe stated in 111-070-0040(1) may be considered intentional misrepresentation by OEBB and OEBB may retroactively terminate the individuals coverage back to the last day of the month in which the individual lost eligibility. If benefits are to be terminated retroactively, OEBB shall give the affected individual 30 days' notice of the termination and an opportunity to appeal before the retroactive termination takes effect.

(b) The member's failure to report timely a QSC that allows the addition of a spouse, domestic partner, or child means that the individual does not have coverage. The next opportunity the HB 2557 eligible member has to add their spouse, domestic partner, or child will be during open enrollment.

(2) The HB 2557 eligible member can only make those changes that are consistent with the event for themselves and eligible dependent(s).

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

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

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

(c) Gaining a child by birth, placement for/or adoption, or Domestic Partner's children (by affidavit of domestic partnership), 60 days from the event;

(d) Event by which dependent child satisfies eligibility requirements under OEBB plans;

(e) Event by which dependent ceases to satisfy eligibility requirements under OEBB plans;

(f) Related laws or court orders. For example: Qualified Medical Child Support Order (QMSCO), Entitlement to Medicare or Medicaid, HIPAA or Children's Health Insurance Program (CHIP). Changes are determined by the applicable law or court order.

(4) Changes in cost or coverage do not constitute a Qualified Status Change. All changes resulting from a change in cost or coverage must be made during Open Enrollment.

Stat. Auth.: ORS 243.860 – 243.886
Stats. Implemented: ORS 243.864(1)(a)
Hist.: OEBB 4-2010, f. & cert. ef. 3-15-10; OEBB 14-2010(Temp), f. 9-30-10, cert. ef. 10-1-10 thru 1-29-11; OEBB 5-2011, f. & cert. ef. 2-11-11; OEBB 4-2014(Temp), f. & cert. ef. 7-31-14 thru 1-27-15; OEBB 5-2014, f. & cert. ef. 11-5-14

111-070-0050
Premium Payment

(1) **HB 2557 Eligible Member Payment Methods and Due Dates**:

(a) HB 2557 eligible members will submit payment to OEBB for benefits by electronic funds transfer (EFT).

(b) OEBB may grant an exception from the requirement in section (1) to pay by EFT if the HB 2557 eligible member demonstrates their financial institution cannot accommodate an EFT transfer, or the member does not maintain an account at a financial institution.

(c) Notwithstanding section (2), the electronic transfer of funds will occur on the 25th day of the month prior to the next month's health care coverage. All payments will be subject to this due date.

(2) If the HB 2557 member has a checking account, but submits a written letter declining to use the electronic funds transfer payment method, a $35.00 processing fee shall be applied to the HB 2557 member's monthly premium.

(3) HB 2557 Eligible Member Invoicing:

(a) OEBB will enroll a new HB 2557 eligible member after one of the following is completed:

(A) The required ACH payment agreement for electronic transfer of funds is received from the member, processed and set-up with their financial institution; or

(B) The Exception Request Form is received from the member, reviewed and approved;

(b) OEBB will mail payment reminders to HB 2557 eligible members to provide notification of the amount and date the automatic checking deduction will occur.

(c)(A) If the payment is not received in full by the 25th calendar day of the month, the member's coverage will be terminated on the last day of the month in which a full premium payment was received. All premium payments must be paid in full before payment to the carrier will be made.

(B) OEBB shall not be responsible for any unpaid portion of premiums for coverage and will terminate the HB 2557 eligible member and dependent coverage for non-payment or underpayment of premiums due.

(4) HB 2557 Eligible Member Overpayments:

(a) OEBB will mail notification of overpayments to the HB 2557 eligible member. This written notice shall inform the member of the amount overpaid and a description of the overpayment.

(b)(A) OEBB will automatically apply any overpayments to the next month's premium due. The member may complete a Request for Reimbursement form if a refund of an overpayment is desired. However, the member may be responsible for processing fees associated with refunds less than $100.

(B) Remaining balances on coverage that has ended will be refunded in full.

(5) HB 2557 Eligible Member Underpayments:

(a) Premiums that are not paid in full by the 25th calendar day of the month prior to the coverage effective month will result in the eligible member's and dependent's coverage being terminated at the end of the last month for which premiums were paid in full.

(b)(A) HB 2557 eligible members will be notified if their coverage was terminated due to the premium not being paid in full, including payments returned by the bank for Non-Sufficient Funds (NSF).

(B) A check or ACH transaction that is returned for NSF is considered non-payment of premiums.

(c) Coverage terminated due to non-payment or underpayment cannot be reinstated until a following Plan Year in which a person is deemed a HB 2557 eligible member.

Stat. Auth.: ORS 243.860 - 243.886
Stats. Implemented 243.864(1)(a)
Hist.: OEBB 4-2010, f. & cert. ef. 3-15-10; OEBB 7-2013(Temp), f. & cert. ef. 7-12-13 thru 1-7-14; OEBB 17-2013, f.& cert. ef. 10-23-13

111-070-0060
Appeals and Administrative Reviews

HB 2557 eligible members have the right to use the OEBB Appeals and Administrative Review process.

(1) HB 2557 eligible members may appeal OEBB's eligibility decision.

(2) HB 2557 eligible members have the right to request a review of benefit and claim issues that are not resolved following the completion of the carrier appeal process. Administrative Review requests relating to denied benefits are limited to a determination of whether or not a benefit was intended to be covered under the current contract.

Stat. Auth.: ORS 243.864, 2009 OL Ch. 351 (HB 2557)
Stats. Implemented: 2009 OL Ch. 351 (HB 2557)
Hist.: OEBB 4-2010, f. & cert. ef. 3-15-10

111-070-0070
Continuation of Coverage

HB 2557 eligible members and dependents have COBRA rights consistent with 111-050-0001 and 111-070-0030.

Stat. Auth.: ORS 243.864, 2009 OL Ch. 351 (HB 2557)
Stats. Implemented: 2009 OL Ch. 351 (HB 2557)
Hist.: OEBB 4-2010, f. & cert. ef. 3-15-10

DIVISION 80

OPERATIONS

111-080-0001
Payment Methods and Dates

(1) For the purpose of this rule:

(a) "ACH credit" means a payment initiated by a Participating District that is cleared through the Automated Clearing House (ACH) network for deposit to the OEBB account;

(b) "ACH debit" means a payment initiated by OEBB and cleared through the ACH network to debit a Participating District's account and credit the OEBB account;

(c) "District Payment" means the monthly district payment to OEBB that includes the contributions of both Participating District and members required to pay the monthly premiums for selected OEBB benefit plans;

(d) "District Payment Invoice" means a monthly itemized statement provided by OEBB that includes the contributions of both Participating District and members required to pay the monthly premiums for selected OEBB benefit plans;

(e) "Due date" means the seventh business day into the current month of coverage;

(f) "Electronic funds transfer" refers to a payment through ACH credit or ACH debit;

(g) "Participating District" means a Subject District, Provisional Non-subject District and Non-subject District participating in OEBB.

(2) Participating Districts will receive a final District Payment Invoice from OEBB on the first of the month that details the payments due for that month.

(3) If the final District Payment Invoice is received on a weekend or legal holiday the receipt date is recognized as the next business day.

(4) Participating Districts are required to submit payment to OEBB through electronic funds transfer no later than the due date.

(5) OEBB reserves the right to issue surcharges or other appropriate measures to Participating Districts that submit monthly payments after the due date.

(6) Participating Districts will select an electronic funds transfer method by:

(a) Submitting an electronic funds transfer authorization form to OEBB by August 15th for payments starting October 1st of the plan year;

(b) Submitting a new electronic funds transfer authorization form to OEBB by August 15th to change the type of payment or update their account information starting October 1st of the plan year.

Stat. Auth.: ORS 243.860 - 243.886
Stats. Implemented: ORS 243.864(a)
Hist.: OEBB 11-2008(Temp), f. & cert. ef. 8-13-08 thru 2-6-09; OEBB 4-2009, f. & cert. ef. 1-30-09

111-080-0005
Overpayments and Underpayments

(1) For the purpose of this rule:

(a) "Overpayment" means the amount of a Participating District's monthly payment to OEBB that exceeded the amount due.

(b) "Underpayment" means a payment submitted by a Participating District that is less than the invoiced amount.

(2) Participating Districts seeking a refund of overpayments must:

(a) Notify OEBB within 90 calendar days from the date overpayment occurred;

(b) OEBB will resolve member overpayments by requesting a refund from the carrier in accordance with the law. The carrier shall refund the premium to OEBB back to the date of the termination or the date allowed by law for recoupment of paid claims.

(c) OEBB will generally reimburse Participating District overpayments through adjustments to future monthly payments.

(3) The Participating District shall submit any underpayment to OEBB as soon as it is discovered.

(4) OEBB reserves the right to issue surcharges or use other appropriate means for Participating District's that submit underpayments.

Stat. Auth.: ORS 243.860 - 243.886
Stats. Implemented: ORS 243.864(1)(a)
Hist.: OEBB 11-2008(Temp), f. & cert. ef. 8-13-08 thru 2-6-09; OEBB 4-2009, f. & cert. ef. 1-30-09; OEBB 19-2011(Temp), f. 9-30-11, cert. ef. 10-1-11 thru 3-29-12; OEBB 25-2011, f. & cert. ef. 12-14-11

111-080-0030
Appeals and Administrative Reviews

(1) Eligibility, enrollment issues or rescissions. OEBB has an Appeal process consisting of three levels that a member can use if they disagree with an eligibility determination or enrollment record. If the appeal is a result of a rescission, or a determination that the benefit is not a covered benefit, coverage will continue pending the outcome of the appeal. These three levels are:

(A) Appeal. An Appeal is the first level and must be received by OEBB in writing. OEBB staff gathers all information and sets up the Appeal file. OEBB Staff reviews the Appeal and makes a decision. The member is then notified in writing of the OEBB staff's decision. If the decision is an adverse benefit determination, the notice will include the specific reason(s) for the decision, a reference to the specific plan provision or OAR on which the determination was based a description of any additional information required and a description of the OEBB appeals process.

(B) Request for Reconsideration. A Request for Reconsideration is the second level and can be used if the member is not satisfied with the outcome on their Appeal. The request by the member must be received in writing within 31 days of receiving the Appeal decision notification. OEBB staff requests any additional information needed and includes in the Appeal file. The OEBB Management Team reviews all the information contained in the file (from the Appeal and the Request for Reconsideration) and makes a decision. The member is then notified in writing of the OEBB Management Team's decision. If the decision is an adverse benefit determination, the notice will include the specific reason(s) for the decision, a reference to the specific plan provision or OAR on which the determination was based, a description of any additional information required and a description of the OEBB appeals process.

(C) Administrative Review Request. An Administrative Review Request is the third level and can be used if the member is not satisfied with the outcome on their Request for Reconsideration. The request by the member must be in writing OEBB staff requests any additional information and adds it to the Appeal file. OEBB staff will schedule an Administrative Review Committee meeting. OEBB staff will notify the member and all applicable parties of the date, time and location. At the meeting, the Administrative Review Request will be presented to the Administrative Review Committee members and after considering all documentation and possible public comment, a decision is made. The Administrative Review Committee has the authority to grant exceptions to OEBB's Administrative Rules when there are extenuating circumstances which can be supported by documentation and verified by OEBB staff. All such documentation will be included in the member's Appeal file. The member will be notified in writing of the Administrative Review Committee's decision. If the decision is an adverse benefit determination, the notice will include the specific reason(s) for the decision, a reference to the specific plan provision or OAR on which the determination was based a description of any additional information required and a description of the OEBB appeals process.

(2) Benefit and claim issues. Following the Insurance Carrier's appeals process, a member can request an administrative review by OEBB. An Administrative Review Request can be made to OEBB if the member is not satisfied with the outcome after completing the carrier's appeal process. OEBB staff gathers all information and sets up the file. The OEBB Contracts Officer will complete an initial review of the file to ensure it is limited to a determination of whether or not a service or benefit was intended to be covered under the current contract. The initial review will assess whether there is documentation contained within the contract or member handbook relating to the benefit that was denied. If the Administrative Review request does not meet the specified criteria the Contracts Officer will refer it to the OEBB Management Team and the member will be notified in writing of the OEBB Management Team's decision. If the request does meet the specified criteria, OEBB staff will schedule an Administrative Review Committee meeting. OEBB staff will notify the member and all applicable parties of the date, time and location. At the meeting, the Administrative Review Request will be presented to the Administrative Review Committee. They will consider all documentation and public comment and make a decision in accordance with the information presented. The member will be notified in writing of the Administrative Review Committee's decision. If the decision is an adverse benefit determination, the notice will include the specific reason(s) for the decision, a reference to the specific plan provision or OAR on which the determination was based a description of any additional information required and a description of the OEBB appeals process.

Stat. Auth.: ORS 243.860 - 243.886
Stats. Implemented: ORS 243.864(1)(a)
Hist.: OEBB 17-2008(Temp), f. & cert. ef. 10-16-08 thru 4-13-09; OEBB 7-2009, f. 3-24-09, cert. ef. 4-1-09; OEBB 18-2009(Temp), f. & cert. ef. 10-26-09 thru 4-23-10; OEBB 5-2010(Temp), f. & cert. e.f 4-26-10 thru 10-22-10; OEBB 15-2010, f. 9-29-30, cert. ef. 10-1-10; OEBB 7-2012(Temp), f. & cert. ef. 4-20-12 thru 10-16-12; OEBB 12-2012, f. & cert. ef. 10-9-12

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 responsibly 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 or written documentation that the eligible employee took action resulting in a non-eligible member being enrolled in OEBB benefits.

(B) "Unintentional Violation" is a violation that has occurred in which the eligible employee was not aware that such violation had

occurred and there is no evidence of the eligible employee completing a paper form or logging in and enrolling an ineligible member in OEBB benefits.

(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.

Stat. Auth: ORS 243.860 – 243.886
Stats. Implemented: ORS 243.864(1)(a)
Hist.: OEBB 16-2010, f. & cert. ef. 12-10-10; OEBB 8-2011(Temp), f. & cert. ef. 2-15-11 thru 8-13-11; OEBB 12-2011, f. & cert. ef. 6-22-11

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 is determined to have no longer been eligible, or the effective date of coverage if eligibility criteria was never met unless in conflict with federal healthcare reform.

(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 by OEBB. 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) OEBB may terminate the eligible employee 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.

Stat. Auth: ORS 243.860 – 243.886
Stats. Implemented: ORS 243.864(1)(a)
Hist.: OEBB 16-2010, f. & cert. ef. 12-10-10; OEBB 8-2011(Temp), f. & cert. ef. 2-15-11 thru 8-13-11; OEBB 12-2011, f. & cert. ef. 6-22-11

111-080-0050
Policy Term Violations

(1) An OEBB-contracted insurance carrier may remove from coverage and/or deny the claims of an OEBB 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 OEBB 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, OEBB 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, OEBB 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 OEBB member who is removed from an OEBB sponsored insurance plan may appeal the decision through the carrier that terminated coverage.

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

Stat. Auth: ORS 243.860 - 243.886
Stats. Implemented: ORS 243.864(1)(a)
Hist.: OEBB 16-2010, f. & cert. ef. 12-10-10; OEBB 8-2011(Temp), f. & cert. ef. 2-15-11 thru 8-13-11; OEBB 12-2011, f. & cert. ef. 6-22-11

111-080-0055
Eligibility Verifications and Reviews

(1) OEBB shall plan and conduct eligibility verifications and reviews to monitor compliance with OEBB administrative rules. Reviews shall include, but are not be limited to the following:

(a) Dependent eligibility;

(b) Employee eligibility;

(c) Election change limitations; and

(c) Plan enrollment limitations.

(2)(a) Employee eligibility, election change and plan enrollment reviews may occur on a random basis throughout the year, or if anomalies in data warrant a formal review.

(b) The Eligible Employee and educational entity are responsible to submit documentation upon request.

(3) Dependent eligibility verifications shall be completed at least once every three years per participating educational entity.

(a) OEBB shall develop a review plan that will include an onsite verification of dependent eligibility documentation for benefit-eligible employees of each participating educational entity once every three years.

(b) Educational entities may have a formal dependent eligibility verification and review completed by a third party vendor on or after October 1, 2013. The use of a third party vendor for a dependent eligibility verification and review may meet the once every three years requirement provided the vendor meets the standards and criteria set in the OEBB verification and review plan and agrees to report all findings to OEBB via a secure electronic file. All requests to substitute a third party vendor for this purpose must be pre-approved by OEBB.

(c) The member is responsible to submit documentation upon request. In the event the member does not provide the required documentation 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.

Stat. Auth.: ORS 243.860 - 243.886
Stats. Implemented: ORS 243.864(1)(a)
Hist.: OEBB 9-2013(Temp), f. & cert. ef. 7-12-13 thru 1-7-14; OEBB 18-2013, f. & cert. ef. 10-23-13