

## **DIVISION 30**

### **PLAN DESIGN DEVELOPMENT AND SELECTION**

#### **111-030-0001**

##### **Development of OEGB Medical, Pharmaceutical, Dental and Vision Plan Designs**

(1) As used in the section, “comparable plan design” means the actuarial value of the OEGB plan design is within 2.5 percent (higher or lower) than a current district plan.

(2) OEGB will develop plan designs for medical, pharmaceutical, dental and vision benefit plans that are comparable to the plan designs provided by Subject Districts prior to entering the OEGB.

(3) OEGB will develop comparable plan designs by:

(a) Collecting the medical, pharmaceutical, dental and vision plan designs provided by Subject Districts that will be entering OEGB on October 1, 2008, October 1, 2009, and October 1, 2010.

(4) Following initial implementation of the OEGB benefit plans on October 1, 2008, OEGB will re-evaluate its plan designs for the October 1, 2009, and October 1, 2010, plan year start dates to determine if the Subject District plan design was included in the comparability assessment performed for plan design development in 2008.

(a) If the Subject District plan design was considered during the initial plan design process no further analysis will be conducted.

(b) If the plan design was not considered during the initial plan design process OEGB will:

(A) Calculate the actuarial value for the Subject District plan design using an industry-standard actuarial model; and

(B) Identify whether a current OEGB plan design has an actuarial value 2.5 percent higher or lower than the Subject District plan design.

(5) If none of the OEGB plan designs has an actuarial value within 2.5 percent higher or lower than the Subject District plan and the Subject District has 100 or more enrollees, OEGB will develop and implement a plan design with an actuarial value of 2.5 percent higher or lower than the Subject District’s plan unless;

(a) There is an OEGB plan that has an actuarial value that is more than 2.5 percent higher than the Subject District’s plan and it is determined that OEGB can still meet the comparable cost requirement.

#### **111-030-0005**

## **Medical, Dental and Vision Benefit Plans Selection through OEGB**

(1) As used in the section, “employee group” means employees of similar employment type, for example administrative, represented classified, nonrepresented classified, confidential, represented licensed, or nonrepresented licensed. If one or more collective bargaining unit exists within an employee group, each unit will be considered a separate employee group.

(2) OEGB will offer a range of medical, pharmaceutical, dental and vision plans that provide the flexibility to choose between a number of high quality plan options.

(3) The process for selection of medical, pharmaceutical, dental and vision plans offered by OEGB will include:

(a) Release of preliminary designs and costs for all medical, pharmaceutical, dental, and vision, plan options to participating districts no later than 30 days prior to final selection date. The total number offered may vary each year.

(b) Districts select the medical, pharmaceutical, dental, and vision, plan options to be offered to each employee group using the OEGB plan selection process.

(A) The specific number of allowed selections and selection parameters will be reviewed, considered and determined on an annual basis by OEGB.

(c) Plan selections for medical, pharmaceutical, dental, and vision benefit coverages must be submitted electronically and a hard copy signed by a district official must be received by OEGB no later than the date designated by OEGB policy each year.

### **111-030-0020**

## **Development of OEGB Basic Life and Accidental Death and Dismemberment and Optional Life and Accidental Death and Dismemberment Plan Designs**

(1) As used in the section, “comparable plan design” means that 90 percent of district employees can obtain a maximum benefit through an OEGB plan design that is within \$2,500 of the maximum benefit obtained through a pre-OEGB plan design in effect the year prior to implementation.

(2) OEGB will develop plan designs for basic life and AD&D and optional life and AD&D benefit plans that are comparable to the plan designs provided by Subject Districts prior to entering the OEGB.

(3) OEGB will develop comparable plans by:

(a) Collecting plan designs for basic life and AD&D and optional life and AD&D plans provided by Subject Districts that enter OEGB on October 1, 2009, and October 1, 2010.

(4) Following initial implementation of the basic life and AD&D and optional life and AD&D benefit plans, OEBB will re-evaluate its plan designs for the October 1, 2010, plan year start date to determine if the Subject District plan design was included in the comparability assessment performed for plan design development.

(a) If the Subject District plan design was considered during the initial plan design process no further analysis will be conducted.

(b) If the plan design was not considered during the initial plan design process OEBB will:

(A) Identify whether a current OEBB plan design is within \$2,500 higher or lower than the pre-OEBB life insurance or AD&D benefit level.

(5) If none of the OEBB plan designs is within \$2,500 higher or lower than the pre-OEBB life insurance or AD&D benefit level and the Subject District has 100 or more enrollees, OEBB will develop and implement a plan design within \$2,500 higher or lower than the pre-OEBB life insurance or AD&D benefit level unless;

(a) There is an OEBB plan that provides a benefit level more than \$2,500 higher than the district's option and it is determined that OEBB can still meet the comparable cost requirement.

#### **111-030-0025**

#### **Development of OEBB Short and Long Term Disability Plan Designs**

(1) As used in the section, "comparable plan design" 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.

(2) OEBB will develop comparable plan designs by collecting plan designs for short and long term disability plans provided by Subject Districts that enter OEBB on October 1, 2009, and October 1, 2010.

(3) Following initial implementation of the short and long term disability benefit plans, OEBB will re-evaluate its plan designs for the October 1, 2010 plan year start date to determine if the Subject District plan design was included in the comparability assessment performed for plan design development.

(a) If the Subject District plan design was considered during the initial plan design process no further analysis will be conducted.

(b) If the plan design was not considered during the initial plan design process OEBB will:

(A) Identify if a current OEGB plan design offers a level of benefits, elimination period, percentage of covered compensation, coverage period duration, and maximum payment per benefit period available through the group contract.

(4) If none of the OEGB plan designs offers a level of benefits, elimination period, percentage of covered compensation, coverage period duration, and maximum payment per benefit period available through the group contract, OEGB will develop and implement a plan option that offers the level of benefits available through the Subject District unless;

(a) There is an OEGB benefit option that provides a benefit level or elimination period more generous than the district's option and it is determined that OEGB can still meet the comparable cost requirement.

### **111-030-0030**

#### **Optional Benefit Plans Selection through OEGB**

(1) As used in the section, "optional benefit plans" means basic life and accidental death and dismemberment, optional life and AD&D, and short and long term disability.

(2) As used in the section, "employee group" means employees of similar employment type, for example administrative, represented classified, nonrepresented classified, confidential, represented licensed, or nonrepresented licensed. If one or more collective bargaining unit exists within an employee group, each unit will be considered a separate employee group.

(3) OEGB will offer a range of optional benefit plans that provide the flexibility to choose between a number of high quality plan options.

(4) The process for selection of optional benefit plans offered by OEGB will include:

(a) Release of preliminary designs and premium costs for all optional benefit plan options to participating districts no later than 30 days prior to final selection date. The total number offered may vary each year.

(b) Districts select the optional benefit plans to be offered to each employee group using the OEGB plan selection process.

(c) Plan selections for optional benefit plans must be submitted electronically and a hard copy signed by a district official must be received by OEGB no later than the date designated by OEGB policy each year.

Stat. Auth.: ORS 243.860-886

Stats. Implemented: ORS 243.864(1)(a), 243.868(1)