

Letter from the Administrator of the Public Employees' Benefit Board

PEBB's contributions to the OHA mission

The Public Employee's Benefit Board (PEBB) supports the Oregon Health Authority's triple aim of increasing the quality of care, lowering or containing the cost, and improving the lifelong health of all Oregonians. PEBB focuses on improving the health status of its state employees by ensuring they have access to quality care through employment benefits that are affordable to the employee and the employer.

PEBB designs, purchases and administers the benefit program for 128,000 state and university employees and dependents. In addition to employees, the PEBB program offers health coverage retirees who are not yet eligible for Medicare and other self-pay groups as determined by statute.

The Board seeks optimal health for its members through a system of care that is patient-centered, focused on wellness, coordinated, efficient, effective, accessible, and affordable. The system emphasizes the relationship among patients, providers, and their community, and primary care. PEBB takes an integrated approach to health by treating the whole person.

Key elements of the PEBB Vision are;

- An innovative delivery system that uses evidence-based medicine
- Improving quality and outcomes, not just providing healthcare
- Promotion of health and wellness
- Appropriate provider, health plan, and consumer incentives for the right care at the right time and place
- Accessible and understandable information
- Benefits that are affordable to the state and the employees.

The membership of this labor-management board comprises four labor representatives appointed by the governor and approved by the senate. Two management representatives are appointed and two serve ex officio. Two legislators serve as non-voting advisory members.

In addition to the core benefits of medical and dental coverage, the Board purchases optional benefit plans of life, disability, and long-term care insurance for employees and an employee assistance program for the employers. The PEBB benefit program functions as a Cafeteria 125 plan per IRS guidelines, which allows the Board to offer employees access to such tax-favored options as flexible spending accounts.

To advance elements of its vision, the Board has moved from a fully insured model to a self-insured model of health benefits. In 2006, PEBB began to self-insure a health plan with a care model known as the patient-centered medical home in the five-county Portland Metro area. In 2007, it began to insure its largest dental plans, administered by ODS, and in 2008, it began to self-insure its largest medical and vision plans, administered by Providence Health Plans and VSP, respectively. In the current plan year, 85 percent of participants are enrolled in self-insured medical and vision plans, and 75 percent are enrolled in self-insured dental plans.

The success of the medical home model in meeting elements of its vision prompted the Board to expand this plan throughout the state. In 2011, members in eight additional counties – both rural and urban – will be able to enroll in this plan, giving them access to higher quality care at lower cost than other plans.

Through a staff of 20 employees, the Board

- Designs, purchases and contracts for health plans valued at approximately \$735 million annually
- Manages enrollment and premium payments for the employer, employee and insurance carriers
- Develops and administers rules that govern the program in keeping with state and federal regulations
- Communicates with members about benefits, operations and Board actions.