
OEBB
Self Pay Early Retirees
(SPER)
July, 2022



What is a SPER?

SPER is an acronym used by OEGB for Self Pay Early Retirees

- A retiree who pays their OEGB premium themselves 100%.
- A retiree that does not receive any stipend or financial incentive from the employer to help cover their premium.
- A retiree who is not eligible for Medicare*.

*Some entities allow their Medicare eligible retirees to continue dental only.

Medicare Eligibility

- A retiree becomes eligible for Medicare at age 65, or earlier if they become disabled.
- OEGB coverage terminates at the end of the month prior to Medicare eligibility.
- Medicare starts on the first of the month in which the retiree turns 65.
- If the birthday falls on the first of the month, Medicare starts a month early - the first of the month prior to their birthday month.
- If a retiree becomes eligible due to a disability, Medicare will send the retiree an ID card with the Medicare effective date.
- The retiree must notify the entity, or OEGB if they become eligible due to a disability.

Definition of Retiree

A previously Eligible Employee who is:

- Not Medicare-eligible or under 65 years old.
- Receiving a service or disability retirement allowance or pension under PERS or under any other retirement or disability benefit plan or system offered by an OEGB participating organization for its employees.
- Eligible to receive a service retirement allowance under PERS and has reached earliest retirement age.
- Eligible to receive a service retirement allowance or pension under another retirement benefit plan or system offered by an OEGB participating organization and has reached earliest retirement age under the plan or system.

Agreement with OEGB to Manage SPERs

Not all entities have an agreement with OEGB to manage their SPERs. If you would like OEGB to start managing your SPERs, please let us know.

Entity Responsibility:

1. Notify your SPERs that you will be transferring them to OEGB for enrollment and premium collection.
2. Provide the required forms to the retiree.
3. Terminate the record in the MyOEGB system.

OEGB Responsibility:

1. Add the retiree enrollments in the MyOEGB system.
2. Collect the monthly premium.
3. Manage the retiree enrollments for mid-year changes and terminations.
4. Send the annual open enrollment information.

Retiree Resources, Self Pay Retiree Toolkit and Forms

- Approximately 60 days before transferring to OEBB, you will send a notification packet to the affected retirees.
- The Self Pay Retiree Toolkit on OEBB's website has sample Cover Letters, an OEBB Welcome Letter, FAQs and a Retirement Resources guide you can include in your packet. You may also want to include a premium rate sheet.
- You will provide any communication you wish as well as the SPER Enrollment Form and ACH Debit Authorization form.

Submitting Forms and Premium Deductions

- The retiree will submit the SPER Enrollment form, ACH Debit Authorization form and voided check to OEGB via mail or fax.
- OEGB must receive the forms by the 15th of the month prior to their transfer to OEGB.
- OEGB will send an invoice to the retiree each month notifying them of the upcoming premium deduction.
- The deduction will occur on the second banking day each month.
- OEGB is only able to receive payments via automatic deduction. We can't accept personal checks, debit or credit cards for payment.

MyOEBB System Process

The entity will add a termination to the retiree's record. Instructions for processing SPERs can be found on the Home Page tab in the MyOEBB system.

- Pull the retiree's record up in Enrollment Management.
- Click on the Term All tab, then click Add. Select the "Fully Self Paid Retiree to OEBB Admin Early Retiree" or "Active to OEBB Admin Early Retiree" reason.
- Input XX-31-2022 in Actual Event Date and Coverage End Date fields.
- Save it and close.
- Click on the Employment tab, then click on the current Employment Segment. Select "Employee Termination" for the Termination Reason and XX-31-2022 for the Termination Date and Benefits Paid Through Date.
- Go into the Termination Approval screen, select Approved and "YES" for the Self Pay Approval.

Certificate of Coverage and COBRA

When the entity adds the termination in the system, it will trigger the insurance carrier to send a Certificate of Coverage letter to the retiree. This will show the termination date of their coverage as an active employee.

Benefit Help Solutions will send the retiree a COBRA packet. This may confuse the retiree, but if they are continuing retiree coverage through OEBB, they can disregard the COBRA packet. By law, the COBRA packet must be sent. Most retirees choose to enroll in OEBB retiree plans rather than COBRA. COBRA rates are more expensive than OEBB retiree rates and COBRA is only offered for 18 months.

All retirees enrolling in OEBB retiree plans change to employee tiered rates at the time of retirement.

Links to Forms and Retirement Resources

Self Pay Retiree Toolkit – Sample Cover Letters and Communications:

<https://www.oregon.gov/oha/OEBB/Pages/Admin-SPER-Toolkit.aspx>

Preparing for Early Retirement Guide:

<https://www.oregon.gov/oha/OEBB/Pages/Retiree-Guide.aspx>

SPER Enrollment Form:

<https://www.oregon.gov/oha/OEBB/Forms/SPER-Enrollment-Form.pdf>

ACH Debit Authorization Form:

<https://www.oregon.gov/oha/OEBB/Forms/SPER-Debit-Authorization.pdf>

Instructions for Terminating SPERs in MyOEBB system:

<https://www.oregon.gov/oha/OEBB/Guides/Change-an-Active-Employee-or-Retiree-to-an-OEBB-Administration-Self-Pay-Retiree.pdf>