



Bylaws Revised March 2016



I. Statutory Authority

ORS 243.061 establishes the Public Employees' Benefit Board (the Board) consisting of eight voting members and two members of the Legislative Assembly as nonvoting advisory members. Sections II and III of these bylaws are based on PEBB's enabling statute.

II. Purpose

The Board shall study all matters connected with the providing of adequate benefit plan coverage for eligible state employees on the best basis possible with relation both to the welfare of the employees and to the state. The Board shall design benefits, devise specifications, analyze carrier responses to advertisements for bids and decide on the award of contracts. Contracts shall be signed by the chairperson on behalf of the Board.

In carrying out these duties, the goal of the Board shall be to provide a high quality plan of health and other benefits for state employees at a cost affordable to both the employer and the employees.

III. Composition of the Board

A. Membership

The Board consists of eight voting members and two members of the Legislative Assembly as nonvoting advisory members. Two of the voting members are ex officio members and six are appointed by the Governor. The voting members are:

- i. Four members representing the state as an employer and management employees, who shall be as follows:
 - a. The Director of the Oregon Health Authority or a designee of the director;
 - b. The Administrator of the Office for Oregon Health Policy and Research or a designee of the administrator; and
 - c. Two management employees appointed by the Governor from areas of state government other than the Oregon Health Authority or the Office for Oregon Health Policy and Research; and
- ii. Four members appointed by the Governor and representing nonmanagement representable employees, who shall be as follows:
 - a. Two persons from the largest employee representative unit;
 - b. One person from the second largest employee representative unit; and
 - c. One person from representable employees not represented by employee representative units described in (a) and (b) of this paragraph

One member of the Senate shall be appointed by the President of the Senate and one member of the House of Representatives shall be appointed by the Speaker of the House to serve as nonvoting advisory members.

B. Terms of office

The term of office of each appointed voting member is four years, but an appointed voting member serves at the pleasure of the Governor. Before the expiration of the term of a voting member appointed by the Governor, the Governor shall appoint a successor to take office upon the date of that expiration. Appointments by the Governor of voting members of the Board are subject to confirmation by the Senate.

C. Vacancies

If there is a vacancy on the Board for any cause, the Governor shall make an appointment to become immediately effective for the unexpired term.

D. Reappointments

Board members are eligible for reappointment.

E. Compensation

Members of the Board who are not members of the Legislative Assembly shall receive no compensation for their services, but shall be paid for their necessary and actual expenses while on official business in accordance with ORS 292.495.

Members of the Board who are members of the Legislative Assembly shall be paid compensation and expense reimbursement as provided in ORS 171.072, payable from funds appropriated to the Legislative Assembly.

F. Role and Representation

Board members recognize their role in serving the interests of the public at large. Each Board member will contribute their individual expertise and may express the viewpoint of stakeholder groups. However, individual Board members acknowledge their appointment requires they act in the best interest of the employer, employees and the general public.

Board members recognize their role as representatives of the Board and agree to refrain from speaking on behalf of the Board as a whole unless specifically requested by the Board to do so.

IV. Officers

A. Election of officers

The Board shall elect one of its voting members as chairperson and another appointed voting member as vice chairperson. Elections will take place at the Board's January meeting in even-numbered years, unless alternative timing is determined by the Chair and Vice-Chair that takes place no later than the March meeting in even-numbered years.

B. Representation among officers

Representation among officers of the Board shall be structured such that the chair and vice chair offices are filled by one labor representative and one management representative. The office of the chair shall rotate between labor and management every two years, with management filling the office of vice chair when labor holds the chair, and labor filling the office of vice chair when management holds the chair. The Board shall elect the chair and vice chair from a slate of eligible candidates.

C. Terms of office

Board officers shall serve a total of four years: two years as vice chair and two years as chair. Terms of office shall be structured such that after serving as vice chair for two years, the vice chair serves a two-year term as chair.

D. Duties of officers

- i. Duties of the Chair
 - a. Preside over regular Board meetings
 - b. Approve Board agendas
 - c. Make subcommittee assignments as necessary
 - d. Serve as nonvoting member of all subcommittees, though not obligated to attend all subcommittee meetings
 - e. Represent and speak on behalf of the Board
- ii. Duties of the Vice Chair
 - a. Preside over meetings in the absence of the Chair
 - b. Assist in the development of Board agendas
 - c. Assist the Chair in the performance of duties in the Chair's absence

V. Meetings

A. Frequency

The Board shall meet monthly, unless otherwise specified by the chairperson or by a majority of the voting members of the Board. Special meetings may be held at the Board's discretion at a time and place to be determined by the Board Chair.

B. Notice

Notice of all Board meetings will be given to the public in accordance with Oregon's Public Meetings Laws (ORS 192.610-192.990).

Notice of special meetings will be provided to each Board member personally, by telephone or electronic mail not less than two days prior to the meeting.

C. Records

The Board shall maintain all records in accordance with Oregon Public Records Law (ORS 192.410-192.505).

D. Meetings by telecommunication

Special meetings of the Board may be held by telephone or telecommunication in which all Board members may hear each other so long as it complies with Oregon's Public Meeting Laws. If a Board member is unable to attend any meeting in person, the Member may participate via telephone provided that all participants can hear each other and members of the public attending the meeting can hear any Board Member who speaks during the meeting. Board members attending through such electronic means will be included in constituting a quorum.

E. Attendance

Regular attendance at meetings is expected of each Board member. A member shall notify the Chair or Board staff at least 24 hours in advance of a meeting if the member is unable to attend. In an emergency, the member shall contact the Chair or staff as soon as reasonably possible.

Transparency

Board members will refrain from private meetings or communication on official Board business (electronic communication or otherwise) that involves a quorum of Board members outside of public meetings or executive session. Board members will also refrain from disclosing any matters discussed in executive session unless these matters are part of the public record.

VI. Procedures

The Board will operate in accordance with Roberts Rules of Order. All procedural conflicts will be resolved in accordance with these rules.

VII. Quorum and Voting Rights

A. Quorum

As specified in ORS 243.066, a majority of the voting members of the Board constitutes a quorum for the transaction of business. The continued presence of a quorum is required for any official vote or action of the Board throughout the course of a meeting.

B. Voting

Any of the eight voting members of the Board who are present at a meeting may vote on motions raised during the meeting, with the exception of the Chair.

Votes on motions or other matters will be conducted via a voice vote. On motions or other matters where the outcome is not unanimous, the Board will conduct a roll-call vote. Voting may be conducted by a show of hands at the discretion of the Chair or at the request of a Board member. Proxy votes are not permitted.

A majority vote of Board members present is necessary to pass any motions raised during a meeting, assuming the meeting quorum requirement is met.

C. Chair's Role in Voting

Consistent with procedures established in Robert's Rules of Order, the Chair will refrain from exercising the right to make motions or debate while presiding, and will refrain from voting except where the vote is by ballot or where the Chair's vote will affect the result. Instances where the Chair's vote will affect the result include votes that result in a tie, in which case the chair may vote in the affirmative to cause the motion to prevail. If the results of voting yield one more in the affirmative than in the negative, the Chair can create a tie by voting in the negative and thus cause the motion to fail.

D. Abstaining Votes

As a majority vote of Board members present is necessary to pass any motions raised during a meeting, abstentions have the same effect as a negative vote.

VIII. Conflict of Interest

Board members shall comply with all applicable state ethics laws.

When faced with a potential conflict, Board members shall announce publicly, prior to engaging in any deliberations or taking any action thereon, the potential conflict of interest on an issue before the Board and the nature of the potential conflict.

When an actual conflict of interest exists, Board members will refrain from participating in any discussion on the particular issue and refrain from voting on the matter in any circumstances, in addition to performing any other actions required under state ethics laws.

Board members will declare any direct interest of potential financial gain for any issue to be discussed. Conduct of members shall be consistent with ORS 244.010 to 244.400 and the Oregon Government Standards and Practices Laws.

IX. Subcommittees

A. Appeals Subcommittee

i. Role

The Board shall maintain an Appeals subcommittee, whose purpose is review of member appeals at the Board level.

ii. Appointment of subcommittee members and officers and terms

The subcommittee will be comprised of three voting members of the Board. The Board chair will seek voluntary members to serve on the subcommittee or otherwise appoint Board members as necessary. The Board chair will appoint a chair. Subcommittee members serve one-year terms and may be reaffirmed at the discretion of the Board chair.

iii. Meeting Frequency

The subcommittee will meet on an as needed basis, whenever a member appeal exhausts all prior levels of review and requires subcommittee review and action. Meetings beyond those required under the appeal process will occur at the discretion of the subcommittee chair. Meetings in which the subcommittee considers information related to specific member appeals are not conducted in public session.

iv. Authority

The subcommittee will have decision-making authority regarding specific issues brought before the subcommittee. A PEBB member that appeals before the subcommittee may request the full Board review any subcommittee decision.

B. Communications Subcommittee

i. Role

The Board shall maintain a Communications subcommittee, whose purpose is to advise PEBB's communication strategy and review communication materials.

ii. Appointment of subcommittee members and officers and terms

The subcommittee will be comprised of three voting members of the Board. The Board chair will seek voluntary members to serve on the subcommittee or otherwise appoint Board members as necessary. The Board chair will appoint a chair. Subcommittee

members serve one-year terms and may be reaffirmed at the discretion of the Board chair.

iii. Meeting Frequency

The committee will meet on an as needed basis, whenever development of PEBB communication strategy and review of communication materials require.

iv. Authority

The committee will have decision-making authority regarding specific issues brought before the committee.

C. Ad-hoc Subcommittees or Work Groups

The Board may elect to form additional subcommittees or work groups as needed to address issues as they arise or to conduct business on behalf of the Board. Voluntary members of these subcommittees shall be sought, with representation from both labor and management serving on each subcommittee or work group formed. The Board Chair will appoint Board members to subcommittees as necessary.

X. Authority

A. Legislative Authority

The Board recognizes the role of the state legislature in approving the biennial budget for the Oregon Health Authority, as well as the legislature's role in approving requests for limitation for PEBB's use of reserve funds.

B. Actions Requiring Board Authorization

The Board may authorize action in key administrative and operational areas, or may choose to delegate authority to authorize such action to a Board subcommittee. Areas where Board authorization is required include but are not limited to the following:

- i. Release of Requests For Proposals
- ii. Awarding of any and all contracts after a formal bid process
- iii. Any decisions to terminate active contracts with vendors
- iv. Approval of all benefit plan designs
- v. Approval of premium rates
- vi. Approval of administrative rates
- vii. Approval of consultant fees
- viii. Stabilization Fund expenditures
- ix. Hiring of Board Administrator

C. Authority Delegated to Board Staff

The Board may delegate authority to PEBB administrative staff. Areas where this authority is delegated to staff include but are not limited to the following:

- i. Direct rate negotiations with vendors through PEBB's contracted consultant
- ii. Direct contract negotiations for implementation and renewal of PEBB programs and benefits once the Board has awarded contracts to successful vendors or has approved renewals of existing program contracts
- iii. Authority to initiate contracts for specific services that fall under the not-to-exceed dollar amount threshold established in state procurement laws for direct contracting and informal procurements
- iv. Authority to initiate transfer of excess reserve funds held by contracted carriers or refunds from contracted vendors to PEBB Stabilization Fund
- v. Authority to pay claims, invoices, purchase orders, travel expenses, maintenance agreements and personal service agreements
- vi. Operational and administrative actions required to administer services to members and implement benefits (e.g., rule-making authority)
- vii. Other activities as determined by the Chair and Vice-Chair

D. Requests for Staff Assistance

Board members will direct individual requests for staff assistance through the Board Chair, the PEBB Administrator, the PEBB Deputy Administrator or the PEBB Director of Operations.

XI. Amendments to Bylaws

These bylaws may be amended or repealed, and new bylaws adopted by the Board by a majority vote of members present, if a majority of the Board membership is present.