



# Oregon

Tina Kotek, Governor

## Public Employees Retirement System

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May 29, 2026

TO: Members of the PERS Board

FROM: Yong Yang, Research Policy Coordinator, Policy Analysis and Compliance Section  
Stephanie Vaughn, Manager, Policy Analysis and Compliance Section

SUBJECT: Notice of Rulemaking to update the PERS Health Insurance Program (PHIP)

OAR 459-035-0070 *Enrollment*

### OVERVIEW

- Action: None. This is notice that staff has begun rulemaking.
- Reason: Update and clarify the PERS Health Insurance Program's (PHIP) health insurance and dental insurance enrollment timing and requirements.
- Policy Issue: None identified.

### BACKGROUND

The PERS Health Insurance Program (PHIP) rules establish eligibility and enrollment requirements for retirees and their eligible family members, including spouses, domestic partners, and dependents. Under the current rule, enrollment in PERS-sponsored health insurance and related coverage options is generally structured around coordinated enrollment timing and plan selection requirements for retirees and their eligible family members.

The existing rule contains several limitations that restrict flexibility for participants and may create unintended barriers to enrollment. These include requirements that eligible family members enroll at the same time as the retiree and restrictions linking dental plan enrollment to enrollment in a PERS-sponsored health insurance plan. In addition, the rule does not clearly address certain enrollment scenarios involving Medicare-eligible spouses or dependents, particularly where the retiree and spouse may have different coverage elections or timing considerations.

The proposed amendments to OAR 459-035-0070 are intended to clarify and expand enrollment pathways while maintaining administrative consistency. The amendments expressly allow certain eligible spouses to enroll in PHIP coverage independent of the retiree in limited circumstances, including when the spouse is enrolled in Medicare Parts A and B. The rule also clarifies that, where both the retiree and spouse are enrolled in Medicare-based coverage through PHIP, they must enroll in the same Medicare Companion Plan offered by the same carrier.

In addition, the amendments revised enrollment timing provisions by extending the period for applying following loss of other group health coverage from 30 days to 60 days, and by

clarifying the applicability of existing enrollment windows tied to Medicare eligibility, Social Security award notices, and Board-designated open enrollment periods. These changes are intended to improve access to coverage while preserving clear and administrable enrollment standards.

The amendments further modify the rules governing dental plan enrollment. Specifically, they remove requirement that an individual must be enrolled in a PERS-sponsored health insurance plan in order to enroll in a PERS-sponsored dental plan, thereby allowing stand-alone dental enrollment. The rule also clarifies that when multiple family members enroll in a dental plan, they must enroll in the same plan.

### PUBLIC COMMENT AND HEARING TESTIMONY

A rulemaking hearing will be held remotely, and in person, on June 23, 2026, at 2:00 p.m. The public comment period ends June 26, 2026, at 5:00 p.m.

### IMPACT

Mandatory: No

Benefit: The proposed changes are designed to increase flexibility for participants, address gaps and ambiguities in current enrollment provisions, and reduce administrative complexity by providing clearer and more consistent enrollment standards.

Cost: There are no discrete costs attributable to the rule.

### RULEMAKING TIMELINE

May 25, 2026:	Staff began the rulemaking process by filing Notice of Rulemaking with the Secretary of State.
May 29, 2026:	PERS Board notified that staff began the rulemaking process.
June 1, 2026:	Secretary of State publishes the Notice in the Oregon Administrative Rules Database. Notice is sent to employers, legislators, and interested parties. The public comment period begins.
June 23, 2026:	Rulemaking hearing to be held remotely and at the PERS headquarters at 2:00 p.m.
June 26, 2026:	Public comment period ends at 5:00 p.m.
July 24, 2026:	Staff will propose adopting the rule modifications, including any changes resulting from public comment or reviews by staff.

### NEXT STEPS

A rulemaking hearing will be held remotely on June 23, 2026. The rule is scheduled to be brought before the PERS Board for adoption at the July 24, 2026, board meeting.

## B.4. Attachment 1 – OAR 459-035-0070 *Enrollment*