



# SENATE MAJORITY OFFICE

Oregon State Legislature  
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## NEWS RELEASE

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### **Senate approves use of federal funds to help more out of work Oregonians** *HB 2433 extends COBRA subsidy to smaller Oregon businesses*

SALEM –Thousands of workers who have been let go by businesses with less than twenty employees will get major help keeping health insurance benefits with legislation passed this morning in the Oregon Senate. The federal government is already picking up nearly two-thirds of the cost of continuing health insurance for larger employers. HB 2433 will provide the same 65 percent subsidy to people who were employed by small businesses.

“Across the state, many small businesses trimming their workforce,” said Deputy Majority Leader Laurie Monnes Anderson (D-Gresham), who carried the bill on the floor. “For Oregonians who are laid off, losing health benefits can put them one illness away from financial ruin. This legislation will give them the opportunity to keep their insurance at a considerably lower cost.”

Under the American Recovery and Reinvestment Act, the federal government is offering laid-off workers of large businesses a 65 percent subsidy for continuing their health care coverage, commonly referred to as COBRA benefits. The ARRA also extends the length of those benefits from six to nine months. HB 2433 allows former employees of smaller entities to qualify for the same subsidy, for the same length of time.

“Oregonians are struggling to get by, month to month,” said Senate Majority Leader Richard Devlin (D-Tualatin). “A few more months of help with health insurance coverage can make or break a family when they’re already stretching their dollars.”

HB 2433 will also allow Oregonians who lost their job before the ARRA was signed into law by President Obama a second opportunity to decide to continue their insurance coverage with the 65 percent subsidy. Additionally, the bill requires that insurers notify all employer groups and individuals whose jobs ended between September 1, 2008 and December 31, 2009 of their

qualification for the COBRA subsidy. Consumers will have 31 days from the date they are notified to decide to continue coverage.

“During these tough times, we need to make sure that Oregonians know that help is available,” said Senator Diane Rosenbaum (D-Portland). “This is a great benefit for Oregonians who are struggling and I’m pleased to see the state take the step to extend these benefits to laid-off workers of smaller businesses. They are hurting as much as anyone.”

Oregonians looking for more information on if they qualify should contact the Oregon Department of Consumer and Business Services’ Insurance Division at (888) 877-4894. The bill will now go to the Governor for his signature.

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