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Senate Democrats reject chance to lower school health costs

Giving all districts flexibility in their healthcare choices = \$ for classrooms

Salem, OR – Senate Republicans asked for a vote Monday morning on a proposal that would allow all Oregon school districts to negotiate and pick their own health care plans and significantly lower district health care costs, resulting in more money for schools. The proposal was rejected on a party line vote.

“More than two hundred Oregon school districts are forced to buy healthcare from one provider, and it is costing classrooms precious resources,” said Senator Bruce Starr (R-Hillsboro). “Eleven Oregon school districts are allowed to go out on their own and find the most cost-effective health plans, and it has resulted in millions saved and funneled back into classrooms. Why do we only give this option to these few districts? Every district should have the same opportunity to save money and raise more for classroom support.”

Currently, 210 school districts are forced to participate in the Oregon Educator Benefit Board, a state run provider of health benefits to Oregon school employees. Eleven districts were allowed to opt out of the OEGB, and they have consistently saved taxpayer money, sending \$63 million back to classrooms over the last three years.

Republicans believe every district should have the same opportunity to find more efficient alternatives, realize savings and redirect resources to classrooms.

“Every single school district allowed out of the OEGB saved money,” said Senator Ted Ferrioli (R-John Day). “The data is clear and the need is clear. School districts should all have the same chance to save money. Maintaining the status quo simply keeps Oregon classrooms overcrowded and underfunded.”

Ashland, Beaverton, Corvallis, Portland and Medford are among the school districts that have been allowed to opt out of the OEGB.

Republicans brought the proposal for school district opt out of OEGB to the Senate floor as an alternative to Senate Bill 789A, known as a minority report. Democrats locked up against the idea, voting 16 to 14 along party lines to defeat the proposal.

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