

# FINAL BILL REPORT

## SHB 1679

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### C 259 L 10

Synopsis as Enacted

**Brief Description:** Reimbursing medical expenses for certain totally disabled public safety personnel.

**Sponsors:** House Committee on Ways & Means (originally sponsored by Representatives Simpson, Van De Wege, Ericks, Williams, White, Kelley, Sells, Ross, Hope and Conway; by request of LEOFF Plan 2 Retirement Board).

**House Committee on Ways & Means**  
**Senate Committee on Ways & Means**

#### **Background:**

The surviving spouses of emergency service personnel killed in the line of duty on or after January 1, 1998, may purchase health care benefits from the Public Employees' Benefits Board (PEBB). "Emergency service personnel" for this purpose includes fire fighter and law enforcement members of the Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF) and the Volunteer Fire Fighters' and Reserve Officers' Relief and Pension System, and the Washington State Patrol Retirement System (WSPRS). The cost of the insurance is paid by the surviving spouses and dependent children.

Legislation enacted in 2006 added reimbursement for the cost of participating in a PEBB health insurance plan to the retirement allowance paid to survivors of all LEOFF Plan 2 members killed in the course of employment. The survivors of members killed in the line of duty prior to January 1, 1998, as well as on or after January 1, 1998, are eligible to participate in PEBB health insurance plans. A similar reimbursement benefit was added by legislation enacted in 2007 for similarly situated survivors of the WSPRS members.

A member of LEOFF Plan 2 who is totally disabled in the line of duty is entitled to a disability allowance equal to 70 percent of final average salary. The total disability benefit is reduced to the extent that in combination with certain workers' compensation payments and Social Security disability benefits, the disabled member would receive more than 100 percent of final average salary. The Department of Fish and Wildlife Enforcement Officers' compensation insurance benefits are also reduced for any disability benefits received from LEOFF Plan 2.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

Total disability is defined as a member's inability to perform any substantial gainful activity due to a physical or mental condition that may be expected to result in death or last for at least 12 months. Substantial gainful activity is defined as average earnings of more than \$860 per month, adjusted annually based on federal Social Security standards.

The LEOFF Plan 2 does not provide access to or pay for any health care insurance for any disability retirees. A disability retiree may have access to health care insurance through employer or employee associations or the open market. The LEOFF Plan 2 does pay for PEBB benefits for survivors of members that were killed in the course of employment.

**Summary:**

The act may be known as the Jason McKissack Act. The disability allowance of a LEOFF Plan 2 member that is totally disabled in the line of duty includes reimbursement for any payments made for employer-provided medical insurance after the relevant effective date. This includes medical insurance offered under the federal Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) and Medicare Parts A and B.

For members of the Washington State Patrol, the compensation of an officer totally disabled during the line of duty includes reimbursement for any payments of premiums for employer-provided medical insurance. An officer is considered totally disabled for purposes of the reimbursement benefit if he or she is unable to perform any substantial gainful activity due to a condition expected to last at least 12 months. Substantial gainful activity is defined as average earnings in excess of \$860 per month adjusted annually by the Director of the Department of Retirement Systems based on federal Social Security standards.

Members of LEOFF Plan 2 that are totally disabled in the line of duty must, if eligible, be enrolled in Medicare Parts A and B in order to remain eligible for reimbursement of medical insurance costs from LEOFF Plan 2.

The Legislature reserves the right to amend or repeal the reimbursement benefits for LEOFF 2 and Washington State Patrol for any distributions not granted prior to the amendment or repeal.

**Votes on Final Passage:**

House	97	0	
House	96	0	
Senate	46	0	(Senate amended)
House	95	0	(House concurred)

**Effective:** June 10, 2010