

---

SENATE BILL 5296

---

State of Washington

62nd Legislature

2011 Regular Session

By Senators Keiser, Pflug, and Conway; by request of Health Care Authority

Read first time 01/20/11. Referred to Committee on Health & Long-Term Care.

1 AN ACT Relating to public employee benefits law; amending RCW  
2 41.05.009, 41.05.011, 41.05.065, 41.05.066, and 41.05.195; reenacting  
3 and amending RCW 41.05.080; and repealing RCW 41.05.095.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 41.05.009 and 2009 c 537 s 2 are each amended to read  
6 as follows:

7 (1) The authority, or an employing agency at the authority's  
8 direction, (~~(an employing agency)~~) shall initially determine and  
9 periodically review whether an employee is eligible for benefits  
10 pursuant to the criteria established under this chapter.

11 (2) An employing agency shall inform an employee in writing whether  
12 or not he or she is eligible for benefits when initially determined and  
13 upon any subsequent change, including notice of the employee's right to  
14 an appeal.

15 **Sec. 2.** RCW 41.05.011 and 2009 c 537 s 3 are each amended to read  
16 as follows:

17 The definitions in this section apply throughout this chapter  
18 unless the context clearly requires otherwise.

1 (1) "Administrator" means the administrator of the authority.

2 (2) "State purchased health care" or "health care" means medical  
3 and health care, pharmaceuticals, and medical equipment purchased with  
4 state and federal funds by the department of social and health  
5 services, the department of health, the basic health plan, the state  
6 health care authority, the department of labor and industries, the  
7 department of corrections, the department of veterans affairs, and  
8 local school districts.

9 (3) "Authority" means the Washington state health care authority.

10 (4) "Insuring entity" means an insurer as defined in chapter 48.01  
11 RCW, a health care service contractor as defined in chapter 48.44 RCW,  
12 or a health maintenance organization as defined in chapter 48.46 RCW.

13 (5) "Flexible benefit plan" means a benefit plan that allows  
14 employees to choose the level of health care coverage provided and the  
15 amount of employee contributions from among a range of choices offered  
16 by the authority.

17 (6) "Employee" includes all employees of the state, whether or not  
18 covered by civil service; elected and appointed officials of the  
19 executive branch of government, including full-time members of boards,  
20 commissions, or committees; justices of the supreme court and judges of  
21 the court of appeals and the superior courts; and members of the state  
22 legislature. Pursuant to contractual agreement with the authority,  
23 "employee" may also include: (a) Employees of a county, municipality,  
24 or other political subdivision of the state and members of the  
25 legislative authority of any county, city, or town who are elected to  
26 office after February 20, 1970, if the legislative authority of the  
27 county, municipality, or other political subdivision of the state seeks  
28 and receives the approval of the authority to provide any of its  
29 insurance programs by contract with the authority, as provided in RCW  
30 41.04.205 and 41.05.021(1)(g); (b) employees of employee organizations  
31 representing state civil service employees, at the option of each such  
32 employee organization, and, effective October 1, 1995, employees of  
33 employee organizations currently pooled with employees of school  
34 districts for the purpose of purchasing insurance benefits, at the  
35 option of each such employee organization; (c) employees of a school  
36 district if the authority agrees to provide any of the school  
37 districts' insurance programs by contract with the authority as  
38 provided in RCW 28A.400.350; and (d) employees of a tribal government,

1 if the governing body of the tribal government seeks and receives the  
2 approval of the authority to provide any of its insurance programs by  
3 contract with the authority, as provided in RCW 41.05.021(1) (f) and  
4 (g). "Employee" does not include: Adult family (~~homeowners~~) home  
5 providers; unpaid volunteers; patients of state hospitals; inmates;  
6 employees of the Washington state convention and trade center as  
7 provided in RCW 41.05.110; students of institutions of higher education  
8 as determined by their institution; and any others not expressly  
9 defined as employees under this chapter or by the authority under this  
10 chapter.

11 (7) "Seasonal employee" means an employee hired to work during a  
12 recurring, annual season with a duration of three months or more, and  
13 anticipated to return each season to perform similar work.

14 (8) "Faculty" means an academic employee of an institution of  
15 higher education whose workload is not defined by work hours but whose  
16 appointment, workload, and duties directly serve the institution's  
17 academic mission, as determined under the authority of its enabling  
18 statutes, its governing body, and any applicable collective bargaining  
19 agreement.

20 (9) "Board" means the public employees' benefits board established  
21 under RCW 41.05.055.

22 (10) "Retired or disabled school employee" means:

23 (a) Persons who separated from employment with a school district or  
24 educational service district and are receiving a retirement allowance  
25 under chapter 41.32 or 41.40 RCW as of September 30, 1993;

26 (b) Persons who separate from employment with a school district or  
27 educational service district on or after October 1, 1993, and  
28 immediately upon separation receive a retirement allowance under  
29 chapter 41.32, 41.35, or 41.40 RCW;

30 (c) Persons who separate from employment with a school district or  
31 educational service district due to a total and permanent disability,  
32 and are eligible to receive a deferred retirement allowance under  
33 chapter 41.32, 41.35, or 41.40 RCW.

34 (11) "Premium payment plan" means a benefit plan whereby state and  
35 public employees may pay their share of group health plan premiums with  
36 pretax dollars as provided in the salary reduction plan under this  
37 chapter pursuant to 26 U.S.C. Sec. 125 or other sections of the  
38 internal revenue code.

1 (12) "Salary" means a state employee's monthly salary or wages.

2 (13) "Participant" means an individual who fulfills the eligibility  
3 and enrollment requirements under the salary reduction plan.

4 (14) "Plan year" means the time period established by the  
5 authority.

6 (15) "Separated employees" means persons who separate from  
7 employment with an employer as defined in:

8 (a) RCW 41.32.010(11) on or after July 1, 1996; or

9 (b) RCW 41.35.010 on or after September 1, 2000; or

10 (c) RCW 41.40.010 on or after March 1, 2002;

11 and who are at least age fifty-five and have at least ten years of  
12 service under the teachers' retirement system plan 3 as defined in RCW  
13 41.32.010(40), the Washington school employees' retirement system plan  
14 3 as defined in RCW 41.35.010, or the public employees' retirement  
15 system plan 3 as defined in RCW 41.40.010.

16 (16) "Emergency service personnel killed in the line of duty" means  
17 law enforcement officers and firefighters as defined in RCW 41.26.030,  
18 members of the Washington state patrol retirement fund as defined in  
19 RCW 43.43.120, and reserve officers and firefighters as defined in RCW  
20 41.24.010 who die as a result of injuries sustained in the course of  
21 employment as determined consistent with Title 51 RCW by the department  
22 of labor and industries.

23 (17) "Employer" means the state of Washington.

24 (18) "Employing agency" means a division, department, or separate  
25 agency of state government, including an institution of higher  
26 education; a county, municipality, school district, educational service  
27 district, or other political subdivision; and a tribal government  
28 covered by this chapter.

29 (19) "Tribal government" means an Indian tribal government as  
30 defined in section 3(32) of the employee retirement income security act  
31 of 1974, as amended, or an agency or instrumentality of the tribal  
32 government, that has government offices principally located in this  
33 state.

34 (20) "Dependent care assistance program" means a benefit plan  
35 whereby state and public employees may pay for certain employment  
36 related dependent care with pretax dollars as provided in the salary  
37 reduction plan under this chapter pursuant to 26 U.S.C. Sec. 129 or  
38 other sections of the internal revenue code.

1 (21) "Salary reduction plan" means a benefit plan whereby state and  
2 public employees may agree to a reduction of salary on a pretax basis  
3 to participate in the dependent care assistance program, medical  
4 flexible spending arrangement, or premium payment plan offered pursuant  
5 to 26 U.S.C. Sec. 125 or other sections of the internal revenue code.

6 (22) "Medical flexible spending arrangement" means a benefit plan  
7 whereby state and public employees may reduce their salary before taxes  
8 to pay for medical expenses not reimbursed by insurance as provided in  
9 the salary reduction plan under this chapter pursuant to 26 U.S.C. Sec.  
10 125 or other sections of the internal revenue code.

11 (23) "Employer group" means those employer organizations  
12 representing state civil service employees, counties, municipalities,  
13 political subdivisions, tribal governments, school districts, and  
14 educational service districts purchasing insurance programs under  
15 contractual agreement with the authority.

16 (24) "State registered domestic partners," "registered domestic  
17 partners," or "domestic partners" means two adults who meet the  
18 requirements for a valid state registered domestic partnership as  
19 established by RCW 26.60.030 and who have been issued a certificate of  
20 state registered domestic partnership by the secretary of state.

21 **Sec. 3.** RCW 41.05.065 and 2009 c 537 s 7 are each amended to read  
22 as follows:

23 (1) The board shall study all matters connected with the provision  
24 of health care coverage, life insurance, liability insurance,  
25 accidental death and dismemberment insurance, and disability income  
26 insurance or any of, or a combination of, the enumerated types of  
27 insurance for employees and their dependents on the best basis possible  
28 with relation both to the welfare of the employees and to the state.  
29 However, liability insurance shall not be made available to dependents.

30 (2) The board shall develop employee benefit plans that include  
31 comprehensive health care benefits for employees. In developing these  
32 plans, the board shall consider the following elements:

33 (a) Methods of maximizing cost containment while ensuring access to  
34 quality health care;

35 (b) Development of provider arrangements that encourage cost  
36 containment and ensure access to quality care, including but not  
37 limited to prepaid delivery systems and prospective payment methods;

1 (c) Wellness incentives that focus on proven strategies, such as  
2 smoking cessation, injury and accident prevention, reduction of alcohol  
3 misuse, appropriate weight reduction, exercise, automobile and  
4 motorcycle safety, blood cholesterol reduction, and nutrition  
5 education;

6 (d) Utilization review procedures including, but not limited to a  
7 cost-efficient method for prior authorization of services, hospital  
8 inpatient length of stay review, requirements for use of outpatient  
9 surgeries and second opinions for surgeries, review of invoices or  
10 claims submitted by service providers, and performance audit of  
11 providers;

12 (e) Effective coordination of benefits; and

13 (f) Minimum standards for insuring entities.

14 (3) To maintain the comprehensive nature of employee health care  
15 benefits, benefits provided to employees shall be substantially  
16 equivalent to the state employees' health benefits plan in effect on  
17 January 1, 1993. Nothing in this subsection shall prohibit changes or  
18 increases in employee point-of-service payments or employee premium  
19 payments for benefits or the administration of a high deductible health  
20 plan in conjunction with a health savings account. The board may  
21 establish employee eligibility criteria which are not substantially  
22 equivalent to employee eligibility criteria in effect on January 1,  
23 1993.

24 (4) Except if bargained for under chapter 41.80 RCW, the board  
25 shall design benefits and determine the terms and conditions of  
26 employee and retired employee participation and coverage, including  
27 establishment of eligibility criteria subject to the requirements of  
28 this chapter. Employer groups obtaining benefits through contractual  
29 agreement with the authority for employees defined in RCW 41.05.011(6)  
30 (a) through (d) may contractually agree with the authority to benefits  
31 eligibility criteria which differs from that determined by the board.  
32 The eligibility criteria established by the board shall be no more  
33 restrictive than the following:

34 (a) Except as provided in (b) through (e) of this subsection, an  
35 employee is eligible for benefits from the date of employment if the  
36 employing agency anticipates he or she will work an average of at least  
37 eighty hours per month and for at least eight hours in each month for

1 more than six consecutive months. An employee determined ineligible  
2 for benefits at the beginning of his or her employment shall become  
3 eligible in the following circumstances:

4 (i) An employee who works an average of at least eighty hours per  
5 month and for at least eight hours in each month and whose anticipated  
6 duration of employment is revised from less than or equal to six  
7 consecutive months to more than six consecutive months becomes eligible  
8 when the revision is made.

9 (ii) An employee who works an average of at least eighty hours per  
10 month over a period of six consecutive months and for at least eight  
11 hours in each of those six consecutive months becomes eligible at the  
12 first of the month following the six-month averaging period.

13 (b) A seasonal employee is eligible for benefits from the date of  
14 employment if the employing agency anticipates that he or she will work  
15 an average of at least eighty hours per month and for at least eight  
16 hours in each month of the season. A seasonal employee determined  
17 ineligible at the beginning of his or her employment who works an  
18 average of at least (~~half-time, as defined by the board,~~) eighty  
19 hours per month over a period of six consecutive months and at least  
20 eight hours in each of those six consecutive months becomes eligible at  
21 the first of the month following the six-month averaging period. A  
22 benefits-eligible seasonal employee who works a season of less than  
23 nine months shall not be eligible for the employer contribution during  
24 the off season, but may continue enrollment in benefits during the off  
25 season by self-paying for the benefits. A benefits-eligible seasonal  
26 employee who works a season of nine months or more is eligible for the  
27 employer contribution through the off season following each season  
28 worked.

29 (c) Faculty are eligible as follows:

30 (i) Faculty who the employing agency anticipates will work  
31 half-time or more for the entire instructional year or equivalent nine-  
32 month period are eligible for benefits from the date of employment.  
33 Eligibility shall continue until the beginning of the first full month  
34 of the next instructional year, unless the employment relationship is  
35 terminated, in which case eligibility shall cease the first month  
36 following the notice of termination or the effective date of the  
37 termination, whichever is later.

1 (ii) Faculty who the employing agency anticipates will not work for  
2 the entire instructional year or equivalent nine-month period are  
3 eligible for benefits at the beginning of the second consecutive  
4 quarter or semester of employment in which he or she is anticipated to  
5 work, or has actually worked, half-time or more. Such an employee  
6 shall continue to receive uninterrupted employer contributions for  
7 benefits if the employee works at least half-time in a quarter or  
8 semester. Faculty who the employing agency anticipates will not work  
9 for the entire instructional year or equivalent nine-month period, but  
10 who actually work half-time or more throughout the entire instructional  
11 year, are eligible for summer or off-quarter or off-semester coverage.  
12 Faculty who have met the criteria of this subsection (4)(c)(ii), who  
13 work at least two quarters or two semesters of the academic year with  
14 an average academic year workload of half-time or more for three  
15 quarters or two semesters of the academic year, and who have worked an  
16 average of half-time or more in each of the two preceding academic  
17 years shall continue to receive uninterrupted employer contributions  
18 for benefits if he or she works at least half-time in a quarter or  
19 semester or works two quarters or two semesters of the academic year  
20 with an average academic workload each academic year of half-time or  
21 more for three quarters or two semesters. Eligibility under this  
22 section ceases immediately if this criteria is not met.

23 (iii) Faculty may establish or maintain eligibility for benefits by  
24 working for more than one institution of higher education. When  
25 faculty work for more than one institution of higher education, those  
26 institutions shall prorate the employer contribution costs, or if  
27 eligibility is reached through one institution, that institution will  
28 pay the full employer contribution. Faculty working for more than one  
29 institution must alert his or her employers to his or her potential  
30 eligibility in order to establish eligibility.

31 (iv) The employing agency must provide written notice to faculty  
32 who are potentially eligible for benefits under this subsection (4)(c)  
33 of their potential eligibility.

34 (v) To be eligible for maintenance of benefits through averaging  
35 under (c)(ii) of this subsection, faculty must provide written  
36 notification to his or her employing agency or agencies of his or her  
37 potential eligibility.

38 (vi) For the purposes of this subsection (4)(c):



1       (A) "Academic year" means summer, fall, winter, and spring quarters  
2 or summer, fall, and spring semesters;

3       (B) "Half-time" means one-half of the full-time academic workload  
4 as determined by each institution, except that half-time for community  
5 and technical college faculty employees is governed by RCW 28B.50.489.

6       (d) A legislator is eligible for benefits on the date his or her  
7 term begins. All other elected and full-time appointed officials of  
8 the legislative and executive branches of state government are eligible  
9 for benefits on the date his or her term begins or they take the oath  
10 of office, whichever occurs first.

11       (e) A justice of the supreme court and judges of the court of  
12 appeals and the superior courts become eligible for benefits on the  
13 date he or she takes the oath of office.

14       (f) Except as provided in (c)(i) and (ii) of this subsection,  
15 eligibility ceases for any employee the first of the month following  
16 termination of the employment relationship.

17       (g) In determining eligibility under this section, the employing  
18 agency may disregard training hours, standby hours, or temporary  
19 changes in work hours as determined by the authority under this  
20 section.

21       (h) Insurance coverage for all eligible employees begins on the  
22 first day of the month following the date when eligibility for benefits  
23 is established. If the date eligibility is established is the first  
24 working day of a month, insurance coverage begins on that date.

25       (i) Eligibility for an employee whose work circumstances are  
26 described by more than one of the eligibility categories in (a) through  
27 (e) of this subsection shall be determined solely by the criteria of  
28 the category that most closely describes the employee's work  
29 circumstances.

30       (j) Except for an employee eligible for benefits under (b) or  
31 (c)(ii) of this subsection, an employee who has established eligibility  
32 for benefits under this section shall remain eligible for benefits each  
33 month in which he or she is in pay status for eight or more hours, if  
34 (i) he or she remains in a benefits-eligible position and (ii) leave  
35 from the benefits-eligible position is approved by the employing  
36 agency. A benefits-eligible seasonal employee is eligible for the  
37 employer contribution in any month of his or her season in which he or  
38 she is in pay status eight or more hours during that month.

1 Eligibility ends if these conditions are not met, the employment  
2 relationship is terminated, or the employee voluntarily transfers to a  
3 noneligible position.

4 (k) For the purposes of this subsection(~~(+~~

5 ~~(i) "Academic year" means summer, fall, winter, and spring quarters  
6 or semesters;~~

7 ~~(ii) "Half-time" means one half of the full-time academic workload  
8 as determined by each institution, except that half-time for community  
9 and technical college faculty employees shall have the same meaning as  
10 "part-time" under RCW 28B.50.489;~~

11 ~~(iii)) the board defines "benefits-eligible position." ((shall be  
12 defined by the board.))~~

13 (5) The board may authorize premium contributions for an employee  
14 and the employee's dependents in a manner that encourages the use of  
15 cost-efficient managed health care systems.

16 (6) The board shall develop a health savings account option for  
17 employees that conform to section 223, Part VII of subchapter B of  
18 chapter 1 of the internal revenue code of 1986. The board shall comply  
19 with all applicable federal standards related to the establishment of  
20 health savings accounts.

21 (7) Notwithstanding any other provision of this chapter, the board  
22 shall develop a high deductible health plan to be offered in  
23 conjunction with a health savings account developed under subsection  
24 (6) of this section.

25 (8) Employees shall choose participation in one of the health care  
26 benefit plans developed by the board and may be permitted to waive  
27 coverage under terms and conditions established by the board.

28 (9) The board shall review plans proposed by insuring entities that  
29 desire to offer property insurance and/or accident and casualty  
30 insurance to state employees through payroll deduction. The board may  
31 approve any such plan for payroll deduction by insuring entities  
32 holding a valid certificate of authority in the state of Washington and  
33 which the board determines to be in the best interests of employees and  
34 the state. The board shall adopt rules setting forth criteria by which  
35 it shall evaluate the plans.

36 (10) Before January 1, 1998, the public employees' benefits board  
37 shall make available one or more fully insured long-term care insurance  
38 plans that comply with the requirements of chapter 48.84 RCW. Such

1 programs shall be made available to eligible employees, retired  
2 employees, and retired school employees as well as eligible dependents  
3 which, for the purpose of this section, includes the parents of the  
4 employee or retiree and the parents of the spouse of the employee or  
5 retiree. Employees of local governments, political subdivisions, and  
6 tribal governments not otherwise enrolled in the public employees'  
7 benefits board sponsored medical programs may enroll under terms and  
8 conditions established by the administrator, if it does not jeopardize  
9 the financial viability of the public employees' benefits board's long-  
10 term care offering.

11 (a) Participation of eligible employees or retired employees and  
12 retired school employees in any long-term care insurance plan made  
13 available by the public employees' benefits board is voluntary and  
14 shall not be subject to binding arbitration under chapter 41.56 RCW.  
15 Participation is subject to reasonable underwriting guidelines and  
16 eligibility rules established by the public employees' benefits board  
17 and the health care authority.

18 (b) The employee, retired employee, and retired school employee are  
19 solely responsible for the payment of the premium rates developed by  
20 the health care authority. The health care authority is authorized to  
21 charge a reasonable administrative fee in addition to the premium  
22 charged by the long-term care insurer, which shall include the health  
23 care authority's cost of administration, marketing, and consumer  
24 education materials prepared by the health care authority and the  
25 office of the insurance commissioner.

26 (c) To the extent administratively possible, the state shall  
27 establish an automatic payroll or pension deduction system for the  
28 payment of the long-term care insurance premiums.

29 (d) The public employees' benefits board and the health care  
30 authority shall establish a technical advisory committee to provide  
31 advice in the development of the benefit design and establishment of  
32 underwriting guidelines and eligibility rules. The committee shall  
33 also advise the board and authority on effective and cost-effective  
34 ways to market and distribute the long-term care product. The  
35 technical advisory committee shall be comprised, at a minimum, of  
36 representatives of the office of the insurance commissioner, providers  
37 of long-term care services, licensed insurance agents with expertise in

1 long-term care insurance, employees, retired employees, retired school  
2 employees, and other interested parties determined to be appropriate by  
3 the board.

4 (e) The health care authority shall offer employees, retired  
5 employees, and retired school employees the option of purchasing long-  
6 term care insurance through licensed agents or brokers appointed by the  
7 long-term care insurer. The authority, in consultation with the public  
8 employees' benefits board, shall establish marketing procedures and may  
9 consider all premium components as a part of the contract negotiations  
10 with the long-term care insurer.

11 (f) In developing the long-term care insurance benefit designs, the  
12 public employees' benefits board shall include an alternative plan of  
13 care benefit, including adult day services, as approved by the office  
14 of the insurance commissioner.

15 (g) The health care authority, with the cooperation of the office  
16 of the insurance commissioner, shall develop a consumer education  
17 program for the eligible employees, retired employees, and retired  
18 school employees designed to provide education on the potential need  
19 for long-term care, methods of financing long-term care, and the  
20 availability of long-term care insurance products including the  
21 products offered by the board.

22 (11) The board may establish penalties to be imposed by the  
23 authority when the eligibility determinations of an employing agency  
24 fail to comply with the criteria under this chapter.

25 **Sec. 4.** RCW 41.05.066 and 2007 c 156 s 9 are each amended to read  
26 as follows:

27 A certificate of domestic partnership issued (~~to a couple of the~~  
28 ~~same sex~~) under the provisions of RCW 26.60.030 shall be recognized as  
29 evidence of a qualified (~~same sex~~) domestic partnership fulfilling  
30 all necessary eligibility criteria for the partner of the employee to  
31 receive benefits. Nothing in this section affects the requirements of  
32 (~~same sex~~) domestic partners to complete documentation related to  
33 federal tax status that may currently be required by the board for  
34 employees choosing to make premium payments on a pretax basis.

35 **Sec. 5.** RCW 41.05.080 and 2009 c 523 s 1 and 2009 c 522 s 9 are  
36 each reenacted and amended to read as follows:

1 (1) Under the qualifications, terms, conditions, and benefits set  
2 by the board:

3 (a) Retired or disabled state employees, retired or disabled school  
4 employees, retired or disabled employees of county, municipal, or other  
5 political subdivisions, or retired or disabled employees of tribal  
6 governments covered by this chapter may continue their participation in  
7 insurance plans and contracts after retirement or disablement;

8 (b) Separated employees may continue their participation in  
9 insurance plans and contracts if participation is selected immediately  
10 upon separation from employment;

11 (c) Surviving spouses, state registered domestic partners, and  
12 dependent children of emergency service personnel killed in the line of  
13 duty may participate in insurance plans and contracts.

14 (2) Rates charged surviving spouses and state registered domestic  
15 partners of emergency service personnel killed in the line of duty,  
16 retired or disabled employees, separated employees, spouses, or  
17 dependent children who are not eligible for parts A and B of medicare  
18 shall be based on the experience of the community rated risk pool  
19 established under RCW 41.05.022.

20 (3) Rates charged to surviving spouses and state registered  
21 domestic partners of emergency service personnel killed in the line of  
22 duty, retired or disabled employees, separated employees, spouses, or  
23 children who are eligible for parts A and B of medicare shall be  
24 calculated from a separate experience risk pool comprised only of  
25 individuals eligible for parts A and B of medicare; however, the  
26 premiums charged to medicare-eligible retirees and disabled employees  
27 shall be reduced by the amount of the subsidy provided under RCW  
28 41.05.085.

29 (4) Surviving spouses, state registered domestic partners, and  
30 dependent children of emergency service personnel killed in the line of  
31 duty and retired or disabled and separated employees shall be  
32 responsible for payment of premium rates developed by the authority  
33 which shall include the cost to the authority of providing insurance  
34 coverage including any amounts necessary for reserves and  
35 administration in accordance with this chapter. These self pay rates  
36 will be established based on a separate rate for the employee, the  
37 spouse, and the children.

1 (5) The term "retired state employees" for the purpose of this  
2 section shall include but not be limited to members of the legislature  
3 whether voluntarily or involuntarily leaving state office.

4 **Sec. 6.** RCW 41.05.195 and 2009 c 523 s 2 are each amended to read  
5 as follows:

6 Notwithstanding any other provisions of this chapter or rules or  
7 procedures adopted by the authority, the authority shall make available  
8 to retired (~~or disabled~~) employees or employees with a disability who  
9 are enrolled in parts A and B of medicare one or more medicare  
10 supplemental insurance policies that conform to the requirements of  
11 chapter 48.66 RCW. The policies shall be chosen in consultation with  
12 the public employees' benefits board. These policies shall be made  
13 available to retired (~~or disabled~~) state employees or state employees  
14 with a disability; retired (~~or disabled~~) school district employees or  
15 school district employees with a disability; retired employees of  
16 county, municipal, or other political subdivisions or retired employees  
17 of tribal governments eligible for coverage available under the  
18 authority; or surviving spouses or state registered domestic partners  
19 of emergency service personnel killed in the line of duty.

20 NEW SECTION. **Sec. 7.** RCW 41.05.095 (Unmarried dependents under  
21 the age of twenty-five) and 2010 c 94 s 11 and 2007 c 259 s 18 are each  
22 repealed.

--- END ---