
SENATE BILL 6295

State of Washington

54th Legislature

1996 Regular Session

By Senators Fraser, Prentice, Winsley and Kohl

Read first time 01/10/96. Referred to Committee on Health & Long-Term Care.

1 AN ACT Relating to long-term care benefits for public employees;
2 and amending RCW 41.05.065.

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

4 **Sec. 1.** RCW 41.05.065 and 1995 1st sp.s. c 6 s 5 are each amended
5 to read as follows:

6 (1) The board shall study all matters connected with the provision
7 of health care coverage, life insurance, liability insurance,
8 accidental death and dismemberment insurance, and disability income
9 insurance or any of, or a combination of, the enumerated types of
10 insurance for employees and their dependents on the best basis possible
11 with relation both to the welfare of the employees and to the state.
12 However, liability insurance shall not be made available to dependents.

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

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

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

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

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

15 (e) Effective coordination of benefits;

16 (f) Minimum standards for insuring entities; and

17 (g) Minimum scope and content of public employee benefit plans to
18 be offered to enrollees participating in the employee health benefit
19 plans. To maintain the comprehensive nature of employee health care
20 benefits, employee eligibility criteria related to the number of hours
21 worked and the benefits provided to employees shall be substantially
22 equivalent to the state employees' health benefits plan and eligibility
23 criteria in effect on January 1, 1993. Nothing in this subsection
24 (2)(g) shall prohibit changes or increases in employee point-of-service
25 payments or employee premium payments for benefits.

26 (3) The board shall design benefits and determine the terms and
27 conditions of employee participation and coverage, including
28 establishment of eligibility criteria.

29 (4) The board may authorize premium contributions for an employee
30 and the employee's dependents in a manner that encourages the use of
31 cost-efficient managed health care systems.

32 (5) Employees shall choose participation in one of the health care
33 benefit plans developed by the board and may be permitted to waive
34 coverage under terms and conditions established by the board.

35 (6) The board shall review plans proposed by insuring entities that
36 desire to offer property insurance and/or accident and casualty
37 insurance to state employees through payroll deduction. The board may
38 approve any such plan for payroll deduction by insuring entities
39 holding a valid certificate of authority in the state of Washington and

1 which the board determines to be in the best interests of employees and
2 the state. The board shall promulgate rules setting forth criteria by
3 which it shall evaluate the plans.

4 (7) Effective January 1, 1997, the public employees' benefits board
5 shall design and make available one or more long-term care insurance
6 plans for all employees and retired employees and shall include
7 insurance protection options for the employees' spouse and children and
8 parents of either the employee or the spouse.

9 (a) Participation of employees or retired employees in any long-
10 term care insurance plan or plans designed and made available by the
11 public employees' benefits board is voluntary.

12 (b) The employee or retired employee is responsible for payment of
13 any and all premium amounts.

14 (c) The state shall make an automatic payroll deduction system
15 available to employees for purposes of making long-term care insurance
16 premium payments.

17 (d) The public employees' benefits board, when designing a long-
18 term care insurance plan or plans, shall, at a minimum, include the
19 services offered by or in:

20 (i) Nursing facilities licensed pursuant to chapter 18.51 RCW;

21 (ii) Boarding homes licensed pursuant to chapter 18.20 RCW;

22 (iii) Adult family homes licensed pursuant to chapter 70.128 RCW;

23 and

24 (iv) Home health, hospice, and home care agencies licensed pursuant
25 to chapter 70.127 RCW.

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