

SHB 2156 - H AMD 568

By Representative Tharinger

ADOPTED 6/30/2015

1 Beginning on page 13, line 7, strike all of section 303 and
2 insert the following:

3 "Sec. 303. RCW 41.05.050 and 2009 c 537 s 5 are each amended to
4 read as follows:

5 (1) Every: (a) Department, division, or separate agency of state
6 government; (b) county, municipal, school district, educational
7 service district, or other political subdivisions; and (c) tribal
8 governments as are covered by this chapter, shall provide
9 contributions to insurance and health care plans for its employees
10 and their dependents, the content of such plans to be determined by
11 the authority. Contributions, paid by the county, the municipality,
12 other political subdivision, or a tribal government for their
13 employees, (~~shall~~) must include an amount determined by the
14 authority to pay such administrative expenses of the authority as are
15 necessary to administer the plans for employees of those groups,
16 except as provided in subsection (4) of this section.

17 (2) (~~If the authority at any time determines that the
18 participation of a county, municipal, other political subdivision, or
19 a tribal government covered under this chapter adversely impacts
20 insurance rates for state employees, the authority shall implement
21 limitations on the participation of additional county, municipal,
22 other political subdivisions, or a tribal government.)) To account
23 for increased cost of benefits for the state and state employees the
24 authority may develop a rate surcharge applicable to participating
25 counties, municipalities, other political subdivisions, and tribal
26 governments.~~

27 (3) The contributions of any: (a) Department, division, or
28 separate agency of the state government; (b) county, municipal, or
29 other political subdivisions; and (c) any tribal government as are
30 covered by this chapter, shall be set by the authority, subject to
31 the approval of the governor for availability of funds as
32 specifically appropriated by the legislature for that purpose.

1 Insurance and health care contributions for ferry employees shall be
2 governed by RCW 47.64.270.

3 (4)(a) The authority (~~shall~~) must collect from each
4 participating school district and educational service district an
5 amount equal to the composite rate charged to state agencies, plus an
6 amount equal to the employee premiums by plan and family size as
7 would be charged to state employees, for groups of district employees
8 enrolled in authority plans. The authority may collect these amounts
9 in accordance with the district fiscal year, as described in RCW
10 28A.505.030.

11 (b) For all groups of district employees enrolling in authority
12 plans for the first time after September 1, 2003, the authority shall
13 collect from each participating school district an amount equal to
14 the composite rate charged to state agencies, plus an amount equal to
15 the employee premiums by plan and by family size as would be charged
16 to state employees, only if the authority determines that this method
17 of billing the districts will not result in a material difference
18 between revenues from districts and expenditures made by the
19 authority on behalf of districts and their employees. The authority
20 may collect these amounts in accordance with the district fiscal
21 year, as described in RCW 28A.505.030.

22 (c) If the authority determines at any time that the conditions
23 in (b) of this subsection cannot be met, the authority shall offer
24 enrollment to additional groups of district employees on a tiered
25 rate structure until such time as the authority determines there
26 would be no material difference between revenues and expenditures
27 under a composite rate structure for all district employees enrolled
28 in authority plans.

29 (d) The authority may charge districts a one-time set-up fee for
30 employee groups enrolling in authority plans for the first time.

31 (e) For the purposes of this subsection:

32 (i) "District" means school district and educational service
33 district; and

34 (ii) "Tiered rates" means the amounts the authority must pay to
35 insuring entities by plan and by family size.

36 (f) Notwithstanding this subsection and RCW 41.05.065(4), the
37 authority may allow districts enrolled on a tiered rate structure
38 prior to September 1, 2002, to continue participation based on the
39 same rate structure and under the same conditions and eligibility
40 criteria.

1 (5) The authority shall transmit a recommendation for the amount
2 of the employer contribution to the governor and the director of
3 financial management for inclusion in the proposed budgets submitted
4 to the legislature."

EFFECT: Authorizes the Health Care Authority (HCA) to develop a health benefit and insurance rate surcharge for counties, municipalities, other political subdivision and tribal governments that are authorized to participate in the Public Employees' Benefits Board programs to account for increased benefit costs for the state and state employees, as opposed to having the HCA develop an employer-specific surcharge that offsets significant rate increases that could be caused by the participation of an individual nonstate government employer.

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