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SENATE BILL 5696

State of Washington 68th Legislature 2023 Regular Session

By Senators Robinson and Hunt

Read first time 02/03/23. Referred to Committee on Ways & Means.

- AN ACT Relating to eligibility for participation in the public employees' benefits board for retired or disabled employees of counties, municipalities, and other political subdivisions; amending RCW 41.05.080; creating a new section; and declaring an emergency.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 **Sec. 1.** RCW 41.05.080 and 2018 c 260 s 15 are each amended to read as follows:
- 8 (1) Under the qualifications, terms, conditions, and benefits set 9 by the public employees' benefits board:
 - (a) (i) Retired or disabled state employees, retired or disabled school employees, retired or disabled employees of ((county, municipal)) counties, municipalities, or other political subdivisions, or retired or disabled employees of tribal governments covered by this chapter may continue their participation in insurance plans and contracts after retirement or disablement.
 - (ii) The retired or disabled employees of a county, municipality, or other political subdivision whose contractual agreement with the authority terminates may continue their participation in insurance plans and contracts after the contractual agreement is terminated. The retired or disabled employees of a county, municipality, or other political subdivision whose contractual agreement with the authority

p. 1 SB 5696

terminates are not eligible for any subsidy provided under RCW 41.05.085;

- (b) Separated employees may continue their participation in insurance plans and contracts if participation is selected immediately upon separation from employment;
- (c) Surviving spouses, surviving state registered domestic partners, and dependent children of emergency service personnel killed in the line of duty may participate in insurance plans and contracts.
- (2) Rates charged surviving spouses and surviving state registered domestic partners of emergency service personnel killed in the line of duty, retired or disabled employees, separated employees, spouses, or dependent children who are not eligible for parts A and B of medicare shall be based on the experience of the community-rated risk pool established under RCW 41.05.022.
- (3) Rates charged to surviving spouses and surviving state registered domestic partners of emergency service personnel killed in the line of duty, retired or disabled employees, separated employees, spouses, or children who are eligible for parts A and B of medicare shall be calculated from a separate experience risk pool comprised only of individuals eligible for parts A and B of medicare; however, the premiums charged to medicare-eligible retirees and disabled employees shall be reduced by the amount of the subsidy provided under RCW 41.05.085, except as provided in subsection (1)(a)(ii) of this section.
- (4) Surviving spouses, surviving state registered domestic partners, and dependent children of emergency service personnel killed in the line of duty and retired or disabled and separated employees shall be responsible for payment of premium rates developed by the authority which shall include the cost to the authority of providing insurance coverage including any amounts necessary for reserves and administration in accordance with this chapter. These self pay rates will be established based on a separate rate for the employee, the spouse, state registered domestic partners, and the children.
- 36 (5) The term "retired state employees" for the purpose of this 37 section shall include but not be limited to members of the 38 legislature whether voluntarily or involuntarily leaving state 39 office.

p. 2 SB 5696

NEW SECTION. Sec. 2. Any retired or disabled employee whose participation in insurance plans or contracts under RCW 41.05.080(1)(a) ended due to the termination of the contractual agreement between the authority and a county, municipality, or other political subdivision on or before January 1, 2023, must be allowed to return and participate in insurance plans and contracts so long as the retired or disabled employee notifies the health care authority in writing by December 31, 2023, after which participation will begin on the first day of the month following the date the authority receives the retired or disabled employee's written notice.

<u>NEW SECTION.</u> **Sec. 3.** This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

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p. 3 SB 5696