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HOUSE BILL 2755

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State of Washington

52nd Legislature

1992 Regular Session

By Representatives Chandler, Dellwo, Broback, Paris, Winsley and Jacobsen

Read first time 01/27/92. Referred to Committee on Health Care.

1 AN ACT Relating to the state employees' benefits board; and  
2 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 1988 c 107 s 8 are each amended to read  
5 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 ~~PROVIDED, That~~)), however, liability insurance shall not be made  
13 available to dependents.

1           (2) The state employees' benefits board shall develop employee  
2 benefit plans that include comprehensive health care benefits for all  
3 employees, however, an employee who is working in a foreign country may  
4 waive such benefit coverage if comparable coverage is provided by  
5 another source. In developing these plans, the board shall consider  
6 the following elements:

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

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

12           (c) Wellness incentives that focus on proven strategies, such as  
13 smoking cessation, exercise, and automobile and motorcycle safety;

14           (d) Utilization review procedures including, but not limited to  
15 prior authorization of services, hospital inpatient length of stay  
16 review, requirements for use of outpatient surgeries and second  
17 opinions for surgeries, review of invoices or claims submitted by  
18 service providers, and performance audit of providers; and

19           (e) Effective coordination of benefits.

20           (3) The board shall design benefits and determine the terms and  
21 conditions of employee participation and coverage, including  
22 establishment of eligibility criteria.

23           (4) The board may authorize premium contributions for an employee  
24 and the employee's dependents. Such authorization shall require a vote  
25 of five members of the board for approval.

26           (5) Employees may choose participation in only one of the health  
27 care benefit plans developed by the board.

28           (6) The board shall review plans proposed by insurance carriers  
29 that desire to offer property insurance and/or accident and casualty  
30 insurance to state employees through payroll deduction. The board may

1 approve any such plan for payroll deduction by carriers holding a valid  
2 certificate of authority in the state of Washington and which the board  
3 determines to be in the best interests of employees and the state. The  
4 board shall promulgate rules setting forth criteria by which it shall  
5 evaluate the plans.