

2 EHB 1584 - S COMM AMD

3 By Committee on Health & Long-Term Care

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5 Strike everything after the enacting clause and insert the  
6 following:

7 "Sec. 1. RCW 28A.400.270 and 1990 1st ex.s. c 11 s 4 are each  
8 amended to read as follows:

9 Unless the context clearly requires otherwise, the definitions in  
10 this section apply throughout RCW 28A.400.275 and 28A.400.280.

11 (1) "School district employee benefit plan" means the overall plan  
12 used by the district for distributing fringe benefit subsidies to  
13 employees, including the method of determining employee coverage and  
14 the amount of employer contributions, as well as the characteristics of  
15 benefit providers and the specific benefits or coverage offered. It  
16 shall not include coverage offered to district employees for which  
17 there is no contribution from public funds.

18 (2) "Fringe benefit" does not include liability coverage, old-age  
19 survivors' insurance, workers' compensation, unemployment compensation,  
20 retirement benefits under the Washington state retirement system, or  
21 payment for unused leave for illness or injury under RCW 28A.400.210.

22 (3) "Basic benefits" are determined through local bargaining and  
23 are limited to medical, dental, vision, group term life, and group  
24 long-term disability insurance coverage. Basic benefits may be limited  
25 to one or more of the basic benefits listed in this subsection if all  
26 employee bargaining units and all nonbargaining group employees in a  
27 pooling arrangement agree to the limitation.

28 (4) "Benefit providers" include insurers, third party claims  
29 administrators, direct providers of employee fringe benefits, health  
30 maintenance organizations, health care service contractors, and the  
31 Washington state health care authority or any plan offered by the  
32 authority.

33 (5) "Group term life insurance coverage" means term life insurance  
34 coverage provided for, at a minimum, all full-time employees in a  
35 bargaining unit or all full-time nonbargaining group employees.

1 (6) "Group long-term disability insurance coverage" means long-term  
2 disability insurance coverage provided for, at a minimum, all full-time  
3 employees in a bargaining unit or all full-time nonbargaining group  
4 employees.

5 **Sec. 2.** RCW 28A.400.280 and 1990 1st ex.s. c 11 s 6 are each  
6 amended to read as follows:

7 (1) Except as provided in subsection (2) of this section, school  
8 districts may provide employer fringe benefit contributions after  
9 October 1, 1990, only for basic benefits. However, school districts  
10 may continue payments under contracts with employees or benefit  
11 providers in effect on April 13, 1990, until the contract expires.

12 (2) School districts may provide employer contributions after  
13 October 1, 1990, for optional benefit plans, in addition to basic  
14 benefits, only for employees included in pooling arrangements under  
15 this subsection. Optional benefit plans may not include employee  
16 beneficiary accounts that can be liquidated by the employee on  
17 termination of employment. Optional benefit plans may be offered only  
18 if:

19 (a) The school district pools benefit allocations among employees  
20 using a pooling arrangement that includes at least one employee  
21 bargaining unit and/or all nonbargaining group employees;

22 (b) The employee bargaining unit does not withdraw from a pooling  
23 arrangement in order to purchase an optional benefit.

24 (c) Each full-time employee included in the pooling arrangement is  
25 offered basic benefits, including coverage for dependents, without a  
26 payroll deduction for premium charges;

27 ~~((e))~~ (d) Each full-time employee included in the pooling  
28 arrangement, regardless of the number of dependents receiving basic  
29 coverage, receives the same additional employer contribution for other  
30 coverage or optional benefits; and

31 ~~((d))~~ (e) For part-time employees included in the pooling  
32 arrangement, participation in optional benefit plans shall be governed  
33 by the same eligibility criteria and/or proration of employer  
34 contributions used for allocations for basic benefits.

35 (3) Savings accruing to school districts due to limitations on  
36 benefit options under this section shall be pooled and made available  
37 by the districts to reduce out-of-pocket premium expenses for employees

1 needing basic coverage for dependents. School districts are not  
2 intended to divert state benefit allocations for other purposes."

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6 On page 1, line 1 of the title, after "benefits;" strike the  
7 remainder of the title and insert "and amending RCW 28A.400.270 and  
8 28A.400.280."

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