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HOUSE BILL 1834

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State of Washington                      52nd Legislature                      1991 Regular Session

By Representatives Spanel, Day, Kremen, Braddock, Prentice, Anderson, Dellwo, Bowman, Winsley and Nelson.

Read first time February 12, 1991.      Referred to Committee on Appropriations.

1            AN ACT Relating to directing the Washington state health care  
2 authority to study medical insurance coverage offered by public  
3 employers; creating new sections; and declaring an emergency.

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

5            NEW SECTION.    **Sec. 1.**            The legislature finds that health care  
6 costs are rising faster than the costs of other goods and services in  
7 the United States. Rising health care costs place a particular burden  
8 on retirees due to their relatively fixed incomes and increased  
9 reliance on medical care as they grow older. The legislature further  
10 finds that there is no standard among public employers in the state for  
11 the provision of medical insurance for retired public employees and  
12 that the lack of such a standard creates inequities among public  
13 employees. However, insufficient data on local practices is available  
14 for the legislature to make prudent policy decisions regarding retiree  
15 medical insurance. Therefore it is the legislature's intent to direct

1 the Washington state health care authority to conduct a study of  
2 medical insurance available to retired public employees in the state.

3 NEW SECTION. **Sec. 2.** (1) The Washington state health care  
4 authority shall conduct a study of medical insurance provided to  
5 retired public employees by their employers. The study shall focus on  
6 the current practices of counties, municipalities, and other political  
7 subdivisions of the state. The health care authority may extend the  
8 scope of the study to include school districts if the authority  
9 determines that insufficient information has been collected in previous  
10 studies of school district insurance practices. The health care  
11 authority may utilize representative sampling of employers to collect  
12 information.

13 (2) The study shall address and include:

14 (a) The current availability and provision of medical insurance for  
15 retired public employees;

16 (b) Collection of information regarding the cost to both the  
17 employer and the retired employee of coverage, the prevalence of use of  
18 available coverage by retirees, and the types of coverage made  
19 available by employers;

20 (c) The feasibility and cost implications to retirees, local public  
21 employers, and the state of: (i) Requiring public employers to allow  
22 retired employees to continue their employer-sponsored medical  
23 insurance at a reasonable cost; and/or (ii) allowing retired public  
24 employees to participate in medical insurance plans offered by the  
25 state employees' benefits board even if the retirees did not  
26 participate in such plans as active employees; and

27 (d) Additional recommendations and policy considerations for  
28 improving access by retired public employees to adequate medical  
29 insurance.

1           (3) The health care authority shall submit its findings and  
2 recommendations to the legislature by December 15, 1991.

3           NEW SECTION.   **Sec. 3.**           This act is necessary for the immediate  
4 preservation of the public peace, health, or safety, or support of the  
5 state government and its existing public institutions, and shall take  
6 effect immediately.