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**SENATE BILL 6507**

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**State of Washington                      52nd Legislature                      1992 Regular Session**

**By** Senators West, Wojahn, M. Kreidler, L. Smith, Sumner and Amondson

Read first time 02/18/92. Referred to Committee on Health & Long-Term Care.

1            AN ACT Relating to providing incentives to participate as a  
2 provider in the medicaid program; amending RCW 41.04.250; and creating  
3 a new section.

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

5            NEW SECTION.    **Sec. 1.**            The legislature finds that:

6            (1) The number of persons without access, or with increasingly  
7 limited access, to health care services continues to grow; and

8            (2) The medicaid program continues to provide necessary services to  
9 the state's low-income population.

10           The legislature declares that incentives need to be identified that  
11 will maintain participants and attract new participants in the medicaid  
12 program by health care providers.

1       **Sec. 2.** RCW 41.04.250 and 1981 c 256 s 2 are each amended to read  
2 as follows:

3       "Employee" as used in this section and RCW 41.04.260 includes all  
4 full-time, part-time and career seasonal employees of the state, a  
5 county, a municipality, or other political subdivision of the state,  
6 whether or not covered by civil service; elected and appointed  
7 officials of the executive branch of the government, including full-  
8 time members of boards, commissions, or committees; justices of the  
9 supreme court and judges of the court of appeals and of the superior  
10 and district courts; ~~((and))~~ members of the state legislature or of the  
11 legislative authority of any county, city, or town; and individual  
12 licensed health care providers who are independent contractors with the  
13 department of social and health services to provide care to medical  
14 assistance recipients under chapter 74.09 RCW.

15       The state, through the committee for deferred compensation created  
16 in RCW 41.04.260, and any county, municipality, or other political  
17 subdivision of the state acting through its principal supervising  
18 official or governing body is authorized to contract with an employee  
19 to defer a portion of that employee's income, which deferred portion  
20 shall in no event exceed the amount allowable under 26 U.S.C. Sec. 457,  
21 and deposit or invest such deferred portion in a credit union, savings  
22 and loan association, bank, or mutual savings bank or purchase life  
23 insurance, shares of an investment company, or fixed and/or variable  
24 annuity contracts from any insurance company or any investment company  
25 licensed to contract business in this state. The committee can provide  
26 such plans as it deems are in the interests of state employees. In  
27 addition to the types of investments described in this section, the  
28 committee may invest the deferred portion of an employee's income,  
29 without limitation as to amount, in any of the class of investments  
30 described in RCW 43.84.150 as in effect on January 1, 1981. Any income

1 deferred under such a plan shall continue to be included as regular  
2 compensation, for the purpose of computing the state or local  
3 retirement and pension benefits earned by any employee.

4 Coverage of an employee under a deferred compensation plan under  
5 this section shall not render such employee ineligible for simultaneous  
6 membership and participation in any pension system for public  
7 employees.