### CERTIFICATION OF ENROLLMENT

## ENGROSSED SUBSTITUTE HOUSE BILL 1371

Chapter 165, Laws of 2001

57th Legislature 2001 Regular Legislative Session

EMERGENCY SERVICE PERSONNEL KILLED IN THE LINE OF DUTY--SURVIVING SPOUSES AND DEPENDENT CHILDREN

EFFECTIVE DATE: 5/7/01 - Except section 2, which becomes effective 5/1/02.

Passed by the House April 16, 2001 CERTIFICATE Yeas 94 Nays 0 We, Timothy A. Martin and Cynthia Zehnder, Co-Chief Clerks of the House FRANK CHOPP of Representatives of the State of Speaker of the House of Representatives Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE HOUSE** BILL 1371 as passed by the House of Representatives and the Senate on the CLYDE BALLARD dates hereon set forth. Speaker of the House of Representatives CYNTHIA ZEHNDER Passed by the Senate April 9, 2001 Chief Clerk Yeas 49 Nays 0 TIMOTHY A. MARTIN Chief Clerk BRAD OWEN President of the Senate Approved May 7, 2001 FILED May 7, 2001 - 1:05 p.m.

GARY LOCKE

Governor of the State of Washington

Secretary of State

State of Washington

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#### ENGROSSED SUBSTITUTE HOUSE BILL 1371

## AS AMENDED BY THE SENATE

Passed Legislature - 2001 Regular Session

### State of Washington

57th Legislature

2001 Regular Session

By House Committee on Appropriations (originally sponsored by Representatives Morell, O'Brien, Woods, Bush, Cooper, Haigh, Simpson, Armstrong, Ahern, Lovick, Marine, Anderson, Pearson, Benson, Keiser, Conway, Hurst, Santos and Campbell)

Read first time . Referred to Committee on .

- 1 AN ACT Relating to participation in health care authority insurance
- 2 plans and contracts by surviving spouses and dependent children of
- 3 emergency service personnel killed in the line of duty; amending RCW
- 4 41.05.011 and 41.05.080; reenacting and amending RCW 41.05.011;
- 5 providing an effective date; providing an expiration date; and
- 6 declaring an emergency.
- 7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 8 **Sec. 1.** RCW 41.05.011 and 2000 c 230 s 3 are each amended to read 9 as follows:
- 10 Unless the context clearly requires otherwise, the definitions in 11 this section shall apply throughout this chapter.
- 12 (1) "Administrator" means the administrator of the authority.
- 13 (2) "State purchased health care" or "health care" means medical
- 14 and health care, pharmaceuticals, and medical equipment purchased with
- 15 state and federal funds by the department of social and health
- 16 services, the department of health, the basic health plan, the state
- 17 health care authority, the department of labor and industries, the
- 18 department of corrections, the department of veterans affairs, and
- 19 local school districts.

- 1 (3) "Authority" means the Washington state health care authority.
- 2 (4) "Insuring entity" means an insurer as defined in chapter 48.01 3 RCW, a health care service contractor as defined in chapter 48.44 RCW, 4 or a health maintenance organization as defined in chapter 48.46 RCW.
  - (5) "Flexible benefit plan" means a benefit plan that allows employees to choose the level of health care coverage provided and the amount of employee contributions from among a range of choices offered by the authority.
- 9 (6) "Employee" includes all full-time and career seasonal employees 10 of the state, whether or not covered by civil service; elected and appointed officials of the executive branch of government, including 11 full-time members of boards, commissions, or committees; and includes 12 13 any or all part-time and temporary employees under the terms and conditions established under this chapter by the authority; justices of 14 15 the supreme court and judges of the court of appeals and the superior 16 courts; and members of the state legislature or of the legislative 17 authority of any county, city, or town who are elected to office after February 20, 1970. "Employee" also includes: (a) Employees of a 18 19 county, municipality, or other political subdivision of the state if the legislative authority of the county, municipality, or other 20 political subdivision of the state seeks and receives the approval of 21 22 the authority to provide any of its insurance programs by contract with 23 the authority, as provided in RCW 41.04.205; (b) employees of employee 24 organizations representing state civil service employees, at the option 25 of each such employee organization, and, effective October 1, 1995, 26 employees of employee organizations currently pooled with employees of 27 school districts for the purpose of purchasing insurance benefits, at the option of each such employee organization; and (c) employees of a 28 29 school district if the authority agrees to provide any of the school 30 districts' insurance programs by contract with the authority as provided in RCW 28A.400.350. 31
- 32 (7) "Board" means the public employees' benefits board established 33 under RCW 41.05.055.
  - (8) "Retired or disabled school employee" means:
- 35 (a) Persons who separated from employment with a school district or 36 educational service district and are receiving a retirement allowance 37 under chapter 41.32 or 41.40 RCW as of September 30, 1993;
- 38 (b) Persons who separate from employment with a school district or 39 educational service district on or after October 1, 1993, and

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- 1 immediately upon separation receive a retirement allowance under 2 chapter 41.32, 41.35, or 41.40 RCW;
- 3 (c) Persons who separate from employment with a school district or 4 educational service district due to a total and permanent disability, 5 and are eligible to receive a deferred retirement allowance under 6 chapter 41.32, 41.35, or 41.40 RCW.
- 7 (9) "Benefits contribution plan" means a premium only contribution 8 plan, a medical flexible spending arrangement, or a cafeteria plan 9 whereby state and public employees may agree to a contribution to 10 benefit costs which will allow the employee to participate in benefits 11 offered pursuant to 26 U.S.C. Sec. 125 or other sections of the 12 internal revenue code.
- 13 (10) "Salary" means a state employee's monthly salary or wages.
- 14 (11) "Participant" means an individual who fulfills the eligibility 15 and enrollment requirements under the benefits contribution plan.
- 16 (12) "Plan year" means the time period established by the 17 authority.
- 18 (13) "Separated employees" means persons who separate from 19 employment with an employer as defined in:
- 20 (a) RCW 41.32.010(11) on or after July 1, 1996; or
- 21 (b) RCW 41.35.010 on or after September 1, 2000;
- and who are at least age fifty-five and have at least ten years of service under the teachers' retirement system plan 3 as defined in RCW 41.32.010(40) or the Washington school employees' retirement system plan 3 as defined in RCW 41.35.010.
- 26 (14) "Emergency service personnel killed in the line of duty" means 27 law enforcement officers and fire fighters as defined in RCW 41.26.030,
- 28 and reserve officers and fire fighters as defined in RCW 41.24.010 who
- 29 die as a result of injuries sustained in the course of employment as
- 30 <u>determined consistent with Title 51 RCW by the department of labor and</u>
- 31 <u>industries</u>.
- 32 **Sec. 2.** RCW 41.05.011 and 2000 c 247 s 604 and 2000 c 230 s 3 are 33 each reenacted and amended to read as follows:
- 34 Unless the context clearly requires otherwise, the definitions in 35 this section shall apply throughout this chapter.
- 36 (1) "Administrator" means the administrator of the authority.
- 37 (2) "State purchased health care" or "health care" means medical 38 and health care, pharmaceuticals, and medical equipment purchased with

- state and federal funds by the department of social and health services, the department of health, the basic health plan, the state health care authority, the department of labor and industries, the department of corrections, the department of veterans affairs, and
- 4 department of corrections, the department of veterans affairs, and 5 local school districts.
- 6 (3) "Authority" means the Washington state health care authority.
- 7 (4) "Insuring entity" means an insurer as defined in chapter 48.01 8 RCW, a health care service contractor as defined in chapter 48.44 RCW, 9 or a health maintenance organization as defined in chapter 48.46 RCW.
- 10 (5) "Flexible benefit plan" means a benefit plan that allows 11 employees to choose the level of health care coverage provided and the 12 amount of employee contributions from among a range of choices offered 13 by the authority.
- (6) "Employee" includes all full-time and career seasonal employees 14 15 of the state, whether or not covered by civil service; elected and appointed officials of the executive branch of government, including 16 17 full-time members of boards, commissions, or committees; and includes any or all part-time and temporary employees under the terms and 18 19 conditions established under this chapter by the authority; justices of 20 the supreme court and judges of the court of appeals and the superior courts; and members of the state legislature or of the legislative 21 authority of any county, city, or town who are elected to office after 22 February 20, 1970. "Employee" also includes: (a) Employees of a 23 24 county, municipality, or other political subdivision of the state if 25 the legislative authority of the county, municipality, or other 26 political subdivision of the state seeks and receives the approval of 27 the authority to provide any of its insurance programs by contract with the authority, as provided in RCW 41.04.205; (b) employees of employee 28 organizations representing state civil service employees, at the option 29 30 of each such employee organization, and, effective October 1, 1995, employees of employee organizations currently pooled with employees of 31 32 school districts for the purpose of purchasing insurance benefits, at 33 the option of each such employee organization; and (c) employees of a 34 school district if the authority agrees to provide any of the school 35 districts' insurance programs by contract with the authority as provided in RCW 28A.400.350. 36
- 37 (7) "Board" means the public employees' benefits board established 38 under RCW 41.05.055.
  - (8) "Retired or disabled school employee" means:

- 1 (a) Persons who separated from employment with a school district or 2 educational service district and are receiving a retirement allowance 3 under chapter 41.32 or 41.40 RCW as of September 30, 1993;
- 4 (b) Persons who separate from employment with a school district or 5 educational service district on or after October 1, 1993, and 6 immediately upon separation receive a retirement allowance under 7 chapter 41.32, 41.35, or 41.40 RCW;
- 8 (c) Persons who separate from employment with a school district or 9 educational service district due to a total and permanent disability, 10 and are eligible to receive a deferred retirement allowance under 11 chapter 41.32, 41.35, or 41.40 RCW.
- (9) "Benefits contribution plan" means a premium only contribution plan, a medical flexible spending arrangement, or a cafeteria plan whereby state and public employees may agree to a contribution to benefit costs which will allow the employee to participate in benefits offered pursuant to 26 U.S.C. Sec. 125 or other sections of the internal revenue code.
- 18 (10) "Salary" means a state employee's monthly salary or wages.
- 19 (11) "Participant" means an individual who fulfills the eligibility 20 and enrollment requirements under the benefits contribution plan.
- 21 (12) "Plan year" means the time period established by the 22 authority.
- 23 (13) "Separated employees" means persons who separate from 24 employment with an employer as defined in:
- 25 (a) RCW 41.32.010(11) on or after July 1, 1996; or
- 26 (b) RCW 41.35.010 on or after September 1, 2000; or
- 27 (c) RCW 41.40.010 on or after March 1, 2002;

system plan 3 as defined in RCW 41.40.010.

- and who are at least age fifty-five and have at least ten years of service under the teachers' retirement system plan 3 as defined in RCW 41.32.010(40), the Washington school employees' retirement system plan 3 as defined in RCW 41.35.010, or the public employees' retirement
- 33 (14) "Emergency service personnel killed in the line of duty" means
- 34 <u>law enforcement officers and fire fighters as defined in RCW 41.26.030</u>,
- 35 and reserve officers and fire fighters as defined in RCW 41.24.010 who
- 36 <u>die as a result of injuries sustained in the course of employment as</u>
- 37 <u>determined consistent with Title 51 RCW by the department of labor and</u>
- 38 <u>industries</u>.

- 1 **Sec. 3.** RCW 41.05.080 and 1996 c 39 s 22 are each amended to read 2 as follows:
- 3 (1) Under the qualifications, terms, conditions, and benefits set 4 by the board:
- 5 (a) Retired or disabled state employees, retired or disabled school 6 employees, or employees of county, municipal, or other political 7 subdivisions covered by this chapter who are retired may continue their 8 participation in insurance plans and contracts after retirement or 9 disablement;
- 10 (b) Separated employees may continue their participation in 11 insurance plans and contracts if participation is selected immediately 12 upon separation from employment;
- 13 (c) Surviving spouses and dependent children of emergency service 14 personnel killed in the line of duty may participate in insurance plans 15 and contracts.
- (2) Rates charged <u>surviving spouses of emergency service personnel</u>
  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 <u>surviving spouses of emergency service</u> <u>personnel killed in the line of duty</u>, 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.
  - (4) <u>Surviving spouses and dependent children of emergency service</u> <u>personnel killed in the line of duty and retired</u> 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, and the children.
- 37 (5) The term "retired state employees" for the purpose of this 38 section shall include but not be limited to members of the legislature 39 whether voluntarily or involuntarily leaving state office.

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- 1 <u>NEW SECTION.</u> **Sec. 4.** Section 1 of this act expires March 1, 2002.
- NEW SECTION. Sec. 5. Section 2 of this act takes effect March 1, 3 2002.
- NEW SECTION. Sec. 6. 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 except for section 2 of this act takes effect immediately. This act applies to surviving spouses and dependent children of emergency service personnel killed in the line of duty on or after January 1, 1998.

Passed the House April 16, 2001. Passed the Senate April 9, 2001. Approved by the Governor May 7, 2001. Filed in Office of Secretary of State May 7, 2001.