

SENATE BILL REPORT

SB 5640

As Passed Senate, March 10, 2007

Title: An act relating to authorizing tribal governments to participate in public employees' benefits board programs.

Brief Description: Authorizing tribal governments to participate in public employees' benefits board programs.

Sponsors: Senators Kauffman, Fairley, Prentice, Swecker, Rockefeller, Fraser, Kohl-Welles, Shin, Rasmussen and Kline; by request of Health Care Authority.

Brief History:

Committee Activity: Government Operations & Elections: 2/06/07, 2/08/07 [DP].

Passed Senate: 3/10/07, 45-2.

SENATE COMMITTEE ON GOVERNMENT OPERATIONS & ELECTIONS

Majority Report: Do pass.

Signed by Senators Fairley, Chair; Oemig, Vice Chair; Roach, Ranking Minority Member; Benton, Kline, Pridemore and Swecker.

Staff: Mac Nicholson (786-7445)

Background: The state of Washington, through the Public Employees Benefit Board (PEBB) program, provides medical, dental, life, and long-term disability coverage through private health insurance plans to eligible state and higher-education employees as a benefit of employment. Counties, municipalities, and other political subdivisions, known as employer groups, may also choose to provide PEBB coverage to their employees. Eligibility requirements are established by PEBB, which also approves employee premium contributions and the benefits of all participating health care organizations. Employer groups seeking to participate in the PEBB program must apply to the Health Care Authority, and if approved, are charged a premium that covers the full cost of providing PEBB benefits to its employees.

Summary of Bill: Tribal governments may apply to participate in PEBB health care and other benefits under the same conditions and requirements as political subdivisions.

Tribal government means an Indian tribal government as defined by federal law.

Appropriation: None.

Fiscal Note: Available.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Committee/Commission/Task Force Created: No.

Effective Date: The bill takes effect on January 1, 2009.

Staff Summary of Public Testimony: PRO: This bill will allow tribal governments to participate in PEBB programs in the same manner as other municipalities. There is virtually no cost to the state, as the tribes pay their own freight, however, there will be significant savings on health care costs for tribal employees. The result of larger scale economies and pooling of risk will result in lower health insurance costs. This bill will help tribes retain employees who might otherwise leave employment due to the high cost of health insurance.

Persons Testifying: PRO: Senator Kauffman, prime sponsor; Marty Loesch, Swinomish Tribe; Deborah Sosa, American Indian Health Commission for Washington State; Edward Fox, Squaxin Island Tribe; Dennis Martin and Barney Speight, Health Care Authority.