

2SSB 5491 - S AMD 174
By Senator Keiser

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** (1) The legislature finds that:

4 (a) Health care spending in the state and nationally is rising
5 rapidly. In 2010, health care expenditures will comprise more than
6 seventeen percent of the nation's gross domestic product;

7 (b) Health care spending is growing as a percentage of Washington
8 state's budget. From 2000 to 2007, health care expenditures have
9 increased from twenty-two percent to twenty-nine percent of the state
10 budget. This rapid rise in expenditures is competing with other needed
11 services, including K-12 education;

12 (c) The legislature appropriates over one billion dollars per year
13 to support the benefits for K-12 employees. However, there is very
14 little transparency or accountability for how those benefit dollars are
15 spent; and

16 (d) Purchasing of health benefits for school employees is
17 decentralized and is managed by individual school districts and
18 educational service districts, resulting in additional administrative
19 costs, duplicative efforts, and a fragmented purchasing pool.

20 (2) Therefore, the legislature intends to pursue streamlining the
21 purchasing and delivery of school district and educational service
22 district employee health care benefits. Centralized purchasing of
23 health benefits would provide administrative efficiencies while also
24 providing transparency and accountability for the benefit spending.

25 NEW SECTION. **Sec. 2.** If established under Concurrent Resolution
26 8409 of the 2010 legislative session, the joint select committee on
27 health reform implementation may consider ways to streamline the
28 purchasing and delivery of school district and educational service
29 district employee health care benefits, including opportunities to

1 insert administrative efficiency, create transparency and
2 accountability for benefit spending, and create more equitable premium
3 contributions for employees with dependents. The joint select
4 committee may appoint an advisory committee for this purpose and may
5 review available data to inform its recommendations.

6 **Sec. 3.** RCW 28A.400.275 and 1990 1st ex.s. c 11 s 5 are each
7 amended to read as follows:

8 (1) Any contract for employee benefits executed after April 13,
9 1990, between a school district and a benefit provider or employee
10 bargaining unit is null and void unless it contains an agreement to
11 abide by state laws relating to school district employee benefits. The
12 term of the contract may not exceed one year.

13 (2) ~~((School-districts))~~ A health insurer, as defined in RCW
14 74.09A.010, providing or administering health care benefits for school
15 district or educational school district employees shall annually submit
16 to the Washington state health care authority summary descriptions of
17 all benefits offered under the district's employee benefit plan. The
18 ~~((districts))~~ health insurer shall also submit data to the health care
19 authority specifying the total number of employees and, for each
20 employee, types of coverage or benefits received including numbers of
21 covered dependents, ~~((the number of eligible dependents,))~~ and the age
22 and sex of the employee and each dependent. The health insurer in
23 coordination with the school district must submit the amount of the
24 district's contribution, each bargaining group's pooling dollars
25 available per member, and additional premium costs paid by the employee
26 through payroll deductions ~~((, and the age and sex of the employee and~~
27 ~~each-dependent))~~. The plan descriptions and the data shall be
28 submitted in a format and according to a schedule established by the
29 health care authority. The first submission of data from each health
30 insurer must be provided by November 1, 2010.

31 ~~((3) Any benefit provider offering a benefit plan by contract with~~
32 ~~a school district under subsection (1) of this section shall agree to~~
33 ~~make available to the school district the benefit plan descriptions~~
34 ~~and, where available, the demographic information on plan subscribers~~
35 ~~that the district is required to report to the Washington state health~~
36 ~~care authority under this section.~~

1 ~~(4) This section shall not apply to benefit plans offered in the~~
2 ~~1989-90 school year.))"~~

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3 On page 1, line 2 of the title, after "employees;" strike the
4 remainder of the title and insert "amending RCW 28A.400.275; and
5 creating new sections."

EFFECT: Strikes the underlying bill, adds an intent section,
requires the joint select committee on health care reform
implementation to consider ways to streamline the purchasing and
delivery of K-12 employee health care benefits; and replaces current
reporting requirements with language requiring health insurers that
provide or administer health benefits for K-12 employees to submit
data.

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