

**SHB 1740 - H AMD 200**

By Representative Hunter

**ADOPTED 03/09/2015**

1 On page 5, after line 36, insert the following:

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3 "Sec. 3. RCW 41.05.050 and 2009 c 537 s 5 are each amended to read  
4 as follows:

5 (1) Every: (a) Department, division, or separate agency of state  
6 government; (b) county, municipal, school district, educational  
7 service district, or other political subdivisions; and (c) tribal  
8 governments as are covered by this chapter, shall provide  
9 contributions to insurance and health care plans for its employees  
10 and their dependents, the content of such plans to be determined by  
11 the authority. Contributions, paid by the county, the municipality,  
12 other political subdivision, or a tribal government for their  
13 employees, shall include an amount determined by the authority to  
14 pay such administrative expenses of the authority as are necessary  
15 to administer the plans for employees of those groups, except as  
16 provided in subsection (4) of this section.

17 (2) If the authority at any time determines that the  
18 participation of a county, municipal, other political subdivision,  
19 or a tribal government covered under this chapter adversely impacts  
20 insurance rates for state employees, the authority (~~shall implement~~  
21 ~~limitations on the participation of additional~~) may develop an  
22 employer-specific charge for each county, municipal, other political  
23 subdivision(~~s~~), or (~~a~~) tribal government that offsets a  
24 significant increase in insurance rates for state employees that  
25 could be caused by the participation of that employer.

26 (3) The contributions of any: (a) Department, division, or  
27 separate agency of the state government; (b) county, municipal, or

1 other political subdivisions; and (c) any tribal government as are  
2 covered by this chapter, shall be set by the authority, subject to  
3 the approval of the governor for availability of funds as  
4 specifically appropriated by the legislature for that purpose.  
5 Insurance and health care contributions for ferry employees shall be  
6 governed by RCW 47.64.270.

7 (4)(a) The authority shall collect from each participating  
8 school district and educational service district an amount equal to  
9 the composite rate charged to state agencies, plus an amount equal  
10 to the employee premiums by plan and family size as would be charged  
11 to state employees, for groups of district employees enrolled in  
12 authority plans. The authority may collect these amounts in  
13 accordance with the district fiscal year, as described in RCW  
14 28A.505.030.

15 (b) For all groups of district employees enrolling in authority  
16 plans for the first time after September 1, 2003, the authority  
17 shall collect from each participating school district an amount  
18 equal to the composite rate charged to state agencies, plus an  
19 amount equal to the employee premiums by plan and by family size as  
20 would be charged to state employees, only if the authority  
21 determines that this method of billing the districts will not result  
22 in a material difference between revenues from districts and  
23 expenditures made by the authority on behalf of districts and their  
24 employees. The authority may collect these amounts in accordance  
25 with the district fiscal year, as described in RCW 28A.505.030.

26 (c) If the authority determines at any time that the conditions  
27 in (b) of this subsection cannot be met, the authority shall offer  
28 enrollment to additional groups of district employees on a tiered  
29 rate structure until such time as the authority determines there  
30 would be no material difference between revenues and expenditures  
31 under a composite rate structure for all district employees enrolled  
32 in authority plans.

33 (d) The authority may charge districts a one-time set-up fee for  
34 employee groups enrolling in authority plans for the first time.

1 (e) For the purposes of this subsection:

2 (i) "District" means school district and educational service  
3 district; and

4 (ii) "Tiered rates" means the amounts the authority must pay to  
5 insuring entities by plan and by family size.

6 (f) Notwithstanding this subsection and RCW 41.05.065(4), the  
7 authority may allow districts enrolled on a tiered rate structure  
8 prior to September 1, 2002, to continue participation based on the  
9 same rate structure and under the same conditions and eligibility  
10 criteria.

11 (5) The authority shall transmit a recommendation for the amount  
12 of the employer contribution to the governor and the director of  
13 financial management for inclusion in the proposed budgets submitted  
14 to the legislature."

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16 Correct the title

EFFECT: Rather than permitting Health Care Authority (HCA) to limit the participation of county, political subdivision, municipal or tribal employer participation in the state employee insurance program if the participation of those non-state employers increases costs for state employees, HCA is authorized to develop employer-specific charges that offset any significant increase to insurance rates for state employees that could be caused by the participation of the employer.

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