
HOUSE BILL 2125

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By Representatives Ortiz-Self, Simmons, Reed, Jacobsen, Fosse, Nance, Reeves, and Pollet

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1 AN ACT Relating to the eligibility of state-mandated benefits for
2 contingent faculty at community and technical colleges; and amending
3 RCW 28B.50.489, 28B.50.4891, and 41.05.065.

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

5 **Sec. 1.** RCW 28B.50.489 and 2000 c 128 s 2 are each amended to
6 read as follows:

7 For the purposes of determining eligibility of state-mandated
8 insurance, retirement benefits under RCW 28B.10.400, and sick leave
9 for part-time academic employees in community and technical colleges,
10 the following definitions shall be used:

11 (1) "Full-time academic workload" means the number of in-class
12 teaching hours that a full-time instructor must teach to fulfill his
13 or her employment obligations in a given discipline in a given
14 college. If full-time academic workload is defined in a contract
15 adopted through the collective bargaining process, that definition
16 shall prevail. If the full-time workload bargained in a contract
17 includes more than in-class teaching hours, only that portion that is
18 in-class teaching hours may be considered academic workload.

19 (2) "In-class teaching hours" means contact classroom and lab
20 hours in which full or part-time academic employees are performing
21 contractually assigned teaching duties. The in-class teaching hours

1 shall not include any duties performed in support of, or in addition
2 to, those contractually assigned in-class teaching hours.

3 (3) "Academic employee" in a community or technical college means
4 any teacher, counselor, librarian, or department head who is employed
5 by a college district, whether full or part-time, with the exception
6 of the chief administrative officer of, and any administrator in,
7 each college district.

8 (4) "Part-time academic workload" means any percentage of a full-
9 time academic workload for which the part-time academic employee is
10 not paid on the full-time academic salary schedule.

11 (5) "Part-time noninstructional workload" means the number of
12 paid hours a part-time academic employee performs for the institution
13 that is not considered in-class teaching hours or hours served in
14 support of assigned in-class teaching hours, calculated as a
15 percentage of a 40-hour workweek.

16 **Sec. 2.** RCW 28B.50.4891 and 1996 c 120 s 2 are each amended to
17 read as follows:

18 For the purposes of determining eligibility for receipt of state-
19 mandated benefits for part-time academic employees at community and
20 technical colleges, each institution shall report to the appropriate
21 agencies the names of eligible part-time academic employees who
22 qualify for benefits based on calculating the hours worked by the
23 part-time academic ((employees)) employee as a percentage of the
24 part-time academic workload to the full-time academic workload in a
25 given discipline in a given institution, plus the part-time
26 noninstructional workload performed by the part-time academic
27 employee.

28 **Sec. 3.** RCW 41.05.065 and 2018 c 260 s 12 are each amended to
29 read as follows:

30 (1) The public employees' benefits board shall study all matters
31 connected with the provision of health care coverage, life insurance,
32 liability insurance, accidental death and dismemberment insurance,
33 and disability income insurance or any of, or a combination of, the
34 enumerated types of insurance for employees and their dependents on
35 the best basis possible with relation both to the welfare of the
36 employees and to the state. However, liability insurance shall not be
37 made available to dependents.

1 (2) The public employees' benefits board shall develop employee
2 benefit plans that include comprehensive health care benefits for
3 employees. In developing these plans, the public employees' benefits
4 board shall consider the following elements:

5 (a) Methods of maximizing cost containment while ensuring access
6 to quality health care;

7 (b) Development of provider arrangements that encourage cost
8 containment and ensure access to quality care, including but not
9 limited to prepaid delivery systems and prospective payment methods;

10 (c) Wellness incentives that focus on proven strategies, such as
11 smoking cessation, injury and accident prevention, reduction of
12 alcohol misuse, appropriate weight reduction, exercise, automobile
13 and motorcycle safety, blood cholesterol reduction, and nutrition
14 education;

15 (d) Utilization review procedures including, but not limited to a
16 cost-efficient method for prior authorization of services, hospital
17 inpatient length of stay review, requirements for use of outpatient
18 surgeries and second opinions for surgeries, review of invoices or
19 claims submitted by service providers, and performance audit of
20 providers;

21 (e) Effective coordination of benefits; and

22 (f) Minimum standards for insuring entities.

23 (3) To maintain the comprehensive nature of employee health care
24 benefits, benefits provided to employees shall be substantially
25 equivalent to the state employees' health benefit plan in effect on
26 January 1, 1993. Nothing in this subsection shall prohibit changes or
27 increases in employee point-of-service payments or employee premium
28 payments for benefits or the administration of a high deductible
29 health plan in conjunction with a health savings account. The public
30 employees' benefits board may establish employee eligibility criteria
31 which are not substantially equivalent to employee eligibility
32 criteria in effect on January 1, 1993.

33 (4) Except if bargained for under chapter 41.80 RCW, the public
34 employees' benefits board shall design benefits and determine the
35 terms and conditions of employee and retired or disabled school
36 employee participation and coverage, including establishment of
37 eligibility criteria subject to the requirements of this chapter.
38 Employer groups obtaining benefits through contractual agreement with
39 the authority for employees defined in RCW 41.05.011(6)(a) (i)
40 through (vi) may contractually agree with the authority to benefits

1 eligibility criteria which differs from that determined by the public
2 employees' benefits board. The eligibility criteria established by
3 the public employees' benefits board shall be no more restrictive
4 than the following:

5 (a) Except as provided in (b) through (e) of this subsection, an
6 employee is eligible for benefits from the date of employment if the
7 employing agency anticipates he or she will work an average of at
8 least (~~(eighty)~~) 80 hours per month and for at least eight hours in
9 each month for more than six consecutive months. An employee
10 determined ineligible for benefits at the beginning of his or her
11 employment shall become eligible in the following circumstances:

12 (i) An employee who works an average of at least (~~(eighty)~~) 80
13 hours per month and for at least eight hours in each month and whose
14 anticipated duration of employment is revised from less than or equal
15 to six consecutive months to more than six consecutive months becomes
16 eligible when the revision is made.

17 (ii) An employee who works an average of at least (~~(eighty)~~) 80
18 hours per month over a period of six consecutive months and for at
19 least eight hours in each of those six consecutive months becomes
20 eligible at the first of the month following the six-month averaging
21 period.

22 (b) A seasonal employee is eligible for benefits from the date of
23 employment if the employing agency anticipates that he or she will
24 work an average of at least (~~(eighty)~~) 80 hours per month and for at
25 least eight hours in each month of the season. A seasonal employee
26 determined ineligible at the beginning of his or her employment who
27 works an average of at least (~~(eighty)~~) 80 hours per month over a
28 period of six consecutive months and at least eight hours in each of
29 those six consecutive months becomes eligible at the first of the
30 month following the six-month averaging period. A benefits-eligible
31 seasonal employee who works a season of less than nine months shall
32 not be eligible for the employer contribution during the off season,
33 but may continue enrollment in benefits during the off season by
34 self-paying for the benefits. A benefits-eligible seasonal employee
35 who works a season of nine months or more is eligible for the
36 employer contribution through the off season following each season
37 worked.

38 (c) Faculty are eligible as follows:

39 (i) Faculty who the employing agency anticipates will work half-
40 time or more for the entire instructional year or equivalent nine-

1 month period are eligible for benefits from the date of employment.
2 Eligibility shall continue until the beginning of the first full
3 month of the next instructional year, unless the employment
4 relationship is terminated, in which case eligibility shall cease the
5 first month following the notice of termination or the effective date
6 of the termination, whichever is later.

7 (ii) Faculty who the employing agency anticipates will not work
8 for the entire instructional year or equivalent nine-month period are
9 eligible for benefits at the beginning of the second consecutive
10 quarter or semester of employment in which he or she is anticipated
11 to work, or has actually worked, half-time or more. Such an employee
12 shall continue to receive uninterrupted employer contributions for
13 benefits if the employee works at least half-time in a quarter or
14 semester. Faculty who the employing agency anticipates will not work
15 for the entire instructional year or equivalent nine-month period,
16 but who actually work half-time or more throughout the entire
17 instructional year, are eligible for summer or off-quarter or off-
18 semester coverage. Faculty who have met the criteria of this
19 subsection (4)(c)(ii), who work at least two quarters or two
20 semesters of the academic year with an average academic year workload
21 of half-time or more for three quarters or two semesters of the
22 academic year, and who have worked an average of half-time or more in
23 each of the two preceding academic years shall continue to receive
24 uninterrupted employer contributions for benefits if he or she works
25 at least half-time in a quarter or semester or works two quarters or
26 two semesters of the academic year with an average academic workload
27 each academic year of half-time or more for three quarters or two
28 semesters. Eligibility under this section ceases immediately if this
29 criteria is not met.

30 (iii) Faculty may establish or maintain eligibility for benefits
31 by working for more than one institution of higher education. When
32 faculty work for more than one institution of higher education, those
33 institutions shall prorate the employer contribution costs, or if
34 eligibility is reached through one institution, that institution will
35 pay the full employer contribution. Faculty working for more than one
36 institution must alert his or her employers to his or her potential
37 eligibility in order to establish eligibility.

38 (iv) The employing agency must provide written notice to faculty
39 who are potentially eligible for benefits under this subsection
40 (4)(c) of their potential eligibility.

1 (v) To be eligible for maintenance of benefits through averaging
2 under (c)(ii) of this subsection, faculty must provide written
3 notification to his or her employing agency or agencies of his or her
4 potential eligibility.

5 (vi) For the purposes of this subsection (4)(c):

6 (A) "Academic year" means summer, fall, winter, and spring
7 quarters or summer, fall, and spring semesters;

8 (B) "Half-time" means one-half of the full-time academic workload
9 as determined by each institution; except that for community and
10 technical college faculty, half-time academic workload is calculated
11 according to RCW 28B.50.489, and when calculating whether community
12 and technical college faculty have worked half-time for the purposes
13 of this section, half-time includes part-time noninstructional
14 workload, as that term is defined in RCW 28B.50.489.

15 (d) A legislator is eligible for benefits on the date his or her
16 term begins. All other elected and full-time appointed officials of
17 the legislative and executive branches of state government are
18 eligible for benefits on the date his or her term begins or they take
19 the oath of office, whichever occurs first.

20 (e) A justice of the supreme court and judges of the court of
21 appeals and the superior courts become eligible for benefits on the
22 date he or she takes the oath of office.

23 (f) Except as provided in (c)(i) and (ii) of this subsection,
24 eligibility ceases for any employee the first of the month following
25 termination of the employment relationship.

26 (g) In determining eligibility under this section, the employing
27 agency may disregard training hours, standby hours, or temporary
28 changes in work hours as determined by the authority under this
29 section.

30 (h) Insurance coverage for all eligible employees begins on the
31 first day of the month following the date when eligibility for
32 benefits is established. If the date eligibility is established is
33 the first working day of a month, insurance coverage begins on that
34 date.

35 (i) Eligibility for an employee whose work circumstances are
36 described by more than one of the eligibility categories in (a)
37 through (e) of this subsection shall be determined solely by the
38 criteria of the category that most closely describes the employee's
39 work circumstances.

1 (j) Except for an employee eligible for benefits under (b) or
2 (c)(ii) of this subsection, an employee who has established
3 eligibility for benefits under this section shall remain eligible for
4 benefits each month in which he or she is in pay status for eight or
5 more hours, if (i) he or she remains in a benefits-eligible position
6 and (ii) leave from the benefits-eligible position is approved by the
7 employing agency. A benefits-eligible seasonal employee is eligible
8 for the employer contribution in any month of his or her season in
9 which he or she is in pay status eight or more hours during that
10 month. Eligibility ends if these conditions are not met, the
11 employment relationship is terminated, or the employee voluntarily
12 transfers to a noneligible position.

13 (k) For the purposes of this subsection, the public employees'
14 benefits board shall define "benefits-eligible position."

15 (5) The public employees' benefits board may authorize premium
16 contributions for an employee and the employee's dependents in a
17 manner that encourages the use of cost-efficient managed health care
18 systems.

19 (6)(a) For any open enrollment period following August 24, 2011,
20 the public employees' benefits board shall offer a health savings
21 account option for employees that conforms to section 223, Part VII
22 of subchapter B of chapter 1 of the internal revenue code of 1986.
23 The public employees' benefits board shall comply with all applicable
24 federal standards related to the establishment of health savings
25 accounts.

26 (b) By November 30, 2015, and each year thereafter, the authority
27 shall submit a report to the relevant legislative policy and fiscal
28 committees that includes the following:

29 (i) Public employees' benefits board health plan cost and service
30 utilization trends for the previous three years, in total and for
31 each health plan offered to employees;

32 (ii) For each health plan offered to employees, the number and
33 percentage of employees and dependents enrolled in the plan, and the
34 age and gender demographics of enrollees in each plan;

35 (iii) Any impact of enrollment in alternatives to the most
36 comprehensive plan, including the high deductible health plan with a
37 health savings account, upon the cost of health benefits for those
38 employees who have chosen to remain enrolled in the most
39 comprehensive plan.

1 (7) Notwithstanding any other provision of this chapter, for any
2 open enrollment period following August 24, 2011, the public
3 employees' benefits board shall offer a high deductible health plan
4 in conjunction with a health savings account developed under
5 subsection (6) of this section.

6 (8) Employees shall choose participation in one of the health
7 care benefit plans developed by the public employees' benefits board
8 and may be permitted to waive coverage under terms and conditions
9 established by the public employees' benefits board.

10 (9) The public employees' benefits board shall review plans
11 proposed by insuring entities that desire to offer property insurance
12 and/or accident and casualty insurance to state employees through
13 payroll deduction. The public employees' benefits board may approve
14 any such plan for payroll deduction by insuring entities holding a
15 valid certificate of authority in the state of Washington and which
16 the public employees' benefits board determines to be in the best
17 interests of employees and the state. The public employees' benefits
18 board shall adopt rules setting forth criteria by which it shall
19 evaluate the plans.

20 (10) Before January 1, 1998, the public employees' benefits board
21 shall make available one or more fully insured long-term care
22 insurance plans that comply with the requirements of chapter 48.84
23 RCW. Such programs shall be made available to eligible employees,
24 retired employees, and retired school employees as well as eligible
25 dependents which, for the purpose of this section, includes the
26 parents of the employee or retiree and the parents of the spouse of
27 the employee or retiree. Employees of local governments, political
28 subdivisions, and tribal governments not otherwise enrolled in the
29 public employees' benefits board sponsored medical programs may
30 enroll under terms and conditions established by the director, if it
31 does not jeopardize the financial viability of the public employees'
32 benefits board's long-term care offering.

33 (a) Participation of eligible employees or retired employees and
34 retired school employees in any long-term care insurance plan made
35 available by the public employees' benefits board is voluntary and
36 shall not be subject to binding arbitration under chapter 41.56 RCW.
37 Participation is subject to reasonable underwriting guidelines and
38 eligibility rules established by the public employees' benefits board
39 and the health care authority.

1 (b) The employee, retired employee, and retired school employee
2 are solely responsible for the payment of the premium rates developed
3 by the health care authority. The health care authority is authorized
4 to charge a reasonable administrative fee in addition to the premium
5 charged by the long-term care insurer, which shall include the health
6 care authority's cost of administration, marketing, and consumer
7 education materials prepared by the health care authority and the
8 office of the insurance commissioner.

9 (c) To the extent administratively possible, the state shall
10 establish an automatic payroll or pension deduction system for the
11 payment of the long-term care insurance premiums.

12 (d) The public employees' benefits board and the health care
13 authority shall establish a technical advisory committee to provide
14 advice in the development of the benefit design and establishment of
15 underwriting guidelines and eligibility rules. The committee shall
16 also advise the public employees' benefits board and authority on
17 effective and cost-effective ways to market and distribute the long-
18 term care product. The technical advisory committee shall be
19 comprised, at a minimum, of representatives of the office of the
20 insurance commissioner, providers of long-term care services,
21 licensed insurance agents with expertise in long-term care insurance,
22 employees, retired employees, retired school employees, and other
23 interested parties determined to be appropriate by the public
24 employees' benefits board.

25 (e) The health care authority shall offer employees, retired
26 employees, and retired school employees the option of purchasing
27 long-term care insurance through licensed agents or brokers appointed
28 by the long-term care insurer. The authority, in consultation with
29 the public employees' benefits board, shall establish marketing
30 procedures and may consider all premium components as a part of the
31 contract negotiations with the long-term care insurer.

32 (f) In developing the long-term care insurance benefit designs,
33 the public employees' benefits board shall include an alternative
34 plan of care benefit, including adult day services, as approved by
35 the office of the insurance commissioner.

36 (g) The health care authority, with the cooperation of the office
37 of the insurance commissioner, shall develop a consumer education
38 program for the eligible employees, retired employees, and retired
39 school employees designed to provide education on the potential need
40 for long-term care, methods of financing long-term care, and the

1 availability of long-term care insurance products including the
2 products offered by the public employees' benefits board.

3 (11) The public employees' benefits board may establish penalties
4 to be imposed by the authority when the eligibility determinations of
5 an employing agency fail to comply with the criteria under this
6 chapter.

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