

**WSR 24-10-105
PROPOSED RULES
DEPARTMENT OF
RETIREMENT SYSTEMS**
[Filed May 1, 2024, 9:16 a.m.]

Original Notice.

Preproposal statement of inquiry was filed as WSR 23-20-126.

Title of Rule and Other Identifying Information: Medical insurance premium reimbursement—Law enforcement officers' and firefighters' (LEOFF) Plan 2 members.

Hearing Location(s): On June 4, 2024, at 4:00 p.m., online via Microsoft Teams, link is available on <https://www.drs.wa.gov/sitemap/rules/#proposed-rule-hearings>, Meeting ID 250 482 317 038, Passcode BoWwap; or by phone 833-322-1218, Code 872 589 686#.

Date of Intended Adoption: June 7, 2024.

Submit Written Comments to: Bianca Stoner, Department of Retirement Systems (DRS), P.O. Box 48380, Olympia, WA 98504-8380, email drs.rules@drs.wa.gov, by May 30, 2024.

Assistance for Persons with Disabilities: Contact Bianca Stoner, phone 360-664-7291, TTY 711, email drs.rules@drs.wa.gov, by May 30, 2024.

Statutory Authority for Adoption: RCW 41.50.050.

Rule is not necessitated by federal law, federal or state court decision.

Name of Proponent: DRS, governmental.

Name of Agency Personnel Responsible for Implementation: Candice Myrum, DRS, P.O. Box 48380, Olympia, WA 98504-8380, 360-664-7124.

A school district fiscal impact statement is not required under RCW 28A.305.135.

A cost-benefit analysis is not required under RCW 34.05.328. RCW 34.05.328 (5)(a)(i) does not apply to this proposed rule and DRS is not voluntarily making it applicable to the agency.

This rule proposal, or portions of the proposal, is exempt from requirements of the Regulatory Fairness Act because the proposal:

Is exempt under RCW 19.85.025(4).

Explanation of exemptions: Rules from DRS only affect members and beneficiaries of the state retirement systems and participating public employers. As a result, the rules do not affect small businesses.

Scope of exemption for rule proposal:

Is fully exempt.

May 1, 2024
Bianca Stoner
Rules Coordinator

OTS-5181.2

AMENDATORY SECTION (Amending WSR 23-17-019, filed 8/7/23, effective 9/7/23)

WAC 415-104-4801 Medical reimbursement for LEOFF 2 catastrophically disabled members. (1) What type of medical premiums are availa-

ble for reimbursement for a LEOFF Plan 2 member who is catastrophically disabled in the line of duty?

(a) LEOFF Plan 2 members who are catastrophically disabled in the line of duty are eligible for reimbursement of medical premiums ~~((ef+))~~.

(i) For members who are not eligible for medicare, DRS will pay for the member, spouse, state-registered domestic partner, and eligible dependents:

(A) Employer-provided medical insurance((-));

~~((+ii))~~ (B) Medical insurance offered under the federal Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA)((-)); or

~~((+iii))~~ (C) Other medical premiums, which could include vision and dental, not to exceed the COBRA amount. DRS will not pay for separate supplemental plans for vision, dental, and prescriptions.

~~((+iv))~~ (ii) For members who are eligible for medicare, DRS will pay medicare Part A and B.

(b) LEOFF Plan 2 members who are catastrophically disabled are eligible for reimbursement for medical insurance premiums paid after June 30, 2013. ~~((DRS will not reimburse for any supplemental health plans.))~~

(2) **What if I am eligible for medicare coverage?** If you or your spouse become eligible for medicare coverage, you must notify DRS when you become eligible. To remain eligible for the reimbursement payment, you must enroll in and maintain enrollment in medicare Part B. At that point, DRS will only reimburse for medicare Part A and B ~~((and vision and dental coverage for that individual))~~. DRS will not reimburse for any medicare supplemental or prescription plans.

(3) **How do I apply for medical premium reimbursements?** To receive medical premium reimbursements, you must first complete a request for medical reimbursement form and provide proof of medical insurance coverage and premium payment to DRS.

(4) **What is acceptable as proof of insurance coverage?** DRS will accept these documents as proof of insurance coverage:

- (a) Invoice from insurance provider.
- (b) Certificate from insurance provider.
- (c) Invoice from medicare.
- (d) Social Security Form SSA-1099.

(5) **What is acceptable as proof of premium payment?** DRS will accept these documents as proof of payment:

- (a) Letter from the Social Security Administration showing your medicare deduction from your monthly benefit;
- (b) Bank or credit card statement showing insurance payment that is supported by other documentation showing this is for medical insurance;

(c) Receipt from insurance provider; or

(d) Copies of both sides of cashed checks ~~((; or~~

~~((e) Letter from the Social Security Administration showing deduction amount)).~~

(6) **What if my premiums are deducted from my DRS benefit or my spouse's payroll checks?** DRS will accept these documents as proof of both insurance coverage and premium payment:

(a) Premium deduction authorization from your insurance provider, if premium payments are being paid directly from DRS.

(b) Copy of spouse's or partner's pay stub showing insurance deduction amount.

(7) **When is documentation required?**

(a) You must provide proof of insurance coverage and premium payments at the time you apply for reimbursement. After you are enrolled in the reimbursement program, you must submit this form each (~~June and December~~) time DRS requests, at a minimum twice a year, along with requested documentation.

(b) DRS will reach out to each retiree receiving medical reimbursement payments, and retirees will have 90 days from the date of the letter to provide proof of premium payment. DRS will provide notifications of the 90-day window to ensure that retirees are aware of the requirement to reapply and supply proof.

(c) After 90 days, DRS will suspend reimbursement until (~~receiving~~) proof of insurance coverage and premium payments have been received for each missed period. After DRS receives (~~this~~) supporting information, DRS will reinstate reimbursement payments for the month(s) that documentation supports were paid.

(d) Any adjustment in or cancellation of medical premiums paid by retirees may result in an overpayment of the reimbursement paid to the retiree, so changes should be reported to DRS when they occur.