

2 SHB 2857 - S COMM AMD  
3 By Committee on Ways & Means

4 ADOPTED 3/6/92

5 Strike everything after the enacting clause and insert the  
6 following:

7 "NEW SECTION. **Sec. 1.** A new section is added to chapter 28A.400  
8 RCW to read as follows:

9 (1) Every group disability insurance policy, health care service  
10 contract, health maintenance agreement, and health and welfare benefit  
11 plan obtained or created to provide benefits to employees of school  
12 districts and their dependents shall contain provisions that permit  
13 retired and disabled employees to continue medical, dental, or vision  
14 coverage under the group policy, contract, agreement, or plan until  
15 June 30, 1994, or until the employee becomes eligible for federal  
16 medicare coverage, whichever occurs first. The terms and conditions  
17 for election and maintenance of such continued coverage shall conform  
18 to the standards established under the federal consolidated omnibus  
19 budget reconciliation act of 1985, as amended. The period of continued  
20 coverage provided under this section shall run concurrently with any  
21 period of coverage guaranteed under the federal consolidated omnibus  
22 budget reconciliation act of 1985, as amended.

23 (2) This section applies to:

24 (a) School district employees who retired or lost insurance  
25 coverage due to disability after July 28, 1991;

26 (b) School district employees who retired or lost insurance  
27 coverage due to disability within the eighteen-month period ending on  
28 July 28, 1991; and

1 (c) School district employees who retired or lost insurance  
2 coverage due to disability prior to January 28, 1990, and who were  
3 covered by their employing district's insurance plan on January 1,  
4 1991.

5 (3) For the purposes of this section "retired employee" means an  
6 employee who separates from district service and is eligible at the  
7 time of separation from service to receive, immediately following  
8 separation from service, a retirement allowance under chapter 41.32 or  
9 41.40 RCW.

10 (4) The superintendent of public instruction shall adopt  
11 administrative rules to implement this section."

12 "NEW SECTION. Sec. 2. (1) The health care authority shall  
13 study and develop recommendations regarding group health insurance  
14 coverage for retired and disabled school district employees. The  
15 health care authority shall collect such information as it deems  
16 necessary to address the following issues:

17 (a) Alternatives for making appropriate health insurance coverage  
18 available to currently retired and disabled school district employees,  
19 including allowing these employees to participate in insurance plans  
20 offered by the state employees' benefits board at no additional cost to  
21 the state;

22 (b) Development of estimated costs and funding mechanisms to  
23 provide health insurance coverage for currently retired and disabled  
24 school district employees at a reasonable cost, including alternatives  
25 for partial subsidization of costs by active employees or the state;  
26 and

27 (c) Identification of issues and alternatives for defining  
28 eligibility for group health insurance coverage for currently retired  
29 and disabled school district employees.

1 (2) The health care authority may form technical advisory  
2 committees to assist with the study. The health care authority shall  
3 submit its findings and recommendations to the legislature by January  
4 15, 1993."

5 "NEW SECTION. **Sec. 3.** A new section is added to chapter 28A.400  
6 RCW to read as follows:

7 A group disability insurance policy, health care service contract,  
8 health maintenance agreement, or health and welfare benefit plan that  
9 provides benefits to retired school district employees and eligible  
10 dependents shall not require the beneficiary to make payment by monthly  
11 deduction from the beneficiary's state retirement allowance if the  
12 payment exceeds the retirement allowance. In such cases, the payment  
13 may be made directly by the individual beneficiary."

14 "NEW SECTION. **Sec. 4.** If specific funding for the purposes of  
15 section 2 of this act, referencing this act by bill number, is not  
16 provided by June 30, 1992, in the omnibus appropriations act, section  
17 2 of this act shall be null and void."

18 "NEW SECTION. **Sec. 5.** RCW 28A.400.390 and 1991 c 254 s 1 are  
19 each repealed."

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22  
23 On page 1, line 1 of the title, after "coverage;" strike the  
24 remainder of the title and insert "adding new sections to chapter  
25 28A.400 RCW; creating new sections; and repealing RCW 28A.400.390."