

SENATE BILL REPORT

SHB 2077

AS REPORTED BY COMMITTEE ON EDUCATION, APRIL 4, 1991

Brief Description: Changing reporting requirements for school district employee benefit providers.

SPONSORS: House Committee on Appropriations (originally sponsored by Representatives Hine, Silver, Peery and Holland).

HOUSE COMMITTEE ON APPROPRIATIONS

SENATE COMMITTEE ON EDUCATION

Majority Report: Do pass as amended.

Signed by Senators Bailey, Chairman; Erwin, Vice Chairman; Murray, Oke, Pelz, Rinehart, A. Smith, and Talmadge.

Staff: Leslie Goldstein (786-7424)

Hearing Dates: April 3, 1991; April 4, 1991

BACKGROUND:

In 1990, the Legislature enacted ESHB 2230, which required school districts to use state allocations for employee benefits on "basic benefits" before any optional benefits were purchased. Additional restrictions on the availability of optional benefits were also established. The bill required the state Health Care Authority (HCA) annually to collect detailed data from school districts on the types of benefits offered and on the demographic characteristics of enrollees and their dependents. Finally, the HCA was to study the implementation of the bill and report back to the Legislature in 1991 with findings and any further recommendations.

Among the HCA's findings and recommendations were:

- (a) The Superintendent of Public Instruction should be granted authority to write administrative rules to clarify the implementation of ESHB 2230; and
- (b) The annual data collection from school districts by the HCA should be modified to a periodic collection of aggregate data.

If a political subdivision wishes to participate in the health insurance plans offered by the Health Care Authority, all employees must transfer as a unit, and the employer must pay at least the same contribution for its employees as the state pays for state employees.

SUMMARY:

A requirement for the Health Care Authority annually to collect detailed data on insurance benefit plans and employee demographics from school districts is changed so that: (a) data may be collected periodically, not more than once every two years; and (b) aggregate summary data, rather than detailed data, will be collected.

The Superintendent of Public Instruction is authorized to adopt administrative rules to implement 1990 legislation regarding K-12 employee benefits.

School districts are exempt from requirements that all employees from a political subdivision wishing to participate in HCA insurance plans must transfer as a unit, and that employers must pay the same amount to cover these transferred employees as the state pays as an employer.

Appropriation: none

Revenue: none

Fiscal Note: none requested

SUMMARY OF PROPOSED SENATE AMENDMENTS:

School districts are required to report data by: (1) category of full-time equivalent employee; and (2) distinguishing between basic and non-basic benefits.

If an individual bargaining unit or nonrepresented employees transfer to the Health Care Authority's insurance plan, they are required to transfer as a unit.

TESTIMONY FOR:

This legislation reflects the recommendations of the Health Care Authority and implements their report. Data collection should be periodic. The purpose would be to monitor changes in K-12 benefits.

Rules are needed to clarify the actual pooling language in the statute.

TESTIMONY AGAINST: None

TESTIFIED: PRO: Representative Lorraine Hine, sponsor; Susan O'Loughlin, Health Care Authority; Karen Davis, WA Education Assn.