

1 5304-2S AMS MCDO S1565.5

2 2SSB 5304 - S AMD 000167

3 By Senator McDonald

4 NOT ADOPTED 3/12/93 - ROLL CALL 23-24

5 On page 26, after line 22, insert the following:

6 "NEW SECTION. **Sec. 222.** A new section is added to Title 28A RCW
7 to read as follows:

8 (1) All persons covered under this chapter shall have a choice of
9 purchasing an employee benefit plan or a medical care savings account.

10 (2)(a) The public school shall purchase a major medical policy
11 equal in amount to the total amount currently paid for the employee's
12 benefit plan and direct deposit the remaining funds into the employee's
13 medical care savings account created by the state. These funds must be
14 used by the employee for the sole purpose of health care expenditures.
15 The major medical policy shall have a three thousand dollar deductible,
16 which shall increase by the federal medical inflation price index
17 published by the health care financing administration. At the
18 beginning of each calendar year, the public school shall renew the
19 major medical policy and direct deposit the remaining funds into the
20 employee's medical care savings account. When more than fifty percent
21 of all employees are participating in the medical care savings account,
22 the public school will recommend methods to increase future
23 participation in medical care savings accounts, up to one hundred
24 percent. When federal laws permit, the individual may deposit
25 remaining funds from the medical care savings account into the
26 individual's federal tax-exempt individual retirement account.

27 (b) For the purposes of this subsection "medical care savings
28 account" means a trust created or organized in the United States for
29 the exclusive health care benefit of an individual, the individual's
30 spouse, or the individual's dependents.

31 (c) The qualified differential premium differential amount for an
32 employee is equal to:

33 (i) The premium differential amount realized by the employer in the
34 plan year in which the employee elects coverage under a qualified
35 higher deductible health plan; and

1 (ii) For each subsequent plan year during which such election
2 remains in effect, the amount determined increased by an amount equal
3 to:

4 (A) Such a dollar amount, multiplied by,

5 (B) The federal medical inflation price index as published by the
6 health care financing administration for the calendar year in which the
7 plan year begins, by substituting the calendar year in which the plan
8 year began.

9 (3) Participants who purchase a medical care savings account under
10 this section are not required to purchase an employee benefit plan."

11 **2SSB 5304** - S AMD

12 By Senator McDonald

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14 On page 1, line 12 of the title, after "74.09 RCW;" insert "adding
15 a new section to Title 28A RCW;"

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