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HOUSE BILL 1371

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State of Washington

57th Legislature

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By Representatives Morell, O'Brien, Woods, Bush, Cooper, Haigh, Simpson, Armstrong, Ahern, Lovick, Marine, Anderson, Pearson, Benson, Keiser, Conway, Hurst, Santos and Campbell

Read first time 01/24/2001. Referred to Committee on Appropriations.

1 AN ACT Relating to participation in health care authority insurance  
2 plans and contracts by surviving spouses and dependent children of  
3 emergency service personnel killed in the line of duty; amending RCW  
4 41.05.011 and 41.05.080; reenacting and amending RCW 41.05.011;  
5 providing an effective date; and providing an expiration date.

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

7 **Sec. 1.** RCW 41.05.011 and 2000 c 230 s 3 are each amended to read  
8 as follows:

9 Unless the context clearly requires otherwise, the definitions in  
10 this section shall apply throughout this chapter.

11 (1) "Administrator" means the administrator of the authority.

12 (2) "State purchased health care" or "health care" means medical  
13 and health care, pharmaceuticals, and medical equipment purchased with  
14 state and federal funds by the department of social and health  
15 services, the department of health, the basic health plan, the state  
16 health care authority, the department of labor and industries, the  
17 department of corrections, the department of veterans affairs, and  
18 local school districts.

19 (3) "Authority" means the Washington state health care authority.

1 (4) "Insuring entity" means an insurer as defined in chapter 48.01  
2 RCW, a health care service contractor as defined in chapter 48.44 RCW,  
3 or a health maintenance organization as defined in chapter 48.46 RCW.

4 (5) "Flexible benefit plan" means a benefit plan that allows  
5 employees to choose the level of health care coverage provided and the  
6 amount of employee contributions from among a range of choices offered  
7 by the authority.

8 (6) "Employee" includes all full-time and career seasonal employees  
9 of the state, whether or not covered by civil service; elected and  
10 appointed officials of the executive branch of government, including  
11 full-time members of boards, commissions, or committees; and includes  
12 any or all part-time and temporary employees under the terms and  
13 conditions established under this chapter by the authority; justices of  
14 the supreme court and judges of the court of appeals and the superior  
15 courts; and members of the state legislature or of the legislative  
16 authority of any county, city, or town who are elected to office after  
17 February 20, 1970. "Employee" also includes: (a) Employees of a  
18 county, municipality, or other political subdivision of the state if  
19 the legislative authority of the county, municipality, or other  
20 political subdivision of the state seeks and receives the approval of  
21 the authority to provide any of its insurance programs by contract with  
22 the authority, as provided in RCW 41.04.205; (b) employees of employee  
23 organizations representing state civil service employees, at the option  
24 of each such employee organization, and, effective October 1, 1995,  
25 employees of employee organizations currently pooled with employees of  
26 school districts for the purpose of purchasing insurance benefits, at  
27 the option of each such employee organization; and (c) employees of a  
28 school district if the authority agrees to provide any of the school  
29 districts' insurance programs by contract with the authority as  
30 provided in RCW 28A.400.350.

31 (7) "Board" means the public employees' benefits board established  
32 under RCW 41.05.055.

33 (8) "Retired or disabled school employee" means:

34 (a) Persons who separated from employment with a school district or  
35 educational service district and are receiving a retirement allowance  
36 under chapter 41.32 or 41.40 RCW as of September 30, 1993;

37 (b) Persons who separate from employment with a school district or  
38 educational service district on or after October 1, 1993, and

1 immediately upon separation receive a retirement allowance under  
2 chapter 41.32, 41.35, or 41.40 RCW;

3 (c) Persons who separate from employment with a school district or  
4 educational service district due to a total and permanent disability,  
5 and are eligible to receive a deferred retirement allowance under  
6 chapter 41.32, 41.35, or 41.40 RCW.

7 (9) "Benefits contribution plan" means a premium only contribution  
8 plan, a medical flexible spending arrangement, or a cafeteria plan  
9 whereby state and public employees may agree to a contribution to  
10 benefit costs which will allow the employee to participate in benefits  
11 offered pursuant to 26 U.S.C. Sec. 125 or other sections of the  
12 internal revenue code.

13 (10) "Salary" means a state employee's monthly salary or wages.

14 (11) "Participant" means an individual who fulfills the eligibility  
15 and enrollment requirements under the benefits contribution plan.

16 (12) "Plan year" means the time period established by the  
17 authority.

18 (13) "Separated employees" means persons who separate from  
19 employment with an employer as defined in:

20 (a) RCW 41.32.010(11) on or after July 1, 1996; or

21 (b) RCW 41.35.010 on or after September 1, 2000;

22 and who are at least age fifty-five and have at least ten years of  
23 service under the teachers' retirement system plan 3 as defined in RCW  
24 41.32.010(40) or the Washington school employees' retirement system  
25 plan 3 as defined in RCW 41.35.010.

26 (14) "Emergency service personnel killed in the line of duty" means  
27 law enforcement officers and fire fighters as defined in RCW 41.26.030,  
28 reserve officers and fire fighters as defined in RCW 41.24.010,  
29 Washington state patrol officers, fish and wildlife enforcement  
30 officers, state parks and recreation commission enforcement officers,  
31 state liquor control board enforcement officers, and gambling  
32 commission enforcement officers, who die as a result of injuries  
33 sustained in the course of employment as determined consistent with  
34 Title 51 RCW by the department of labor and industries.

35 **Sec. 2.** RCW 41.05.011 and 2000 c 247 s 604 and 2000 c 230 s 3 are  
36 each reenacted and amended to read as follows:

37 Unless the context clearly requires otherwise, the definitions in  
38 this section shall apply throughout this chapter.

1 (1) "Administrator" means the administrator of the authority.

2 (2) "State purchased health care" or "health care" means medical  
3 and health care, pharmaceuticals, and medical equipment purchased with  
4 state and federal funds by the department of social and health  
5 services, the department of health, the basic health plan, the state  
6 health care authority, the department of labor and industries, the  
7 department of corrections, the department of veterans affairs, and  
8 local school districts.

9 (3) "Authority" means the Washington state health care authority.

10 (4) "Insuring entity" means an insurer as defined in chapter 48.01  
11 RCW, a health care service contractor as defined in chapter 48.44 RCW,  
12 or a health maintenance organization as defined in chapter 48.46 RCW.

13 (5) "Flexible benefit plan" means a benefit plan that allows  
14 employees to choose the level of health care coverage provided and the  
15 amount of employee contributions from among a range of choices offered  
16 by the authority.

17 (6) "Employee" includes all full-time and career seasonal employees  
18 of the state, whether or not covered by civil service; elected and  
19 appointed officials of the executive branch of government, including  
20 full-time members of boards, commissions, or committees; and includes  
21 any or all part-time and temporary employees under the terms and  
22 conditions established under this chapter by the authority; justices of  
23 the supreme court and judges of the court of appeals and the superior  
24 courts; and members of the state legislature or of the legislative  
25 authority of any county, city, or town who are elected to office after  
26 February 20, 1970. "Employee" also includes: (a) Employees of a  
27 county, municipality, or other political subdivision of the state if  
28 the legislative authority of the county, municipality, or other  
29 political subdivision of the state seeks and receives the approval of  
30 the authority to provide any of its insurance programs by contract with  
31 the authority, as provided in RCW 41.04.205; (b) employees of employee  
32 organizations representing state civil service employees, at the option  
33 of each such employee organization, and, effective October 1, 1995,  
34 employees of employee organizations currently pooled with employees of  
35 school districts for the purpose of purchasing insurance benefits, at  
36 the option of each such employee organization; and (c) employees of a  
37 school district if the authority agrees to provide any of the school  
38 districts' insurance programs by contract with the authority as  
39 provided in RCW 28A.400.350.

1 (7) "Board" means the public employees' benefits board established  
2 under RCW 41.05.055.

3 (8) "Retired or disabled school employee" means:

4 (a) Persons who separated from employment with a school district or  
5 educational service district and are receiving a retirement allowance  
6 under chapter 41.32 or 41.40 RCW as of September 30, 1993;

7 (b) Persons who separate from employment with a school district or  
8 educational service district on or after October 1, 1993, and  
9 immediately upon separation receive a retirement allowance under  
10 chapter 41.32, 41.35, or 41.40 RCW;

11 (c) Persons who separate from employment with a school district or  
12 educational service district due to a total and permanent disability,  
13 and are eligible to receive a deferred retirement allowance under  
14 chapter 41.32, 41.35, or 41.40 RCW.

15 (9) "Benefits contribution plan" means a premium only contribution  
16 plan, a medical flexible spending arrangement, or a cafeteria plan  
17 whereby state and public employees may agree to a contribution to  
18 benefit costs which will allow the employee to participate in benefits  
19 offered pursuant to 26 U.S.C. Sec. 125 or other sections of the  
20 internal revenue code.

21 (10) "Salary" means a state employee's monthly salary or wages.

22 (11) "Participant" means an individual who fulfills the eligibility  
23 and enrollment requirements under the benefits contribution plan.

24 (12) "Plan year" means the time period established by the  
25 authority.

26 (13) "Separated employees" means persons who separate from  
27 employment with an employer as defined in:

28 (a) RCW 41.32.010(11) on or after July 1, 1996; or

29 (b) RCW 41.35.010 on or after September 1, 2000; or

30 (c) RCW 41.40.010 on or after March 1, 2002;

31 and who are at least age fifty-five and have at least ten years of  
32 service under the teachers' retirement system plan 3 as defined in RCW  
33 41.32.010(40), the Washington school employees' retirement system plan  
34 3 as defined in RCW 41.35.010, or the public employees' retirement  
35 system plan 3 as defined in RCW 41.40.010.

36 (14) "Emergency service personnel killed in the line of duty" means  
37 law enforcement officers and fire fighters as defined in RCW 41.26.030,  
38 reserve officers and fire fighters as defined in RCW 41.24.010,  
39 Washington state patrol officers, fish and wildlife enforcement

1 officers, state parks and recreation commission enforcement officers,  
2 state liquor control board enforcement officers, and gambling  
3 commission enforcement officers, who die as a result of injuries  
4 sustained in the course of employment as determined consistent with  
5 Title 51 RCW by the department of labor and industries.

6 **Sec. 3.** RCW 41.05.080 and 1996 c 39 s 22 are each amended to read  
7 as follows:

8 (1) Under the qualifications, terms, conditions, and benefits set  
9 by the board:

10 (a) Retired or disabled state employees, retired or disabled school  
11 employees, or employees of county, municipal, or other political  
12 subdivisions covered by this chapter who are retired may continue their  
13 participation in insurance plans and contracts after retirement or  
14 disablement;

15 (b) Separated employees may continue their participation in  
16 insurance plans and contracts if participation is selected immediately  
17 upon separation from employment;

18 (c) Surviving spouses and dependent children of emergency service  
19 personnel killed in the line of duty may participate in insurance plans  
20 and contracts.

21 (2) Rates charged surviving spouses of emergency service personnel  
22 killed in the line of duty, retired or disabled employees, separated  
23 employees, spouses, or dependent children who are not eligible for  
24 parts A and B of medicare shall be based on the experience of the  
25 community rated risk pool established under RCW 41.05.022.

26 (3) Rates charged to surviving spouses of emergency service  
27 personnel killed in the line of duty, retired or disabled employees,  
28 separated employees, spouses, or children who are eligible for parts A  
29 and B of medicare shall be calculated from a separate experience risk  
30 pool comprised only of individuals eligible for parts A and B of  
31 medicare; however, the premiums charged to medicare-eligible retirees  
32 and disabled employees shall be reduced by the amount of the subsidy  
33 provided under RCW 41.05.085.

34 (4) Surviving spouses and dependent children of emergency service  
35 personnel killed in the line of duty and retired or disabled and  
36 separated employees shall be responsible for payment of premium rates  
37 developed by the authority which shall include the cost to the  
38 authority of providing insurance coverage including any amounts

1 necessary for reserves and administration in accordance with this  
2 chapter. These self pay rates will be established based on a separate  
3 rate for the employee, the spouse, and the children.

4 (5) The term "retired state employees" for the purpose of this  
5 section shall include but not be limited to members of the legislature  
6 whether voluntarily or involuntarily leaving state office.

7 NEW SECTION. **Sec. 4.** Section 1 of this act expires March 1, 2002.

8 NEW SECTION. **Sec. 5.** Section 2 of this act takes effect March 1,  
9 2002.

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