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SENATE BILL 5830

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State of Washington

57th Legislature

2001 Regular Session

By Senators Thibaudeau, Winsley, Oke, Kline, Kastama, T. Sheldon, Eide, Prentice, Snyder, Zarelli, Swecker, West and Rasmussen

Read first time 02/05/2001. Referred to Committee on Health & Long-Term Care.

1 AN ACT Relating to participating in insurance plans and  
2 contracts by separated plan 2 members of certain retirement  
3 systems; amending RCW 41.05.011; reenacting and amending RCW  
4 41.05.011; providing an effective date; and providing an expiration  
5 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  
10 in 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  
13 medical and health care, pharmaceuticals, and medical equipment  
14 purchased with state and federal funds by the department of social  
15 and health services, the department of health, the basic health  
16 plan, the state health care authority, the department of labor and  
17 industries, the department of corrections, the department of  
18 veterans affairs, and local school districts.

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

3 (4) "Insuring entity" means an insurer as defined in chapter  
4 48.01 RCW, a health care service contractor as defined in chapter  
5 48.44 RCW, or a health maintenance organization as defined in  
6 chapter 48.46 RCW.

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

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

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

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

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

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

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

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

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

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

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

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

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

28 (~~(b)~~) (ii) RCW 41.35.010 on or after September 1, 2000;

29 and who are at least age fifty-five and have at least ten years of  
30 service under the teachers' retirement system plan 3 as defined in  
31 RCW 41.32.010(40) or the Washington school employees' retirement  
32 system plan 3 as defined in RCW 41.35.010; or

33 (b) For the purposes of RCW 41.05.080:

34 (i) RCW 41.32.010(11) on or after the effective date of this  
35 act; or

36 (ii) RCW 41.35.010 on or after the effective date of this act;  
37 and who are at least age fifty-five and have at least ten years of

1 service under the teachers' retirement system plan 2 as defined in  
2 RCW 41.32.010 or the Washington school employees' retirement  
3 system plan 2 as defined in RCW 41.35.010.

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

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

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

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

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

18 (4) "Insuring entity" means an insurer as defined in chapter  
19 48.01 RCW, a health care service contractor as defined in chapter  
20 48.44 RCW, or a health maintenance organization as defined in  
21 chapter 48.46 RCW.

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

26 (6) "Employee" includes all full-time and career seasonal  
27 employees of the state, whether or not covered by civil service;  
28 elected and appointed officials of the executive branch of  
29 government, including full-time members of boards, commissions, or  
30 committees; and includes any or all part-time and temporary  
31 employees under the terms and conditions established under this  
32 chapter by the authority; justices of the supreme court and judges  
33 of the court of appeals and the superior courts; and members of  
34 the state legislature or of the legislative authority of any  
35 county, city, or town who are elected to office after February 20,  
36 1970. "Employee" also includes: (a) Employees of a county,  
37 municipality, or other political subdivision of the state if the

1 legislative authority of the county, municipality, or other  
2 political subdivision of the state seeks and receives the approval  
3 of the authority to provide any of its insurance programs by  
4 contract with the authority, as provided in RCW 41.04.205; (b)  
5 employees of employee organizations representing state civil  
6 service employees, at the option of each such employee  
7 organization, and, effective October 1, 1995, employees of  
8 employee organizations currently pooled with employees of school  
9 districts for the purpose of purchasing insurance benefits, at the  
10 option of each such employee organization; and (c) employees of a  
11 school district if the authority agrees to provide any of the  
12 school districts' insurance programs by contract with the  
13 authority as provided in RCW 28A.400.350.

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

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

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

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

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

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

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

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

1 (12) "Plan year" means the time period established by the  
2 authority.

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

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

6 (~~(b)~~) (ii) RCW 41.35.010 on or after September 1, 2000; or

7 (~~(c)~~) (iii) RCW 41.40.010 on or after March 1, 2002;

8 and who are at least age fifty-five and have at least ten years of  
9 service under the teachers' retirement system plan 3 as defined in  
10 RCW 41.32.010(40), the Washington school employees' retirement  
11 system plan 3 as defined in RCW 41.35.010, or the public  
12 employees' retirement system plan 3 as defined in RCW 41.40.010;  
13 or

14 (b) For the purposes of RCW 41.05.080:

15 (i) RCW 41.32.010(11) on or after the effective date of this  
16 act; or

17 (ii) RCW 41.35.010 on or after the effective date of this act;  
18 or

19 (iii) RCW 41.40.010 on or after March 1, 2002;

20 and who are at least age fifty-five and have at least ten years of  
21 service under the teachers' retirement system plan 2 as defined in  
22 RCW 41.32.010, the Washington school employees' retirement system  
23 plan 2 as defined in RCW 41.35.010, or the public employees'  
24 retirement system plan 2 as defined in RCW 41.40.010.

25 NEW SECTION. **Sec. 3.** Section 1 of this act expires March 1,  
26 2002.

27 NEW SECTION. **Sec. 4.** Section 2 of this act takes effect March  
28 1, 2002.

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