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HOUSE BILL 1520

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State of Washington

59th Legislature

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By Representatives Cody, O'Brien, Hunt, Conway, Armstrong, Grant, Appleton, Williams, Green, Linville, Darneille, Campbell, Miloscia, Kagi, Schual-Berke, Flannigan, Morrell, McDonald, Simpson, Kenney and Moeller

Read first time 01/26/2005. Referred to Committee on Appropriations.

1 AN ACT Relating to participating in insurance plans and contracts  
2 by separated plan 2 members of certain retirement systems; and amending  
3 RCW 41.05.011.

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

5 **Sec. 1.** RCW 41.05.011 and 2001 c 165 s 2 are each amended to read  
6 as follows:

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

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

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

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

18 (4) "Insuring entity" means an insurer as defined in chapter 48.01

1 RCW, a health care service contractor as defined in chapter 48.44 RCW,  
2 or a health maintenance organization as defined in chapter 48.46 RCW.

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

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

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

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

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

36 (b) Persons who separate from employment with a school district or  
37 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)(i) RCW 41.32.010(11) on or after July 1, 1996; or
- 21 (~~(b)~~) (ii) RCW 41.35.010 on or after September 1, 2000; or
- 22 (~~(c)~~) (iii) RCW 41.40.010 on or after March 1, 2002;

23 and who are at least age fifty-five and have at least ten years of  
24 service under the teachers' retirement system plan 3 as defined in RCW  
25 41.32.010(40), the Washington school employees' retirement system plan  
26 3 as defined in RCW 41.35.010, or the public employees' retirement  
27 system plan 3 as defined in RCW 41.40.010; or

28 (b) For the purposes of RCW 41.05.080:

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

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

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

33 and who are at least age fifty-five and have at least ten years of  
34 service under the teachers' retirement system plan 2 as defined in RCW  
35 41.32.010, the Washington school employees' retirement system plan 2 as  
36 defined in RCW 41.35.010, or the public employees' retirement system  
37 plan 2 as defined in RCW 41.40.010.

1           (14) "Emergency service personnel killed in the line of duty" means  
2 law enforcement officers and fire fighters as defined in RCW 41.26.030,  
3 and reserve officers and fire fighters as defined in RCW 41.24.010 who  
4 die as a result of injuries sustained in the course of employment as  
5 determined consistent with Title 51 RCW by the department of labor and  
6 industries.

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