

SENATE BILL REPORT

HB 3249

As Reported By Senate Committee On:
Ways & Means, March 03, 2008

Title: An act relating to administering benefits under the public employees' benefits board.

Brief Description: Administering benefits under the public employees' benefits board.

Sponsors: Representatives Cody, Fromhold and Hunt; by request of Health Care Authority.

Brief History: Passed House: 2/19/08, 95-0.

Committee Activity: Ways & Means:2/29/08, 3/3/08 [DP].

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators Prentice, Chair; Fraser, Vice Chair, Capital Budget Chair; Pridemore, Vice Chair, Operating Budget; Zarelli, Ranking Minority Member; Brandland, Carrell, Fairley, Hatfield, Hobbs, Honeyford, Keiser, Kohl-Welles, Parlette, Rasmussen, Regala, Roach, Rockefeller, Schoesler and Tom.

Staff: Erik Sund (786-7454)

Background: The Public Employees Benefits Board (PEBB) is an organization within the Health Care Authority (HCA) charged with developing benefits plans, forming benefits contracts, developing participation rules, and approving schedules of rates and premiums for active employee and retired participants. Among the types of benefit plans provided to employees and retirees through the PEBB program are health, dental, life, long-term disability, and long-term care insurance.

The members of the PEBB vote to approve contracts and benefits for the PEBB program. There are nine members of the PEBB, seven of whom are voting members. All of the PEBB members are appointed by the Governor.

State agencies are required to fully cooperate with the HCA to allow the employee benefits offered by the PEBB to be administered effectively, and are required to report all data relating to employee eligibility to participate in a form determined by the HCA.

Summary of Bill: The HCA is specified as the agency that will adopt rules and establish the appeals process for determining the eligibility of state employees for the health and other benefit programs administered by the HCA. The HCA may delegate to employing agencies the task of determining individual employees' eligibility for benefits. The PEBB has the

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exclusive authority to determine the terms of coverage, including eligibility, for state employee participation in health and related benefit plans.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: The bill takes effect on January 1, 2009.

Staff Summary of Public Testimony: PRO: This bill will improve the consistency of the application of PEBB eligibility criteria across state agencies and may reduce the risk of future litigation.

Persons Testifying: PRO: Dennis Martin, Health Care Authority.