

# SENATE BILL REPORT

## HB 2436

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As of February 24, 2014

**Title:** An act relating to creating the public employees' benefits board benefits account.

**Brief Description:** Creating the public employees' benefits board benefits account.

**Sponsors:** Representatives Hunter and Freeman; by request of Health Care Authority.

**Brief History:** Passed House: 2/17/14, 53-44.

**Committee Activity:** Ways & Means: 2/27/14.

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### SENATE COMMITTEE ON WAYS & MEANS

**Staff:** Pete Cutler (786-7474)

**Background:** The Health Care Authority (HCA) administers health, dental, life, and long-term disability insurance benefit plans for state employees, state and K-12 retirees, and some K-12 and local government employees. HCA administers benefit plans primarily through contracts with health insurance carriers and vendors. The Public Employees' Benefit Board (PEBB) has authority to develop and approve benefit plans and to establish premiums for active employees and retired participants.

The Public Employees' and Retirees' Insurance Account (PEBB fund), a non-appropriated fund, is established in statute as the funding source for PEBB benefits and may be used to pay insurance contract premiums for employee and retiree insurance benefits and claims expenses for the self-funded Uniform Medical Plan and Uniform Dental Plan. Employer, employee, and retiree premiums provide the revenues for the PEBB fund. In implementing certain services related to state employee health benefit plans, including wellness program activities, HCA contracts with vendors other than health insurance carriers.

**Summary of Bill:** The non-appropriated PEBB Benefits Account is created, permitting HCA to directly contract for benefits or services provided to PEBB members.

**Appropriation:** None.

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** No.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

**Effective Date:** Ninety days after adjournment of session in which bill is passed.