

2 SHB 2857 - S COMM AMD
3 By Committee on Ways & Means

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5 Strike everything after the enacting clause and insert the
6 following:

7 "NEW SECTION. **Sec. 1.** A new section is added to chapter 28A.400
8 RCW to read as follows:

9 (1) Every group disability insurance policy, health care service
10 contract, health maintenance agreement, and health and welfare benefit
11 plan obtained or created to provide benefits to employees of school
12 districts and their dependents shall contain provisions that permit
13 retired and disabled employees to continue medical, dental, or vision
14 coverage under the group policy, contract, agreement, or plan until
15 June 30, 1994, or until the employee becomes eligible for federal
16 medicare coverage, whichever occurs first. The terms and conditions
17 for election and maintenance of such continued coverage shall conform
18 to the standards established under the federal consolidated omnibus
19 budget reconciliation act of 1985, as amended. The period of continued
20 coverage provided under this section shall run concurrently with any
21 period of coverage guaranteed under the federal consolidated omnibus
22 budget reconciliation act of 1985, as amended.

23 (2) This section applies to:

24 (a) School district employees who retired or lost insurance
25 coverage due to disability after July 28, 1991;

26 (b) School district employees who retired or lost insurance
27 coverage due to disability within the eighteen-month period ending on
28 July 28, 1991; and

1 (c) School district employees who retired or lost insurance
2 coverage due to disability prior to January 28, 1990, and who were
3 covered by their employing district's insurance plan on January 1,
4 1991.

5 (3) For the purposes of this section "retired employee" means an
6 employee who separates from district service and is eligible at the
7 time of separation from service to receive, immediately following
8 separation from service, a retirement allowance under chapter 41.32 or
9 41.40 RCW.

10 (4) The superintendent of public instruction shall adopt
11 administrative rules to implement this section."

12 "NEW SECTION. Sec. 2. (1) The health care authority shall
13 study and develop recommendations regarding group health insurance
14 coverage for retired and disabled school district employees. The
15 health care authority shall collect such information as it deems
16 necessary to address the following issues:

17 (a) Alternatives for making appropriate health insurance coverage
18 available to currently retired and disabled school district employees,
19 including allowing these employees to participate in insurance plans
20 offered by the state employees' benefits board at no additional cost to
21 the state;

22 (b) Development of estimated costs and funding mechanisms to
23 provide health insurance coverage for currently retired and disabled
24 school district employees at a reasonable cost, including alternatives
25 for partial subsidization of costs by active employees or the state;
26 and

27 (c) Identification of issues and alternatives for defining
28 eligibility for group health insurance coverage for currently retired
29 and disabled school district employees.

1 (2) The health care authority may form technical advisory
2 committees to assist with the study. The health care authority shall
3 submit its findings and recommendations to the legislature by January
4 15, 1993."

5 "NEW SECTION. **Sec. 3.** A new section is added to chapter 28A.400
6 RCW to read as follows:

7 A group disability insurance policy, health care service contract,
8 health maintenance agreement, or health and welfare benefit plan that
9 provides benefits to retired school district employees and eligible
10 dependents shall not require the beneficiary to make payment by monthly
11 deduction from the beneficiary's state retirement allowance if the
12 payment exceeds the retirement allowance. In such cases, the payment
13 may be made directly by the individual beneficiary."

14 "NEW SECTION. **Sec. 4.** If specific funding for the purposes of
15 section 2 of this act, referencing this act by bill number, is not
16 provided by June 30, 1992, in the omnibus appropriations act, section
17 2 of this act shall be null and void."

18 "NEW SECTION. **Sec. 5.** RCW 28A.400.390 and 1991 c 254 s 1 are
19 each repealed."

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23 On page 1, line 1 of the title, after "coverage;" strike the
24 remainder of the title and insert "adding new sections to chapter
25 28A.400 RCW; creating new sections; and repealing RCW 28A.400.390."