

1 **SSB 5873** - H COMM AMD **ADOPTED 4-16-91**

2 By Committee on Appropriations

3 On page 1, strike everything after the enacting clause and  
4 insert:

5 "NEW SECTION. **Sec. 1.** A new section is added to chapter  
6 28A.400 RCW to read as follows:

7 (1) Retired and disabled school district employees shall be  
8 entitled to continue their participation in any insurance plans and  
9 contracts after their retirement or disablement for a period of at  
10 least thirty months. These retired or disabled employees shall  
11 bear the full cost of premiums required to provide the coverage.

12 (2) This section applies to:

13 (a) School district employees who retire or are disabled  
14 after the effective date of this act; and

15 (b) School district employees who retired within the  
16 eighteen-month period ending on the effective date of this act.

17 (3) School district employees who retired more than eighteen  
18 months before the effective date of this act and who were covered  
19 by a school district's insurance plan on January 1, 1991, may  
20 continue their coverage for a period of at least one year from the  
21 effective date of this act.

22 NEW SECTION. **Sec. 2.** (1) The Washington state health care  
23 authority shall study and develop recommendations regarding health

1 care coverage for retired and disabled public school employees.

2 The study shall include, but not be limited to, the following:

3 (a) Collection of information regarding the cost to both the  
4 school district and the retired or disabled employee of coverage,  
5 the prevalence of use of available coverage by retirees, and the  
6 types of coverage made available through school districts;

7 (b) Evaluation of the feasibility and cost implications to  
8 retired or disabled employees, the state, school districts, and  
9 active employees of: (i) Requiring school districts to allow  
10 retired employees to continue their employer-sponsored health care  
11 coverage at a reasonable cost to the employee; or (ii) Allowing  
12 retired or disabled school district employees to participate in  
13 insurance plans offered by the state employees' benefits board even  
14 if the retired or disabled employees did not participate in such  
15 plans as active employees;

16 (c) Development of mechanisms to pre-fund health care  
17 coverage for retired and disabled employees, through means such as  
18 contributions by active employees to a fund established to finance  
19 future retired and disabled employees' health care benefits, and  
20 voluntary contributions by active employees to individual medical  
21 accounts from which funds can be drawn upon retirement or becoming  
22 disabled to pay premiums and costs for health care coverage;

23 (d) Establishment of variable health care coverage premium  
24 rates for retired or disabled employees based upon the individual  
25 retired or disabled individual's income; and

1 (e) Evaluation of any other areas deemed necessary by the  
2 health care authority.

3 (2) The health care authority may form technical advisory  
4 committees to assist with the study. The health care authority  
5 shall submit its findings and recommendations to the legislature by  
6 December 1, 1991."

7 **SSB 5873** - H COMM AMD  
8 By Committee on Appropriations

9 On page 1, line 2 of the title, after "employees;" strike the  
10 remainder of the title and insert "adding a new section to chapter  
11 28A.400 RCW; and creating a new section."

EFFECT: Allows retired or disabled school district employees to continue district-offered insurance for up to 30 months after retirement. Eliminates a requirement that premiums for such employees be based on an experience pool that includes active employees. Requires the Health Care Authority to do a study of health insurance issues for retired school district employees and submit findings by December 1, 1991.