
SENATE BILL 6011

State of Washington**66th Legislature****2019 Regular Session****By** Senators Mullet and Braun

1 AN ACT Relating to health care benefits for public school
2 employees; amending RCW 41.05.009, 41.05.011, 41.05.022, 41.05.023,
3 41.05.050, 41.05.055, 41.05.065, 41.05.066, 41.05.075, 41.05.120,
4 41.05.130, 41.05.140, 41.05.143, 41.05.300, 41.05.320, 41.05.670,
5 41.05.700, 41.05.820, 28A.400.275, 28A.400.280, 28A.400.350,
6 28A.710.350, 41.59.105, and 41.56.500; reenacting and amending RCW
7 41.05.021, 28A.400.270, and 43.79A.040; creating a new section;
8 repealing RCW 41.05.004 and 41.05.740; and repealing 2018 c 260 ss 33
9 and 34 (uncodified).

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

11 NEW SECTION. **Sec. 1.** The legislature finds that health care
12 provided by school districts has resulted in many part-time employees
13 opting out of or not being offered affordable family coverage. The
14 legislature further finds that consolidating school employee health
15 care under the school employees' benefits board would result in
16 excessive costs to the state and local districts. As such, the
17 legislature intends to allow school districts to continue to provide
18 health care to their employees and to require that affordable options
19 are provided for part-time employees. The legislature further intends
20 that affordable coverage options include, at a minimum, a flexible
21 spending account and a high deductible consumer driven plan.

1 **Sec. 2.** RCW 41.05.009 and 2018 c 260 s 3 are each amended to
2 read as follows:

3 (1) The authority, or an employing agency at the authority's
4 direction, shall initially determine and periodically review whether
5 an employee (~~((or a school employee))~~) is eligible for benefits
6 pursuant to the criteria established under this chapter.

7 (2) An employing agency shall inform an employee (~~((or a school
8 employee))~~) in writing whether or not he or she is eligible for
9 benefits when initially determined and upon any subsequent change,
10 including notice of the employee's (~~((or school employee's))~~) right to
11 an appeal.

12 **Sec. 3.** RCW 41.05.011 and 2018 c 260 s 4 are each amended to
13 read as follows:

14 The definitions in this section apply throughout this chapter
15 unless the context clearly requires otherwise.

16 (1) "Authority" means the Washington state health care authority.

17 (2) "Board" means the public employees' benefits board
18 established under RCW 41.05.055 (~~((and the school employees' benefits
19 board established under RCW 41.05.740))~~).

20 (3) "Dependent care assistance program" means a benefit plan
21 whereby employees (~~((and school employees))~~) may pay for certain
22 employment related dependent care with pretax dollars as provided in
23 the salary reduction plan under this chapter pursuant to 26 U.S.C.
24 Sec. 129 or other sections of the internal revenue code.

25 (4) "Director" means the director of the authority.

26 (5) "Emergency service personnel killed in the line of duty"
27 means law enforcement officers and firefighters as defined in RCW
28 41.26.030, members of the Washington state patrol retirement fund as
29 defined in RCW 43.43.120, and reserve officers and firefighters as
30 defined in RCW 41.24.010 who die as a result of injuries sustained in
31 the course of employment as determined consistent with Title 51 RCW
32 by the department of labor and industries.

33 (6) (~~((+))~~) "Employee" for the public employees' benefits board
34 program includes all employees of the state, whether or not covered
35 by civil service; effective January 1, 2020, all employees of school
36 districts, educational service districts, and charter schools
37 established under chapter 28A.710 RCW; elected and appointed
38 officials of the executive branch of government, including full-time
39 members of boards, commissions, or committees; justices of the

1 supreme court and judges of the court of appeals and the superior
2 courts; and members of the state legislature. Pursuant to contractual
3 agreement with the authority, "employee" may also include: ~~((i))~~
4 (a) Employees of a county, municipality, or other political
5 subdivision of the state and members of the legislative authority of
6 any county, city, or town who are elected to office after February
7 20, 1970, if the legislative authority of the county, municipality,
8 or other political subdivision of the state submits application
9 materials to the authority to provide any of its insurance programs
10 by contract with the authority, as provided in RCW 41.04.205 and
11 41.05.021(1)(g); ~~((ii))~~ (b) employees of employee organizations
12 representing state civil service employees, at the option of each
13 such employee organization; ~~((iii))~~ (c) through December 31, 2019,
14 employees of a school district if the authority agrees to provide any
15 of the school districts' insurance programs by contract with the
16 authority as provided in RCW 28A.400.350; ~~((iv))~~ (d) employees of a
17 tribal government, if the governing body of the tribal government
18 seeks and receives the approval of the authority to provide any of
19 its insurance programs by contract with the authority, as provided in
20 RCW 41.05.021(1) (f) and (g); ~~((v))~~ (e) employees of the Washington
21 health benefit exchange if the governing board of the exchange
22 established in RCW 43.71.020 seeks and receives approval of the
23 authority to provide any of its insurance programs by contract with
24 the authority, as provided in RCW 41.05.021(1) (g) and (n); and
25 ~~((vi))~~ (f) through December 31, 2019, employees of a charter school
26 established under chapter 28A.710 RCW. "Employee" does not include:
27 Adult family home providers; unpaid volunteers; patients of state
28 hospitals; inmates; employees of the Washington state convention and
29 trade center as provided in RCW 41.05.110; students of institutions
30 of higher education as determined by their institution; students of
31 school districts, educational service districts, and charter schools
32 as determined by their school district, educational service district,
33 or charter school; and any others not expressly defined as employees
34 under this chapter or by the authority under this chapter.

35 ~~((b) Effective January 1, 2020, "school employee" for the school~~
36 ~~employees' benefits board program includes all employees of school~~
37 ~~districts, educational service districts, and charter schools~~
38 ~~established under chapter 28A.710 RCW.~~

39 ~~(7) "Employee group" means employees of a similar employment~~
40 ~~type, such as administrative, represented classified, nonrepresented~~

1 ~~classified, confidential, represented certificated, or nonrepresented~~
2 ~~certificated, within a school employees' benefits board organization.~~

3 ~~(8)(a))~~ (7) "Employer" for the public employees' benefits board
4 program means the state of Washington, school districts, educational
5 service districts, and charter schools established under chapter
6 28A.710 RCW.

7 ~~((b) "Employer" for the school employees' benefits board program~~
8 ~~means school districts and educational service districts and charter~~
9 ~~schools established under chapter 28A.710 RCW.~~

10 ~~(9))~~ (8) "Employer group" means those counties, municipalities,
11 political subdivisions, the Washington health benefit exchange,
12 tribal governments, and employee organizations representing state
13 civil service employees, ~~((and through December 31, 2019, school~~
14 ~~districts, educational service districts, and charter schools))~~
15 obtaining employee benefits through a contractual agreement with the
16 authority to participate in benefit plans developed by the public
17 employees' benefits board. Through December 31, 2019, "employer
18 group" also includes school districts, educational service districts,
19 and charter schools, obtaining employee benefits through a
20 contractual agreement with the authority to participate in benefit
21 plans developed by the public employees' benefits board.

22 ~~((10)(a))~~ (9) "Employing agency" for the public employees'
23 benefits board program means a division, department, or separate
24 agency of state government, including an institution of higher
25 education; school districts, educational service districts, or
26 charter schools; a county, municipality, or other political
27 subdivision; and a tribal government covered by this chapter.

28 ~~((b) "Employing agency" for the school employees' benefits board~~
29 ~~program means school districts, educational service districts, and~~
30 ~~charter schools.~~

31 ~~(11))~~ (10) "Faculty" means an academic employee of an
32 institution of higher education whose workload is not defined by work
33 hours but whose appointment, workload, and duties directly serve the
34 institution's academic mission, as determined under the authority of
35 its enabling statutes, its governing body, and any applicable
36 collective bargaining agreement.

37 ~~((12))~~ (11) "Flexible benefit plan" means a benefit plan that
38 allows employees ~~((and school employees))~~ to choose the level of
39 health care coverage provided and the amount of employee ~~((or school~~

1 ~~employee~~) contributions from among a range of choices offered by the
2 authority.

3 ~~((13))~~ (12) "Insuring entity" means an insurer as defined in
4 chapter 48.01 RCW, a health care service contractor as defined in
5 chapter 48.44 RCW, or a health maintenance organization as defined in
6 chapter 48.46 RCW.

7 ~~((14))~~ (13) "Medical flexible spending arrangement" means a
8 benefit plan whereby state ~~((and school))~~ employees may reduce their
9 salary before taxes to pay for medical expenses not reimbursed by
10 insurance as provided in the salary reduction plan under this chapter
11 pursuant to 26 U.S.C. Sec. 125 or other sections of the internal
12 revenue code.

13 ~~((15))~~ (14) "Participant" means an individual who fulfills the
14 eligibility and enrollment requirements under the salary reduction
15 plan.

16 ~~((16))~~ (15) "Plan year" means the time period established by
17 the authority.

18 ~~((17))~~ (16) "Premium payment plan" means a benefit plan whereby
19 public employees may pay their share of group health plan premiums
20 with pretax dollars as provided in the salary reduction plan under
21 this chapter pursuant to 26 U.S.C. Sec. 125 or other sections of the
22 internal revenue code.

23 ~~((18))~~ (17) "Public employee" has the same meaning as employee
24 ~~((and school employee))~~.

25 ~~((19))~~ (18) "Retired or disabled school employee" means:

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

29 (b) Persons who separate from employment with a school district,
30 educational service district, or charter school on or after October
31 1, 1993, and immediately upon separation receive a retirement
32 allowance under chapter 41.32, 41.35, or 41.40 RCW;

33 (c) Persons who separate from employment with a school district,
34 educational service district, or charter school due to a total and
35 permanent disability, and are eligible to receive a deferred
36 retirement allowance under chapter 41.32, 41.35, or 41.40 RCW.

37 ~~((20))~~ (19) "Salary" means ~~((a state or school))~~ an employee's
38 monthly salary or wages.

39 ~~((21))~~ (20) "Salary reduction plan" means a benefit plan
40 whereby ~~((public))~~ employees may agree to a reduction of salary on a

1 pretax basis to participate in the dependent care assistance program,
2 medical flexible spending arrangement, or premium payment plan
3 offered pursuant to 26 U.S.C. Sec. 125 or other sections of the
4 internal revenue code.

5 ~~((22)) "School employees' benefits board organization" means a~~
6 ~~public school district or educational service district or charter~~
7 ~~school established under chapter 28A.710 RCW that is required to~~
8 ~~participate in benefit plans provided by the school employees'~~
9 ~~benefits board.~~

10 ~~(23))~~ (21) "School year" means school year as defined in RCW
11 28A.150.203(11).

12 ~~((24))~~ (22) "Seasonal employee" means ~~((a state))~~ an employee
13 hired to work during a recurring, annual season with a duration of
14 three months or more, and anticipated to return each season to
15 perform similar work.

16 ~~((25))~~ (23) "Separated employees" means persons who separate
17 from employment with an employer as defined in:

18 (a) RCW 41.32.010(17) on or after July 1, 1996; or

19 (b) RCW 41.35.010 on or after September 1, 2000; or

20 (c) RCW 41.40.010 on or after March 1, 2002;

21 and who are at least age fifty-five and have at least ten years of
22 service under the teachers' retirement system plan 3 as defined in
23 RCW 41.32.010(33), the Washington school employees' retirement system
24 plan 3 as defined in RCW 41.35.010, or the public employees'
25 retirement system plan 3 as defined in RCW 41.40.010.

26 ~~((26))~~ (24) "State purchased health care" or "health care"
27 means medical and health care, pharmaceuticals, and medical equipment
28 purchased with state and federal funds by the department of social
29 and health services, the department of health, ~~((the basic health~~
30 ~~plan,))~~ the state health care authority, the department of labor and
31 industries, the department of corrections, the department of veterans
32 affairs, and local school districts.

33 ~~((27))~~ (25) "Tribal government" means an Indian tribal
34 government as defined in section 3(32) of the employee retirement
35 income security act of 1974, as amended, or an agency or
36 instrumentality of the tribal government, that has government offices
37 principally located in this state.

38 **Sec. 4.** RCW 41.05.021 and 2018 c 260 s 6 and 2018 c 201 s 7002
39 are each reenacted and amended to read as follows:

1 (1) The Washington state health care authority is created within
2 the executive branch. The authority shall have a director appointed
3 by the governor, with the consent of the senate. The director shall
4 serve at the pleasure of the governor. The director may employ a
5 deputy director, and such assistant directors and special assistants
6 as may be needed to administer the authority, who shall be exempt
7 from chapter 41.06 RCW, and any additional staff members as are
8 necessary to administer this chapter. The director may delegate any
9 power or duty vested in him or her by law, including authority to
10 make final decisions and enter final orders in hearings conducted
11 under chapter 34.05 RCW. The primary duties of the authority shall be
12 to: Administer insurance benefits for employees((~~τ~~)) and retired or
13 disabled state and school employees(~~((τ and school employees;~~
14 ~~administer the basic health plan pursuant to chapter 70.47 RCW))~~);
15 administer the children's health program pursuant to chapter 74.09
16 RCW; study state purchased health care programs in order to maximize
17 cost containment in these programs while ensuring access to quality
18 health care; implement state initiatives, joint purchasing
19 strategies, and techniques for efficient administration that have
20 potential application to all state-purchased health services; and
21 administer grants that further the mission and goals of the
22 authority. The authority's duties include, but are not limited to,
23 the following:

24 (a) To administer health care benefit programs for employees((~~τ~~))
25 and retired or disabled state and school employees(~~((τ and school~~
26 ~~employees))~~) as specifically authorized in RCW 41.05.065 ((~~and~~
27 ~~41.05.740)) and in accordance with the methods described in RCW
28 41.05.075, 41.05.140, and other provisions of this chapter;~~

29 (b) To analyze state purchased health care programs and to
30 explore options for cost containment and delivery alternatives for
31 those programs that are consistent with the purposes of those
32 programs, including, but not limited to:

33 (i) Creation of economic incentives for the persons for whom the
34 state purchases health care to appropriately utilize and purchase
35 health care services, including the development of flexible benefit
36 plans to offset increases in individual financial responsibility;

37 (ii) Utilization of provider arrangements that encourage cost
38 containment, including but not limited to prepaid delivery systems,
39 utilization review, and prospective payment methods, and that ensure
40 access to quality care, including assuring reasonable access to local

1 providers, especially for employees ((~~and school employees~~)) residing
2 in rural areas;

3 (iii) Coordination of state agency efforts to purchase drugs
4 effectively as provided in RCW 70.14.050;

5 (iv) Development of recommendations and methods for purchasing
6 medical equipment and supporting services on a volume discount basis;

7 (v) Development of data systems to obtain utilization data from
8 state purchased health care programs in order to identify cost
9 centers, utilization patterns, provider and hospital practice
10 patterns, and procedure costs, utilizing the information obtained
11 pursuant to RCW 41.05.031; and

12 (vi) In collaboration with other state agencies that administer
13 state purchased health care programs, private health care purchasers,
14 health care facilities, providers, and carriers:

15 (A) Use evidence-based medicine principles to develop common
16 performance measures and implement financial incentives in contracts
17 with insuring entities, health care facilities, and providers that:

18 (I) Reward improvements in health outcomes for individuals with
19 chronic diseases, increased utilization of appropriate preventive
20 health services, and reductions in medical errors; and

21 (II) Increase, through appropriate incentives to insuring
22 entities, health care facilities, and providers, the adoption and use
23 of information technology that contributes to improved health
24 outcomes, better coordination of care, and decreased medical errors;

25 (B) Through state health purchasing, reimbursement, or pilot
26 strategies, promote and increase the adoption of health information
27 technology systems, including electronic medical records, by
28 hospitals as defined in RCW 70.41.020, integrated delivery systems,
29 and providers that:

30 (I) Facilitate diagnosis or treatment;

31 (II) Reduce unnecessary duplication of medical tests;

32 (III) Promote efficient electronic physician order entry;

33 (IV) Increase access to health information for consumers and
34 their providers; and

35 (V) Improve health outcomes;

36 (C) Coordinate a strategy for the adoption of health information
37 technology systems using the final health information technology
38 report and recommendations developed under chapter 261, Laws of 2005;

39 (c) To analyze areas of public and private health care
40 interaction;

1 (d) To provide information and technical and administrative
2 assistance to the board;

3 (e) To review and approve or deny applications from counties,
4 municipalities, and other political subdivisions of the state to
5 provide state-sponsored insurance or self-insurance programs to their
6 employees in accordance with the provisions of RCW 41.04.205 and (g)
7 of this subsection, setting the premium contribution for approved
8 groups as outlined in RCW 41.05.050;

9 (f) To review and approve or deny the application when the
10 governing body of a tribal government applies to transfer their
11 employees to an insurance or self-insurance program administered by
12 the public employees' benefits board. In the event of an employee
13 transfer pursuant to this subsection (1)(f), members of the governing
14 body are eligible to be included in such a transfer if the members
15 are authorized by the tribal government to participate in the
16 insurance program being transferred from and subject to payment by
17 the members of all costs of insurance for the members. The authority
18 shall: (i) Establish the conditions for participation; (ii) have the
19 sole right to reject the application; and (iii) set the premium
20 contribution for approved groups as outlined in RCW 41.05.050.
21 Approval of the application by the authority transfers the employees
22 and dependents involved to the insurance, self-insurance, or health
23 care program administered by the public employees' benefits board;

24 (g) To ensure the continued status of the employee insurance or
25 self-insurance programs administered under this chapter as a
26 governmental plan under section 3(32) of the employee retirement
27 income security act of 1974, as amended, the authority shall limit
28 the participation of employees of a county, municipal, school
29 district, educational service district, or other political
30 subdivision, the Washington health benefit exchange, or a tribal
31 government, including providing for the participation of those
32 employees whose services are substantially all in the performance of
33 essential governmental functions, but not in the performance of
34 commercial activities. Charter schools established under chapter
35 28A.710 RCW are employers (~~and are school~~) under the public
36 employees' benefits board (~~(organizations)~~) program unless:

37 (i) The authority receives guidance from the internal revenue
38 service or the United States department of labor that participation
39 jeopardizes the status of plans offered under this chapter as

1 governmental plans under the federal employees' retirement income
2 security act or the internal revenue code; or

3 (ii) The charter schools are not in compliance with regulations
4 issued by the internal revenue service and the United States treasury
5 department pertaining to section 414(d) of the federal internal
6 revenue code;

7 (h) To establish billing procedures and collect funds (~~from~~
8 ~~school~~) in the public employees' benefits board (~~organizations~~)
9 program in a way that minimizes (~~the~~) administrative burden (~~on~~
10 ~~districts~~);

11 (i) Through December 31, 2019, to publish and distribute to
12 nonparticipating school districts and educational service districts
13 by October 1st of each year a description of health care benefit
14 plans available through the authority and the estimated cost if
15 school districts and educational service district employees were
16 enrolled;

17 (j) To apply for, receive, and accept grants, gifts, and other
18 payments, including property and service, from any governmental or
19 other public or private entity or person, and make arrangements as to
20 the use of these receipts to implement initiatives and strategies
21 developed under this section;

22 (k) To issue, distribute, and administer grants that further the
23 mission and goals of the authority;

24 (l) To adopt rules consistent with this chapter as described in
25 RCW 41.05.160 including, but not limited to:

26 (i) Setting forth the criteria established by the public
27 employees' benefits board under RCW 41.05.065 (~~, and by the school~~
28 ~~employees' benefits board under RCW 41.05.740,~~) for determining
29 whether an employee (~~or school employee~~) is eligible for benefits;

30 (ii) Establishing an appeal process in accordance with chapter
31 34.05 RCW by which an employee (~~or school employee~~) may appeal an
32 eligibility determination;

33 (iii) Establishing a process to assure that the eligibility
34 determinations of an employing agency comply with the criteria under
35 this chapter, including the imposition of penalties as may be
36 authorized by the board;

37 (m) (i) To administer the medical services programs established
38 under chapter 74.09 RCW as the designated single state agency for
39 purposes of Title XIX of the federal social security act;

1 (ii) To administer the state children's health insurance program
2 under chapter 74.09 RCW for purposes of Title XXI of the federal
3 social security act;

4 (iii) To enter into agreements with the department of social and
5 health services for administration of medical care services programs
6 under Titles XIX and XXI of the social security act and programs
7 under chapters 71.05, 71.24, and 71.34 RCW. The agreements shall
8 establish the division of responsibilities between the authority and
9 the department with respect to mental health, chemical dependency,
10 and long-term care services, including services for persons with
11 developmental disabilities. The agreements shall be revised as
12 necessary, to comply with the final implementation plan adopted under
13 section 116, chapter 15, Laws of 2011 1st sp. sess.;

14 (iv) To adopt rules to carry out the purposes of chapter 74.09
15 RCW;

16 (v) To appoint such advisory committees or councils as may be
17 required by any federal statute or regulation as a condition to the
18 receipt of federal funds by the authority. The director may appoint
19 statewide committees or councils in the following subject areas: (A)
20 Health facilities; (B) children and youth services; (C) blind
21 services; (D) medical and health care; (E) drug abuse and alcoholism;
22 (F) rehabilitative services; and (G) such other subject matters as
23 are or come within the authority's responsibilities. The statewide
24 councils shall have representation from both major political parties
25 and shall have substantial consumer representation. Such committees
26 or councils shall be constituted as required by federal law or as the
27 director in his or her discretion may determine. The members of the
28 committees or councils shall hold office for three years except in
29 the case of a vacancy, in which event appointment shall be only for
30 the remainder of the unexpired term for which the vacancy occurs. No
31 member shall serve more than two consecutive terms. Members of such
32 state advisory committees or councils may be paid their travel
33 expenses in accordance with RCW 43.03.050 and 43.03.060 as now
34 existing or hereafter amended;

35 (n) To review and approve or deny the application from the
36 governing board of the Washington health benefit exchange to provide
37 public employees' benefits board state-sponsored insurance or self-
38 insurance programs to employees of the exchange. The authority shall
39 (i) establish the conditions for participation; (ii) have the sole

1 right to reject an application; and (iii) set the premium
2 contribution for approved groups as outlined in RCW 41.05.050.

3 (2) The public employees' benefits board (~~and the school~~
4 ~~employees' benefits board~~) may implement strategies to promote
5 managed competition among employee (~~and school employee~~) health
6 benefit plans. Strategies may include but are not limited to:

7 (a) Standardizing the benefit package;

8 (b) Soliciting competitive bids for the benefit package;

9 (c) Limiting the state's contribution to a percent of the lowest
10 priced qualified plan within a geographical area;

11 (d) Monitoring the impact of the approach under this subsection
12 with regards to: Efficiencies in health service delivery, cost shifts
13 to subscribers, access to and choice of managed care plans statewide,
14 and quality of health services. The health care authority shall also
15 advise on the value of administering a benchmark employer-managed
16 plan to promote competition among managed care plans.

17 **Sec. 5.** RCW 41.05.022 and 2018 c 260 s 7 are each amended to
18 read as follows:

19 (1) The health care authority is hereby designated as the single
20 state agent for purchasing health services.

21 (2) On and after January 1, 1995, at least the following state-
22 purchased health services programs shall be merged into a single,
23 community-rated risk pool: Health benefits for groups of employees of
24 school districts and educational service districts that voluntarily
25 purchase health benefits as provided in RCW 41.05.011 through
26 December 31, 2019; health benefits for employees; health benefits for
27 eligible retired or disabled school employees not eligible for parts
28 A and B of medicare; and health benefits for eligible state retirees
29 not eligible for parts A and B of medicare.

30 (3) On and after January 1, 2020, health benefits for (~~groups of~~
31 ~~school~~) employees of school (~~employees' benefits board~~
32 ~~organizations~~) districts, educational service districts, and
33 charter schools shall be merged into ((a)) the single, community-
34 rated risk pool (~~separate and distinct from the pool~~) for employees
35 as described ((in)) by subsection (2) of this section.

36 (4) By December 15, 2018, the health care authority, in
37 consultation with the board, shall submit to the appropriate
38 committees of the legislature a complete analysis of the most
39 appropriate risk pool for the retired and disabled school employees,

1 to include at a minimum an analysis of the size of the nonmedicare
2 and medicare retiree enrollment pools, the impacts on cost for state
3 and school district retirees of moving retirees from one pool to
4 another, the need for and the amount of an ongoing retiree subsidy
5 allocation from the active school employees, and the timing and
6 suggested approach for a transition from one risk pool to another.

7 (5) At a minimum, and regardless of other legislative enactments,
8 the ((~~state health services purchasing agent~~)) health care authority
9 shall:

10 (a) Require that a public agency that provides subsidies for a
11 substantial portion of services now covered under the basic health
12 plan use uniform eligibility processes, insofar as may be possible,
13 and ensure that multiple eligibility determinations are not required;

14 (b) Require that a health care provider or a health care facility
15 that receives funds from a public program provide care to state
16 residents receiving a state subsidy who may wish to receive care from
17 them, and that an insuring entity that receives funds from a public
18 program accept enrollment from state residents receiving a state
19 subsidy who may wish to enroll with them;

20 (c) Strive to integrate purchasing for all publicly sponsored
21 health services in order to maximize the cost control potential and
22 promote the most efficient methods of financing and coordinating
23 services;

24 (d) Consult regularly with the governor, the legislature, and
25 state agency directors whose operations are affected by the
26 implementation of this section; and

27 (e) Ensure the control of benefit costs under managed competition
28 by adopting rules to prevent an employing agency from entering into
29 an agreement with employees or employee organizations when the
30 agreement would result in increased utilization in public employees'
31 benefits board plans or reduce the expected savings of managed
32 competition.

33 **Sec. 6.** RCW 41.05.023 and 2018 c 260 s 8 are each amended to
34 read as follows:

35 (1) The health care authority, in collaboration with the
36 department of health, shall design and implement a chronic care
37 management program for employees ((~~and school employees~~)) enrolled in
38 the state's self-insured uniform medical plan. Programs must be
39 evidence based, facilitating the use of information technology to

1 improve quality of care and must improve coordination of primary,
2 acute, and long-term care for those enrollees with multiple chronic
3 conditions. The authority shall consider expansion of existing
4 medical home and chronic care management programs. The authority
5 shall use best practices in identifying those employees (~~and school~~
6 ~~employees~~) best served under a chronic care management model using
7 predictive modeling through claims or other health risk information.

8 (2) For purposes of this section:

9 (a) "Medical home" means a site of care that provides
10 comprehensive preventive and coordinated care centered on the patient
11 needs and assures high-quality, accessible, and efficient care.

12 (b) "Chronic care management" means the authority's program that
13 provides care management and coordination activities for health plan
14 enrollees determined to be at risk for high medical costs. "Chronic
15 care management" provides education and training and/or coordination
16 that assist program participants in improving self-management skills
17 to improve health outcomes and reduce medical costs by educating
18 clients to better utilize services.

19 **Sec. 7.** RCW 41.05.050 and 2018 c 260 s 10 are each amended to
20 read as follows:

21 (1) Every: (a) Department, division, (~~or~~) separate agency of
22 state government, school district, educational service district, or
23 charter school; (b) county, municipal, (~~school district, educational~~
24 ~~service district,~~) or other political subdivisions; and (c) tribal
25 governments as are covered by this chapter, shall provide
26 contributions to insurance and health care plans for its employees
27 and their dependents, the content of such plans to be determined by
28 the authority. Contributions, paid by the county, the municipality,
29 other political subdivision, or a tribal government for their
30 employees, shall include an amount determined by the authority to pay
31 such administrative expenses of the authority as are necessary to
32 administer the plans for employees of those groups, except as
33 provided in subsection (4) of this section.

34 (2) To account for increased cost of benefits for the state and
35 for (~~state~~) employees, the authority may develop a rate surcharge
36 applicable to participating counties, municipalities, other political
37 subdivisions, and tribal governments.

38 (3) The contributions of any: (a) Department, division, (~~or~~)
39 separate agency of the state government, school district, educational

1 service district, or charter school; (b) county, municipal, or other
2 political subdivisions; and (c) any tribal government as are covered
3 by this chapter(~~;~~ ~~and~~ ~~(d)~~ ~~school districts,~~ ~~educational service~~
4 ~~districts,~~ ~~and~~ ~~charter schools~~)), shall be set by the authority,
5 subject to the approval of the governor for availability of funds as
6 specifically appropriated by the legislature for that purpose.
7 Insurance and health care contributions for ferry employees shall be
8 governed by RCW 47.64.270.

9 (4)(a) Until January 1, 2020, the authority shall collect from
10 each participating school district and educational service district
11 an amount equal to the composite rate charged to state agencies, plus
12 an amount equal to the employee premiums by plan and family size as
13 would be charged to employees, for groups of school district and
14 educational service district employees enrolled in authority plans.
15 The authority may collect these amounts in accordance with the school
16 district or educational service district fiscal year, as described in
17 RCW 28A.505.030.

18 (b) For all groups of school district or educational service
19 district employees enrolling in authority plans for the first time
20 after September 1, 2003, and until January 1, 2020, the authority
21 shall collect from each participating school district or educational
22 service district an amount equal to the composite rate charged to
23 state agencies, plus an amount equal to the employee premiums by plan
24 and by family size as would be charged to employees, only if the
25 authority determines that this method of billing the school districts
26 and educational service districts will not result in a material
27 difference between revenues from school districts and educational
28 service districts and expenditures made by the authority on behalf of
29 school districts and educational service districts and their
30 employees. The authority may collect these amounts in accordance with
31 the school district or educational service district fiscal year, as
32 described in RCW 28A.505.030.

33 (c) Until January 1, 2020, if the authority determines at any
34 time that the conditions in (b) of this subsection cannot be met, the
35 authority shall offer enrollment to additional groups of school and
36 educational service district employees on a tiered rate structure
37 until such time as the authority determines there would be no
38 material difference between revenues and expenditures under a
39 composite rate structure for all school and educational service
40 district employees enrolled in authority plans.

1 (d) Beginning January 1, 2020, all school districts, educational
2 service districts, and charter schools shall commence participation
3 in the ((school)) public employees' benefits board ((program
4 established under RCW 41.05.740. All school districts, educational
5 service districts, charter schools, and all school district employee
6 groups participating in the public employees' benefits board plans
7 before January 1, 2020, shall thereafter participate in the school
8 employees' benefits board program administered by the authority)).
9 All school districts, educational service districts, and charter
10 schools shall provide contributions to the authority for insurance
11 and health care plans for school employees and their dependents.
12 These contributions must be provided to the authority for all
13 eligible school employees eligible for benefits under RCW
14 ((41.05.740(6)(d), including school employees who have waived their
15 coverage; contributions to the authority are not required for
16 individuals eligible for benefits under RCW 41.05.740(6)(e) who waive
17 their coverage)) 41.05.065(4)(b).

18 (e) For the purposes of this subsection, "tiered rates" means the
19 amounts the authority must pay to insuring entities by plan and by
20 family size.

21 (f) Notwithstanding this subsection and RCW 41.05.065(4), the
22 authority may allow school districts and educational service
23 districts enrolled on a tiered rate structure prior to September 1,
24 2002, and until January 1, 2020, to continue participation based on
25 the same rate structure and under the same conditions and eligibility
26 criteria.

27 (5) The authority shall transmit a recommendation for the amount
28 of the employer contributions to the governor and the director of
29 financial management for inclusion in the proposed budgets submitted
30 to the legislature.

31 **Sec. 8.** RCW 41.05.055 and 2018 c 260 s 11 are each amended to
32 read as follows:

33 (1) The public employees' benefits board is created within the
34 authority. The function of the public employees' benefits board is to
35 design and approve insurance benefit plans for employees and to
36 establish eligibility criteria for participation in insurance benefit
37 plans.

1 (2) The public employees' benefits board shall be composed of
2 nine voting members (~~((through December 31, 2019, and of eight members~~
3 ~~thereafter,))~~) appointed by the governor as follows:

4 (a) Two representatives of state employees, one of whom shall
5 represent an employee union certified as exclusive representative of
6 at least one bargaining unit of classified employees, and one of whom
7 is retired, is covered by a program under the jurisdiction of the
8 public employees' benefits board, and represents an organized group
9 of retired public employees;

10 (b) (~~((Through December 31, 2019,))~~) Two representatives of school
11 district employees, one of whom shall represent an association of
12 school employees (~~((as a nonvoting member,))~~) and one of whom is
13 retired, and represents an organized group of retired school
14 employees (~~((. Thereafter, and only while retired school employees are~~
15 ~~served by the public employees' benefits board, only the retired~~
16 ~~representative shall serve on the public employees' benefits board))~~);

17 (c) Four members with experience in health benefit management and
18 cost containment (~~((, one of whom shall be a nonvoting member))~~); and

19 (d) The director of the authority or his or her designee.

20 (3) The governor shall appoint the initial members of the public
21 employees' benefits board to staggered terms not to exceed four
22 years. Members appointed thereafter shall serve two-year terms.

23 (4) (a) Members of the public employees' benefits board shall be
24 compensated in accordance with RCW 43.03.250 and shall be reimbursed
25 for their travel expenses while on official business in accordance
26 with RCW 43.03.050 and 43.03.060.

27 (b) While public employees' benefits board members are carrying
28 out their powers and duties under this chapter, if the service of any
29 certificated or classified employee results in a need for an employer
30 to employ a substitute for such certificated or classified employee
31 during such service, payment for such a substitute may be made by the
32 authority from funds appropriated by the legislature for the public
33 employees' benefits board program. If such substitute is paid by the
34 authority, no deduction shall be made from the salary of the
35 certificated or classified employee. In no event shall an employer
36 deduct from the salary of a certificated or classified employee
37 serving on the public employees' benefits board more than the amount
38 paid the substitute employed by the public employees' benefits board
39 organization.

1 (5) The public employees' benefits board shall prescribe rules
2 for the conduct of its business. The director shall serve as chair of
3 the public employees' benefits board. Meetings of the public
4 employees' benefits board shall be at the call of the chair.

5 **Sec. 9.** RCW 41.05.065 and 2018 c 260 s 12 are each amended to
6 read as follows:

7 (1) The public employees' benefits board shall study all matters
8 connected with the provision of health care coverage, life insurance,
9 liability insurance, accidental death and dismemberment insurance,
10 and disability income insurance or any of, or a combination of, the
11 enumerated types of insurance for employees and their dependents on
12 the best basis possible with relation both to the welfare of the
13 employees and to the state. However, liability insurance shall not be
14 made available to dependents.

15 (2) The public employees' benefits board shall develop employee
16 benefit plans that include comprehensive health care benefits for
17 employees. In developing these plans, the public employees' benefits
18 board shall consider the following elements:

19 (a) Methods of maximizing cost containment while ensuring access
20 to quality health care;

21 (b) Development of provider arrangements that encourage cost
22 containment and ensure access to quality care, including but not
23 limited to prepaid delivery systems and prospective payment methods;

24 (c) Wellness incentives that focus on proven strategies, such as
25 smoking cessation, injury and accident prevention, reduction of
26 alcohol misuse, appropriate weight reduction, exercise, automobile
27 and motorcycle safety, blood cholesterol reduction, and nutrition
28 education;

29 (d) Utilization review procedures including, but not limited to a
30 cost-efficient method for prior authorization of services, hospital
31 inpatient length of stay review, requirements for use of outpatient
32 surgeries and second opinions for surgeries, review of invoices or
33 claims submitted by service providers, and performance audit of
34 providers;

35 (e) Effective coordination of benefits; and

36 (f) Minimum standards for insuring entities.

37 (3) To maintain the comprehensive nature of employee health care
38 benefits, benefits provided to employees shall be substantially
39 equivalent to the state employees' health benefit plan in effect on

1 January 1, 1993. Nothing in this subsection shall prohibit changes or
2 increases in employee point-of-service payments or employee premium
3 payments for benefits or the administration of a high deductible
4 health plan in conjunction with a health savings account. The public
5 employees' benefits board may establish employee eligibility criteria
6 which are not substantially equivalent to employee eligibility
7 criteria in effect on January 1, 1993.

8 (4) Except if bargained for under chapter 41.80 RCW, the public
9 employees' benefits board shall design benefits and determine the
10 terms and conditions of employee and retired or disabled school
11 employee participation and coverage, including establishment of
12 eligibility criteria subject to the requirements of this chapter.
13 Employer groups obtaining benefits through contractual agreement with
14 the authority for employees defined in RCW 41.05.011(6) (a) (~~((+i))~~)
15 through (~~((+vi))~~) (f) may contractually agree with the authority to
16 benefits eligibility criteria which differs from that determined by
17 the public employees' benefits board. The eligibility criteria
18 established by the public employees' benefits board shall be no more
19 restrictive than the following:

20 (a) Except for employees of school districts, educational service
21 districts, or charter schools and also as provided in (b) through (e)
22 of this subsection, an employee is eligible for benefits from the
23 date of employment if the employing agency anticipates he or she will
24 work an average of at least eighty hours per month and for at least
25 eight hours in each month for more than six consecutive months. An
26 employee determined ineligible for benefits at the beginning of his
27 or her employment shall become eligible in the following
28 circumstances:

29 (i) An employee who works an average of at least eighty hours per
30 month and for at least eight hours in each month and whose
31 anticipated duration of employment is revised from less than or equal
32 to six consecutive months to more than six consecutive months becomes
33 eligible when the revision is made.

34 (ii) An employee who works an average of at least eighty hours
35 per month over a period of six consecutive months and for at least
36 eight hours in each of those six consecutive months becomes eligible
37 at the first of the month following the six-month averaging period.

38 (b) A seasonal employee is eligible for benefits from the date of
39 employment if the employing agency anticipates that he or she will
40 work an average of at least eighty hours per month and for at least

1 eight hours in each month of the season. A seasonal employee
2 determined ineligible at the beginning of his or her employment who
3 works an average of at least eighty hours per month over a period of
4 six consecutive months and at least eight hours in each of those six
5 consecutive months becomes eligible at the first of the month
6 following the six-month averaging period. A benefits-eligible
7 seasonal employee who works a season of less than nine months shall
8 not be eligible for the employer contribution during the off season,
9 but may continue enrollment in benefits during the off season by
10 self-paying for the benefits. A benefits-eligible seasonal employee
11 who works a season of nine months or more is eligible for the
12 employer contribution through the off season following each season
13 worked.

14 (c) Faculty are eligible as follows:

15 (i) Faculty who the employing agency anticipates will work half-
16 time or more for the entire instructional year or equivalent nine-
17 month period are eligible for benefits from the date of employment.
18 Eligibility shall continue until the beginning of the first full
19 month of the next instructional year, unless the employment
20 relationship is terminated, in which case eligibility shall cease the
21 first month following the notice of termination or the effective date
22 of the termination, whichever is later.

23 (ii) Faculty who the employing agency anticipates will not work
24 for the entire instructional year or equivalent nine-month period are
25 eligible for benefits at the beginning of the second consecutive
26 quarter or semester of employment in which he or she is anticipated
27 to work, or has actually worked, half-time or more. Such an employee
28 shall continue to receive uninterrupted employer contributions for
29 benefits if the employee works at least half-time in a quarter or
30 semester. Faculty who the employing agency anticipates will not work
31 for the entire instructional year or equivalent nine-month period,
32 but who actually work half-time or more throughout the entire
33 instructional year, are eligible for summer or off-quarter or off-
34 semester coverage. Faculty who have met the criteria of this
35 subsection (4)(c)(ii), who work at least two quarters or two
36 semesters of the academic year with an average academic year workload
37 of half-time or more for three quarters or two semesters of the
38 academic year, and who have worked an average of half-time or more in
39 each of the two preceding academic years shall continue to receive
40 uninterrupted employer contributions for benefits if he or she works

1 at least half-time in a quarter or semester or works two quarters or
2 two semesters of the academic year with an average academic workload
3 each academic year of half-time or more for three quarters or two
4 semesters. Eligibility under this section ceases immediately if this
5 criteria is not met.

6 (iii) Faculty may establish or maintain eligibility for benefits
7 by working for more than one institution of higher education. When
8 faculty work for more than one institution of higher education, those
9 institutions shall prorate the employer contribution costs, or if
10 eligibility is reached through one institution, that institution will
11 pay the full employer contribution. Faculty working for more than one
12 institution must alert his or her employers to his or her potential
13 eligibility in order to establish eligibility.

14 (iv) The employing agency must provide written notice to faculty
15 who are potentially eligible for benefits under this subsection
16 (4)(c) of their potential eligibility.

17 (v) To be eligible for maintenance of benefits through averaging
18 under (c)(ii) of this subsection, faculty must provide written
19 notification to his or her employing agency or agencies of his or her
20 potential eligibility.

21 (vi) For the purposes of this subsection (4)(c):

22 (A) "Academic year" means summer, fall, winter, and spring
23 quarters or summer, fall, and spring semesters;

24 (B) "Half-time" means one-half of the full-time academic workload
25 as determined by each institution; except that for community and
26 technical college faculty, half-time academic workload is calculated
27 according to RCW 28B.50.489.

28 (d) A legislator is eligible for benefits on the date his or her
29 term begins. All other elected and full-time appointed officials of
30 the legislative and executive branches of state government are
31 eligible for benefits on the date his or her term begins or they take
32 the oath of office, whichever occurs first.

33 (e) A justice of the supreme court and judges of the court of
34 appeals and the superior courts become eligible for benefits on the
35 date he or she takes the oath of office.

36 (f) For employees who are employed by school districts,
37 educational service districts, or charter schools:

38 (i) An employee who is anticipated to have compensated work for
39 at least one thousand forty hours per school year is benefits

1 eligible and will receive the entire full-time employer contribution
2 for benefits;

3 (ii) (A) An employee who is anticipated to have compensated work
4 between six hundred thirty hours and one thousand forty hours is
5 benefits eligible and will receive a prorated portion of the full-
6 time employer contribution that is equal to the proportion between
7 the anticipated hours of work and two thousand eighty hours.

8 (B) The authority must provide affordable low-cost plan options
9 for employees providing benefits under (f) (ii) of this subsection. At
10 a minimum, the low-cost options must include a high deductible plan
11 and a flexible spending account plan with an annual employer
12 contribution of no less than two thousand six hundred dollars; and

13 (iii) (A) Except as provided for in (f) (iii) (B) of this subsection
14 and unless and until affirmatively changed by the public employees'
15 benefits board, the eligibility and enrollment policies enacted by
16 the school employees' benefits board between October 1, 2017, and the
17 effective date of this section are adopted and shall be implemented
18 and administered by the authority. In addition, rules intended for
19 the school employees' benefits board program that were filed or
20 adopted by the authority before September 1, 2019, are adopted and
21 shall be implemented and administered by the authority for the 2020
22 plan year.

23 (B) Substitute teachers are not benefits eligible. However,
24 districts may opt to provide benefits to substitute teachers in a
25 manner consistent with eligibility requirements under (f) (i) of this
26 subsection.

27 (g) Except as provided in (c) (i) and (ii) of this subsection,
28 eligibility ceases for any employee the first of the month following
29 termination of the employment relationship.

30 ~~((g))~~ (h) In determining eligibility under this section, the
31 employing agency may disregard training hours, standby hours, or
32 temporary changes in work hours as determined by the authority under
33 this section.

34 ~~((h))~~ (i) Insurance coverage for all eligible employees begins
35 on the first day of the month following the date when eligibility for
36 benefits is established. If the date eligibility is established is
37 the first working day of a month, insurance coverage begins on that
38 date.

39 ~~((i))~~ (j) Except for employees of school districts, educational
40 service districts, or charter schools, eligibility for an employee

1 whose work circumstances are described by more than one of the
2 eligibility categories in (a) through (e) of this subsection shall be
3 determined solely by the criteria of the category that most closely
4 describes the employee's work circumstances. For employees of school
5 districts, educational service districts, or charter schools,
6 eligibility shall be determined solely under (f) of this subsection.

7 ~~((j))~~ (k) Except for an employee ~~(eligible for benefits under~~
8 ~~(b) or (c)(ii))~~ who establishes eligibility for benefits under
9 (c)(ii) or (f) of this subsection, an employee who has established
10 eligibility for benefits ~~(under)~~ will remain eligible for benefits
11 as follows:

12 (i) An employee who established eligibility for benefits under
13 (a), (c)(i), (d), and (e) of this ~~(section)~~ subsection shall remain
14 eligible for benefits each month in which he or she is in pay status
15 for eight or more hours, if ~~((i))~~ he or she remains in a benefits-
16 eligible position ~~(and (ii))~~ or leave from the benefits-eligible
17 position is approved by the employing agency.

18 (ii) A benefits-eligible seasonal employee who established
19 eligibility for benefits under (b) of this subsection is eligible for
20 the employer contribution in any month of his or her season in which
21 he or she is in pay status eight or more hours during that month,
22 if he or she remains in a benefits-eligible position or leave from the
23 benefits-eligible position is approved by the employing agency. A
24 benefits-eligible seasonal employee who works a season of nine months
25 or more is eligible for the employer contributions through the off
26 season following each season worked. A seasonal employee who is
27 eligible for the employer contribution during the off season
28 following a season that he or she worked does not have to have eight
29 hours of pay status during the months of the off season.

30 (l) Eligibility ends ~~((if these conditions))~~ under (k) of this
31 subsection if the conditions in (k)(i) or (ii) of this subsection are
32 not met, the employment relationship is terminated, or the employee
33 voluntarily transfers to a noneligible position.

34 ~~((k))~~ (m) For the purposes of this subsection, the public
35 employees' benefits board shall define "benefits-eligible position."

36 (n) An employee, or an employee's dependent, who has more than
37 one source of eligibility for enrollment in health plan coverage
38 under the public employees' benefits board program is limited to one
39 enrollment in public employees' benefits board health plan coverage.

1 Dual enrollment in the public employees' benefits board program is
2 prohibited.

3 (5) The public employees' benefits board may authorize premium
4 contributions for an employee and the employee's dependents in a
5 manner that encourages the use of cost-efficient managed health care
6 systems.

7 (6)(a) For any open enrollment period following August 24, 2011,
8 the public employees' benefits board shall offer a health savings
9 account option for employees that conforms to section 223, Part VII
10 of subchapter B of chapter 1 of the internal revenue code of 1986.
11 The public employees' benefits board shall comply with all applicable
12 federal standards related to the establishment of health savings
13 accounts.

14 (b) By November 30, 2015, and each year thereafter, the authority
15 shall submit a report to the relevant legislative policy and fiscal
16 committees that includes the following:

17 (i) Public employees' benefits board health plan cost and service
18 utilization trends for the previous three years, in total and for
19 each health plan offered to employees;

20 (ii) For each health plan offered to employees, the number and
21 percentage of employees and dependents enrolled in the plan, and the
22 age and gender demographics of enrollees in each plan;

23 (iii) Any impact of enrollment in alternatives to the most
24 comprehensive plan, including the high deductible health plan with a
25 health savings account, upon the cost of health benefits for those
26 employees who have chosen to remain enrolled in the most
27 comprehensive plan.

28 (7) Notwithstanding any other provision of this chapter, for any
29 open enrollment period following August 24, 2011, the public
30 employees' benefits board shall offer a high deductible health plan
31 in conjunction with a health savings account developed under
32 subsection (6) of this section.

33 (8) Employees shall choose participation in one of the health
34 care benefit plans developed by the public employees' benefits board
35 and may be permitted to waive coverage under terms and conditions
36 established by the public employees' benefits board.

37 (9) The public employees' benefits board shall review plans
38 proposed by insuring entities that desire to offer property insurance
39 and/or accident and casualty insurance to state employees through
40 payroll deduction. The public employees' benefits board may approve

1 any such plan for payroll deduction by insuring entities holding a
2 valid certificate of authority in the state of Washington and which
3 the public employees' benefits board determines to be in the best
4 interests of employees and the state. The public employees' benefits
5 board shall adopt rules setting forth criteria by which it shall
6 evaluate the plans.

7 (10) Before January 1, 1998, the public employees' benefits board
8 shall make available one or more fully insured long-term care
9 insurance plans that comply with the requirements of chapter 48.84
10 RCW. Such programs shall be made available to eligible employees,
11 retired employees, and retired school employees as well as eligible
12 dependents which, for the purpose of this section, includes the
13 parents of the employee or retiree and the parents of the spouse of
14 the employee or retiree. Employees of local governments, political
15 subdivisions, and tribal governments not otherwise enrolled in the
16 public employees' benefits board sponsored medical programs may
17 enroll under terms and conditions established by the director, if it
18 does not jeopardize the financial viability of the public employees'
19 benefits board's long-term care offering.

20 (a) Participation of eligible employees or retired employees and
21 retired school employees in any long-term care insurance plan made
22 available by the public employees' benefits board is voluntary and
23 shall not be subject to binding arbitration under chapter 41.56 RCW.
24 Participation is subject to reasonable underwriting guidelines and
25 eligibility rules established by the public employees' benefits board
26 and the health care authority.

27 (b) The employee, retired employee, and retired school employee
28 are solely responsible for the payment of the premium rates developed
29 by the health care authority. The health care authority is authorized
30 to charge a reasonable administrative fee in addition to the premium
31 charged by the long-term care insurer, which shall include the health
32 care authority's cost of administration, marketing, and consumer
33 education materials prepared by the health care authority and the
34 office of the insurance commissioner.

35 (c) To the extent administratively possible, the state shall
36 establish an automatic payroll or pension deduction system for the
37 payment of the long-term care insurance premiums.

38 (d) The public employees' benefits board and the health care
39 authority shall establish a technical advisory committee to provide
40 advice in the development of the benefit design and establishment of

1 underwriting guidelines and eligibility rules. The committee shall
2 also advise the public employees' benefits board and authority on
3 effective and cost-effective ways to market and distribute the long-
4 term care product. The technical advisory committee shall be
5 comprised, at a minimum, of representatives of the office of the
6 insurance commissioner, providers of long-term care services,
7 licensed insurance agents with expertise in long-term care insurance,
8 employees, retired employees, retired school employees, and other
9 interested parties determined to be appropriate by the public
10 employees' benefits board.

11 (e) The health care authority shall offer employees, retired
12 employees, and retired school employees the option of purchasing
13 long-term care insurance through licensed agents or brokers appointed
14 by the long-term care insurer. The authority, in consultation with
15 the public employees' benefits board, shall establish marketing
16 procedures and may consider all premium components as a part of the
17 contract negotiations with the long-term care insurer.

18 (f) In developing the long-term care insurance benefit designs,
19 the public employees' benefits board shall include an alternative
20 plan of care benefit, including adult day services, as approved by
21 the office of the insurance commissioner.

22 (g) The health care authority, with the cooperation of the office
23 of the insurance commissioner, shall develop a consumer education
24 program for the eligible employees, retired employees, and retired
25 school employees designed to provide education on the potential need
26 for long-term care, methods of financing long-term care, and the
27 availability of long-term care insurance products including the
28 products offered by the public employees' benefits board.

29 (11) The public employees' benefits board may establish penalties
30 to be imposed by the authority when the eligibility determinations of
31 an employing agency fail to comply with the criteria under this
32 chapter.

33 **Sec. 10.** RCW 41.05.066 and 2018 c 260 s 13 are each amended to
34 read as follows:

35 A certificate of domestic partnership qualified under the
36 provisions of RCW 26.60.030 shall be recognized as evidence of a
37 qualified domestic partnership fulfilling all necessary eligibility
38 criteria for the partner of the employee (~~or school employee~~) to
39 receive benefits. Nothing in this section affects the requirements of

1 domestic partners to complete documentation related to federal tax
2 status that may currently be required by the board for employees (~~or~~
3 ~~school employees~~)) choosing to make premium payments on a pretax
4 basis.

5 **Sec. 11.** RCW 41.05.075 and 2018 c 260 s 14 are each amended to
6 read as follows:

7 (1) The director shall provide benefit plans designed by the
8 board through a contract or contracts with insuring entities, through
9 self-funding, self-insurance, or other methods of providing insurance
10 coverage authorized by RCW 41.05.140. (~~The process of contracting~~
11 ~~for plans offered by the school employees' benefits board is subject~~
12 ~~to insight and direction by the school employees' benefits board.~~)

13 (2) The director shall establish a contract bidding process that:

14 (a) Encourages competition among insuring entities;

15 (b) Maintains an equitable relationship between premiums charged
16 for similar benefits and between risk pools including premiums
17 charged for retired state and school district employees under the
18 separate risk pools established by RCW 41.05.022 and 41.05.080 such
19 that insuring entities may not avoid risk when establishing the
20 premium rates for retirees eligible for medicare;

21 (c) Is timely to the state budgetary process; and

22 (d) Sets conditions for awarding contracts to any insuring
23 entity.

24 (3) The entities described in RCW 28A.400.275(2) shall provide
25 the school employees' benefits board and authority specified data by
26 April 1, 2018, in a format to be determined by the authority, to
27 support an initial benefits plans procurement. At a minimum, the data
28 must cover the period January 1, 2014, through December 31, 2017, and
29 include:

30 (a) A summary of the benefit packages offered to each group of
31 school employees, including covered benefits, point-of-service cost-
32 sharing, member count, and the group policy number;

33 (b) Aggregated subscriber and member demographic information,
34 including age band and gender, by insurance tier by month and by
35 benefit packages;

36 (c) Monthly total by benefit package, including premiums paid,
37 inpatient facility claims paid, outpatient facility claims paid,
38 physician claims paid, pharmacy claims paid, capitation amounts paid,
39 and other claims paid;

1 (d) A listing for calendar years 2014 through 2017 of large
2 claims defined as annual amounts paid in excess of one hundred
3 thousand dollars including the amount paid, the member enrollment
4 status, and the primary diagnosis;

5 (e) A listing of calendar year 2017 allowed claims by provider
6 entity; and

7 (f) All data needed for design, procurement, rate setting, and
8 administration of all school employees' benefits board benefits.

9 Any data that may be confidential and contain personal health
10 information may be protected in accordance with a data-sharing
11 agreement.

12 (4) The director shall establish a requirement for review of
13 utilization and financial data from participating insuring entities
14 on a quarterly basis.

15 (5) The director shall centralize the enrollment files for all
16 employee(~~(, school employee,)~~) and retired or disabled school
17 employee health plans offered under this chapter (~~(41.05-RCW)~~) and
18 develop enrollment demographics on a plan-specific basis.

19 (6) All claims data shall be the property of the state. The
20 director may require of any insuring entity that submits a bid to
21 contract for coverage all information deemed necessary including:

22 (a) Subscriber or member demographic and claims data necessary
23 for risk assessment and adjustment calculations in order to fulfill
24 the director's duties as set forth in this chapter; and

25 (b) Subscriber or member demographic and claims data necessary to
26 implement performance measures or financial incentives related to
27 performance under subsection (8) of this section.

28 (7) All contracts with insuring entities for the provision of
29 health care benefits shall provide that the beneficiaries of such
30 benefit plans may use on an equal participation basis the services of
31 practitioners licensed pursuant to chapters 18.22, 18.25, 18.32,
32 18.53, 18.57, 18.71, 18.74, 18.83, and 18.79 RCW, as it applies to
33 registered nurses and advanced registered nurse practitioners.
34 However, nothing in this subsection may preclude the director from
35 establishing appropriate utilization controls approved pursuant to
36 RCW 41.05.065(2) (a), (b), and (d).

37 (8) The director shall, in collaboration with other state
38 agencies that administer state purchased health care programs,
39 private health care purchasers, health care facilities, providers,
40 and carriers:

1 (a) Use evidence-based medicine principles to develop common
2 performance measures and implement financial incentives in contracts
3 with insuring entities, health care facilities, and providers that:

4 (i) Reward improvements in health outcomes for individuals with
5 chronic diseases, increased utilization of appropriate preventive
6 health services, and reductions in medical errors; and

7 (ii) Increase, through appropriate incentives to insuring
8 entities, health care facilities, and providers, the adoption and use
9 of information technology that contributes to improved health
10 outcomes, better coordination of care, and decreased medical errors;

11 (b) Through state health purchasing, reimbursement, or pilot
12 strategies, promote and increase the adoption of health information
13 technology systems, including electronic medical records, by
14 hospitals as defined in RCW 70.41.020, integrated delivery systems,
15 and providers that:

16 (i) Facilitate diagnosis or treatment;

17 (ii) Reduce unnecessary duplication of medical tests;

18 (iii) Promote efficient electronic physician order entry;

19 (iv) Increase access to health information for consumers and
20 their providers; and

21 (v) Improve health outcomes;

22 (c) Coordinate a strategy for the adoption of health information
23 technology systems using the final health information technology
24 report and recommendations developed under chapter 261, Laws of 2005.

25 (9) The director may permit the Washington state health insurance
26 pool to contract to utilize any network maintained by the authority
27 or any network under contract with the authority.

28 **Sec. 12.** RCW 41.05.120 and 2018 c 260 s 25 are each amended to
29 read as follows:

30 (1) The public employees' and retirees' insurance account is
31 hereby established in the custody of the state treasurer, to be used
32 by the director for the deposit of contributions, the remittance paid
33 by school districts and educational service districts under RCW
34 28A.400.410, reserves, dividends, and refunds, for payment of
35 premiums and claims for employee and retiree insurance benefit
36 contracts and subsidy amounts provided under RCW 41.05.085, and
37 transfers from the flexible spending administrative account as
38 authorized in RCW 41.05.123. Moneys from the account shall be
39 disbursed by the state treasurer by warrants on vouchers duly

1 authorized by the director. Moneys from the account may be
2 transferred to the flexible spending administrative account to
3 provide reserves and start-up costs for the operation of the flexible
4 spending administrative account program.

5 (2) The state treasurer and the state investment board may invest
6 moneys in the public employees' and retirees' insurance account. All
7 such investments shall be in accordance with RCW 43.84.080 or
8 43.84.150, whichever is applicable. The director shall determine
9 whether the state treasurer or the state investment board or both
10 shall invest moneys in the public employees' and retirees' insurance
11 account.

12 ~~((3) The school employees' insurance account is hereby~~
13 ~~established in the custody of the state treasurer, to be used by the~~
14 ~~director for the deposit of contributions, reserves, dividends, and~~
15 ~~refunds, for payment of premiums and claims for school employee~~
16 ~~insurance benefit contracts, and for transfers from the school~~
17 ~~employees' benefits board flexible spending and dependent care~~
18 ~~administrative account as authorized in this subsection. Moneys from~~
19 ~~the account shall be disbursed by the state treasurer by warrants on~~
20 ~~vouchers duly authorized by the director. Moneys from the account may~~
21 ~~be transferred to the school employees' benefits board flexible~~
22 ~~spending and dependent care administrative account to provide~~
23 ~~reserves and start-up costs for the operation of the school~~
24 ~~employees' benefits board flexible spending arrangement and dependent~~
25 ~~care assistance program.~~

26 ~~(4) The state treasurer and the state investment board may invest~~
27 ~~moneys in the school employees' insurance account. These investments~~
28 ~~must be in accordance with RCW 43.84.080 or 43.84.150, whichever is~~
29 ~~applicable. The director shall determine whether the state treasurer~~
30 ~~or the state investment board or both shall invest moneys in the~~
31 ~~school employees' insurance account.))~~

32 **Sec. 13.** RCW 41.05.130 and 2017 3rd sp.s. c 13 s 810 are each
33 amended to read as follows:

34 ~~((1))~~ The state health care authority administrative account is
35 hereby created in the state treasury. Moneys in the account,
36 including unanticipated revenues under RCW 43.79.270, may be spent
37 only after appropriation by statute, and may be used only for
38 operating expenses of the authority, and during the 2013-2015 fiscal
39 biennium, for health care related analysis provided to the

1 legislature by the office of the state actuary. (~~During the~~
2 ~~2017-2019 and 2019-2021 fiscal biennia, moneys in the account may be~~
3 ~~used for the initial operating expenses of the authority associated~~
4 ~~with chapter 13, Laws of 2017 3rd sp. sess. All funds so used shall~~
5 ~~be reimbursed from the school employees' insurance administrative~~
6 ~~account following the start of benefit provision by the school~~
7 ~~employees' benefits board on January 1, 2020.~~

8 ~~(2) The school employees' insurance administrative account is~~
9 ~~hereby created in the state treasury. Moneys in the account may be~~
10 ~~used for operating, contracting, and other administrative expenses of~~
11 ~~the authority in administration of the school employees insurance~~
12 ~~program, including reimbursement of the state health care authority~~
13 ~~administrative account for initial operating expenses of the~~
14 ~~authority associated with chapter 13, Laws of 2017 3rd sp. sess.)~~)

15 **Sec. 14.** RCW 41.05.140 and 2018 c 260 s 17 are each amended to
16 read as follows:

17 (1) Except for property and casualty insurance, the authority may
18 self-fund, self-insure, or enter into other methods of providing
19 insurance coverage for insurance programs under its jurisdiction(~~(7~~
20 ~~including the basic health plan as provided in chapter 70.47 RCW))~~).
21 The authority shall contract for payment of claims or other
22 administrative services for programs under its jurisdiction. If a
23 program does not require the prepayment of reserves, the authority
24 shall establish such reserves within a reasonable period of time for
25 the payment of claims as are normally required for that type of
26 insurance under an insured program. (~~The authority shall endeavor to~~
27 ~~reimburse basic health plan health care providers under this section~~
28 ~~at rates similar to the average reimbursement rates offered by the~~
29 ~~statewide benchmark plan determined through the request for proposal~~
30 ~~process.)~~)

31 (2) Reserves established by the authority for employee and
32 retiree benefit programs shall be held in a separate account in the
33 custody of the state treasurer and shall be known as the public
34 employees' and retirees' insurance reserve fund. The state treasurer
35 may invest the moneys in the reserve fund pursuant to RCW 43.79A.040.

36 (3) (~~Reserves established by the authority for school employee~~
37 ~~benefit programs shall be held in a separate account in the custody~~
38 ~~of the state treasurer and shall be known as the school employees'~~

1 ~~benefits board insurance reserve fund. The state treasurer may invest~~
2 ~~the moneys in the reserve fund pursuant to RCW 43.79A.040.~~

3 ~~(4))~~ Any savings realized as a result of a program created for
4 employees (~~or school employees~~) and retirees under this section
5 shall not be used to increase benefits unless such use is authorized
6 by statute.

7 ~~((5))~~ (4) Any program created under this section shall be
8 subject to the examination requirements of chapter 48.03 RCW as if
9 the program were a domestic insurer. In conducting an examination,
10 the commissioner shall determine the adequacy of the reserves
11 established for the program.

12 ~~((6))~~ (5) The authority shall keep full and adequate accounts
13 and records of the assets, obligations, transactions, and affairs of
14 any program created under this section.

15 ~~((7))~~ (6) The authority shall file a quarterly statement of the
16 financial condition, transactions, and affairs of any program created
17 under this section in a form and manner prescribed by the insurance
18 commissioner. The statement shall contain information as required by
19 the commissioner for the type of insurance being offered under the
20 program. A copy of the annual statement shall be filed with the
21 speaker of the house of representatives and the president of the
22 senate.

23 ~~((8))~~ (7) The provisions of this section do not apply to the
24 administration of chapter 74.09 RCW.

25 **Sec. 15.** RCW 41.05.143 and 2018 c 260 s 27 are each amended to
26 read as follows:

27 (1) The uniform medical plan benefits administration account is
28 created in the custody of the state treasurer. Only the director or
29 the director's designee may authorize expenditures from the account.
30 Moneys in the account shall be used exclusively for contracted
31 expenditures for uniform medical plan claims administration, data
32 analysis, utilization management, preferred provider administration,
33 and activities related to benefits administration where the level of
34 services provided pursuant to a contract fluctuate as a direct result
35 of changes in uniform medical plan enrollment. Moneys in the account
36 may also be used for administrative activities required to respond to
37 new and unforeseen conditions that impact the uniform medical plan,
38 but only when the authority and the office of financial management

1 jointly agree that such activities must be initiated prior to the
2 next legislative session.

3 (2) Receipts from amounts due from or on behalf of uniform
4 medical plan enrollees for expenditures related to benefits
5 administration, including moneys disbursed from the public employees'
6 and retirees' insurance account, shall be deposited into the account.
7 The account is subject to allotment procedures under chapter 43.88
8 RCW, but no appropriation is required for expenditures. All proposals
9 for allotment increases shall be provided to the house of
10 representatives appropriations committee and to the senate ways and
11 means committee at the same time as they are provided to the office
12 of financial management.

13 (3) The uniform dental plan benefits administration account is
14 created in the custody of the state treasurer. Only the director or
15 the director's designee may authorize expenditures from the account.
16 Moneys in the account shall be used exclusively for contracted
17 expenditures related to benefits administration for the uniform
18 dental plan as established under RCW 41.05.140. Receipts from amounts
19 due from or on behalf of uniform dental plan enrollees for
20 expenditures related to benefits administration, including moneys
21 disbursed from the public employees' and retirees' insurance account,
22 shall be deposited into the account. The account is subject to
23 allotment procedures under chapter 43.88 RCW, but no appropriation is
24 required for expenditures.

25 (4) The public employees' benefits board medical benefits
26 administration account is created in the custody of the state
27 treasurer. Only the director or the director's designee may authorize
28 expenditures from the account. Moneys in the account shall be used
29 exclusively for contracted expenditures related to claims
30 administration, data analysis, utilization management, preferred
31 provider administration, and other activities related to benefits
32 administration for self-insured medical plans. Receipts from amounts
33 due from or on behalf of enrollees for expenditures related to
34 benefits administration, including moneys disbursed from the public
35 employees' and retirees' insurance account, shall be deposited into
36 the account. The account is subject to allotment procedures under
37 chapter 43.88 RCW, but an appropriation is not required for
38 expenditures.

39 ~~((5) The school employees' benefits board medical benefits~~
40 ~~administrative account is created in the custody of the state~~

1 ~~treasurer. Only the director or the director's designee may authorize~~
2 ~~expenditures from the account. Moneys in the account shall be used~~
3 ~~exclusively for school employees' benefits board contracted~~
4 ~~expenditures related to claims administration, data analysis,~~
5 ~~utilization management, preferred provider administration, and other~~
6 ~~activities related to benefits administration for self-insured~~
7 ~~medical plans. Receipts from amounts due from or on behalf of~~
8 ~~enrollees for expenditures related to benefits administration,~~
9 ~~including moneys disbursed from the school employees' insurance~~
10 ~~account, shall be deposited into the account. The account is subject~~
11 ~~to allotment procedures under chapter 43.88 RCW, but no appropriation~~
12 ~~is required for expenditures.~~

13 ~~(6) The school employees' benefits board dental benefits~~
14 ~~administration account is created in the custody of the state~~
15 ~~treasurer. Only the director or the director's designee may authorize~~
16 ~~expenditures from the account. Moneys in the account shall be used~~
17 ~~exclusively for school employees' benefits board contracted~~
18 ~~expenditures related to benefits administration for the self-insured~~
19 ~~dental plan as established under RCW 41.05.140. Receipts from amounts~~
20 ~~due from or on behalf of the self-insured dental plan enrollees for~~
21 ~~expenditures related to benefits administration, including moneys~~
22 ~~disbursed from the school employees' insurance account, shall be~~
23 ~~deposited into the account. The account is subject to allotment~~
24 ~~procedures under chapter 43.88 RCW, but no appropriation is required~~
25 ~~for expenditures.))~~

26 **Sec. 16.** RCW 41.05.300 and 2018 c 260 s 19 are each amended to
27 read as follows:

28 (1) The state of Washington may enter into salary reduction
29 agreements with employees (~~and school employees~~) pursuant to the
30 internal revenue code, for the purpose of making it possible for
31 employees (~~and school employees~~) to select on a "before-tax basis"
32 certain taxable and nontaxable benefits. The purpose of the salary
33 reduction plan established in this chapter is to attract and retain
34 individuals in governmental service by permitting them to enter into
35 agreements with the state to provide for benefits pursuant to 26
36 U.S.C. Sec. 125, 26 U.S.C. Sec. 129, and other applicable sections of
37 the internal revenue code.

38 (2) Nothing in the salary reduction plan constitutes an
39 employment agreement between the participant and the state, and

1 nothing contained in the participant's salary reduction agreement,
2 the plan, this section, or RCW 41.05.123, 41.05.310 through
3 41.05.360, and 41.05.295 gives a participant any right to be retained
4 in state employment.

5 **Sec. 17.** RCW 41.05.320 and 2018 c 260 s 20 are each amended to
6 read as follows:

7 (1) Elected officials and permanent employees (~~and school~~
8 ~~employees~~) are eligible to participate in the salary reduction plan
9 and reduce their salary by agreement with the authority. The
10 authority may adopt rules to: (a) Limit the participation of
11 employing agencies and their employees in the plan; and (b) permit
12 participation in the plan by temporary employees (~~and school~~
13 ~~employees~~)).

14 (2) Persons eligible under subsection (1) of this section may
15 enter into salary reduction agreements with the state.

16 (3) (a) An eligible person may become a participant of the salary
17 reduction plan for a full plan year with annual benefit plan
18 selection for each new plan year made before the beginning of the
19 plan year, as determined by the authority, or upon becoming eligible.

20 (b) Once an eligible person elects to participate in the salary
21 reduction plan and determines the amount his or her gross salary
22 shall be reduced and the benefit plan for which the funds are to be
23 used during the plan year, the agreement shall be irrevocable and may
24 not be amended during the plan year except as provided in (c) of this
25 subsection. Prior to making an election to participate in the salary
26 reduction plan, the eligible person shall be informed in writing of
27 all the benefits and reductions that will occur as a result of such
28 election.

29 (c) The authority shall provide in the salary reduction plan that
30 a participant may enroll, terminate, or change his or her election
31 after the plan year has begun if there is a significant change in a
32 participant's status, as provided by 26 U.S.C. Sec. 125 and the
33 regulations adopted under that section and defined by the authority.

34 (4) The authority shall establish as part of the salary reduction
35 plan the procedures for and effect of withdrawal from the plan by
36 reason of retirement, death, leave of absence, or termination of
37 employment. To the extent possible under federal law, the authority
38 shall protect participants from forfeiture of rights under the plan.

1 (5) Any reduction of salary under the salary reduction plan shall
2 not reduce the reportable compensation for the purpose of computing
3 the state retirement and pension benefits earned by the employee (~~or~~
4 ~~school employee~~) pursuant to chapters 41.26, 41.32, 41.35, 41.37,
5 41.40, and 43.43 RCW.

6 **Sec. 18.** RCW 41.05.670 and 2017 3rd sp.s. c 13 s 812 are each
7 amended to read as follows:

8 (1) Effective January 1, 2013, the authority must contract with
9 all of the public employees' benefits board managed care plans and
10 the self-insured plan or plans to include provider reimbursement
11 methods that incentivize chronic care management within health homes
12 resulting in reduced emergency department and inpatient use.

13 (2) Health home services contracted for under this section may be
14 prioritized to enrollees with complex, high cost, or multiple chronic
15 conditions.

16 (3) For the purposes of this section, "chronic care management"
17 and "health home" have the same meaning as in RCW 74.09.010.

18 (4) Contracts with fully insured plans and with any third-party
19 administrator for the self-funded plan that include the items in
20 subsection (1) of this section must be funded within the resources
21 provided by employer funding rates provided for employee health
22 benefits in the omnibus appropriations act.

23 (5) Nothing in this section shall require contracted third-party
24 health plans administering the self-insured contract to expend
25 resources to implement items in subsection (1) of this section beyond
26 the resources provided by employer funding rates provided for
27 employee health benefits in the omnibus appropriations act or from
28 other sources in the absence of these provisions.

29 (~~(6) The school employees' benefits board, under RCW 41.05.740,~~
30 ~~shall implement the provisions of this section, effective January 1,~~
31 ~~2020.~~)

32 **Sec. 19.** RCW 41.05.700 and 2018 c 260 s 30 are each amended to
33 read as follows:

34 (1) A health plan offered to employees(~~(, school employees,)~~) and
35 their covered dependents under this chapter issued or renewed on or
36 after January 1, 2017, shall reimburse a provider for a health care
37 service provided to a covered person through telemedicine or store
38 and forward technology if:

1 (a) The plan provides coverage of the health care service when
2 provided in person by the provider;

3 (b) The health care service is medically necessary;

4 (c) The health care service is a service recognized as an
5 essential health benefit under section 1302(b) of the federal patient
6 protection and affordable care act in effect on January 1, 2015; and

7 (d) The health care service is determined to be safely and
8 effectively provided through telemedicine or store and forward
9 technology according to generally accepted health care practices and
10 standards, and the technology used to provide the health care service
11 meets the standards required by state and federal laws governing the
12 privacy and security of protected health information.

13 (2)(a) If the service is provided through store and forward
14 technology there must be an associated office visit between the
15 covered person and the referring health care provider. Nothing in
16 this section prohibits the use of telemedicine for the associated
17 office visit.

18 (b) For purposes of this section, reimbursement of store and
19 forward technology is available only for those covered services
20 specified in the negotiated agreement between the health plan and
21 health care provider.

22 (3) An originating site for a telemedicine health care service
23 subject to subsection (1) of this section includes a:

24 (a) Hospital;

25 (b) Rural health clinic;

26 (c) Federally qualified health center;

27 (d) Physician's or other health care provider's office;

28 (e) Community mental health center;

29 (f) Skilled nursing facility;

30 (g) Home or any location determined by the individual receiving
31 the service; or

32 (h) Renal dialysis center, except an independent renal dialysis
33 center.

34 (4) Except for subsection (3)(g) of this section, any originating
35 site under subsection (3) of this section may charge a facility fee
36 for infrastructure and preparation of the patient. Reimbursement must
37 be subject to a negotiated agreement between the originating site and
38 the health plan. A distant site or any other site not identified in
39 subsection (3) of this section may not charge a facility fee.

1 (5) The plan may not distinguish between originating sites that
2 are rural and urban in providing the coverage required in subsection
3 (1) of this section.

4 (6) The plan may subject coverage of a telemedicine or store and
5 forward technology health service under subsection (1) of this
6 section to all terms and conditions of the plan including, but not
7 limited to, utilization review, prior authorization, deductible,
8 copayment, or coinsurance requirements that are applicable to
9 coverage of a comparable health care service provided in person.

10 (7) This section does not require the plan to reimburse:

11 (a) An originating site for professional fees;

12 (b) A provider for a health care service that is not a covered
13 benefit under the plan; or

14 (c) An originating site or health care provider when the site or
15 provider is not a contracted provider under the plan.

16 (8) For purposes of this section:

17 (a) "Distant site" means the site at which a physician or other
18 licensed provider, delivering a professional service, is physically
19 located at the time the service is provided through telemedicine;

20 (b) "Health care service" has the same meaning as in RCW
21 48.43.005;

22 (c) "Hospital" means a facility licensed under chapter 70.41,
23 71.12, or 72.23 RCW;

24 (d) "Originating site" means the physical location of a patient
25 receiving health care services through telemedicine;

26 (e) "Provider" has the same meaning as in RCW 48.43.005;

27 (f) "Store and forward technology" means use of an asynchronous
28 transmission of a covered person's medical information from an
29 originating site to the health care provider at a distant site which
30 results in medical diagnosis and management of the covered person,
31 and does not include the use of audio-only telephone, facsimile, or
32 email; and

33 (g) "Telemedicine" means the delivery of health care services
34 through the use of interactive audio and video technology, permitting
35 real-time communication between the patient at the originating site
36 and the provider, for the purpose of diagnosis, consultation, or
37 treatment. For purposes of this section only, "telemedicine" does not
38 include the use of audio-only telephone, facsimile, or email.

1 **Sec. 20.** RCW 41.05.820 and 2018 c 219 s 2 are each amended to
2 read as follows:

3 (1) For plan years beginning January 1, 2020, at least one health
4 carrier in an insurance holding company system must offer in the
5 exchange at least one silver and one gold qualified health plan in
6 any county in which any health carrier in that insurance holding
7 company system offers a fully insured health plan that was approved,
8 on or after June 7, 2018, by (~~the school employees' benefits board~~
9 ~~or~~) the public employees' benefits board to be offered to employees
10 and their covered dependents under this chapter.

11 (2) The rates for a health plan approved by (~~the school~~
12 ~~employees' benefits board or~~) the public employees' benefits board
13 may not include the administrative costs or actuarial risks
14 associated with a qualified health plan offered under subsection (1)
15 of this section.

16 (3) The authority shall perform an actuarial review during the
17 annual rate setting process for plans approved by (~~the school~~
18 ~~employees' benefits board or~~) the public employees' benefits board
19 to ensure compliance with subsection (2) of this section.

20 (4) For purposes of this section, "exchange" and "health carrier"
21 have the same meaning as in RCW 48.43.005.

22 (5) For purposes of this section, "insurance holding company
23 system" has the same meaning as in RCW 48.31B.005.

24 **Sec. 21.** RCW 28A.400.270 and 2017 3rd sp.s. c 13 s 813 are each
25 reenacted and amended to read as follows:

26 Unless the context clearly requires otherwise, the definitions in
27 this section apply throughout RCW 28A.400.275 and 28A.400.280.

28 (1) "Basic benefits" are limited to medical, dental, (~~vision,~~)
29 group term life, and group long-term disability insurance coverage.

30 (2) "Benefit providers" include insurers, third party claims
31 administrators, direct providers of employee fringe benefits, health
32 maintenance organizations, health care service contractors, and the
33 Washington state health care authority or any plan offered by the
34 authority.

35 (3) "Fringe benefit" does not include liability coverage, old-age
36 survivors' insurance, workers' compensation, unemployment
37 compensation, retirement benefits under the Washington state
38 retirement system, or payment for unused leave for illness or injury
39 under RCW 28A.400.210.

1 (4) "Group long-term disability insurance coverage" means long-
2 term disability insurance coverage provided for, at a minimum, all
3 full-time employees in a bargaining unit or all full-time
4 nonbargaining group employees.

5 (5) "Group term life insurance coverage" means term life
6 insurance coverage provided for, at a minimum, all full-time
7 employees in a bargaining unit or all full-time nonbargaining group
8 employees.

9 (6) "School district employee benefit plan" means the overall
10 plan used by the district for distributing fringe benefit subsidies
11 to employees, including the method of determining employee coverage.
12 It shall not include coverage offered to district employees for which
13 there is no contribution from public funds.

14 **Sec. 22.** RCW 28A.400.275 and 2018 c 260 s 22 are each amended to
15 read as follows:

16 (1) Any contract or agreement for employee benefits executed
17 after April 13, 1990, between a school district or educational
18 service district and a benefit provider or employee bargaining unit
19 is null and void unless it contains an agreement to abide by state
20 laws relating to school district and educational service district
21 employee benefits. The term of the contract or agreement may not
22 exceed one year, except that the final contract or agreement entered
23 into for the 2018-19 school year must exceed one year only by the
24 months necessary to ensure employee benefits are maintained through
25 December 31, 2019.

26 (2) School districts, educational service districts, and their
27 benefit providers shall submit data to the health care authority in
28 accordance with RCW 41.05.075(3).

29 (3) Any benefit provider offering a benefit plan by contract or
30 agreement with a school district or educational service district
31 under subsection (1) of this section shall make available to the
32 school district or educational service district the benefit plan
33 descriptions and, where available, the demographic information on
34 plan subscribers that the school district, educational service
35 district, and benefit provider are required to report to the health
36 care authority under this section.

37 (4) Each school district and educational service district shall:

38 (a) Carry out all actions required by the (~~school~~) public
39 employees' benefits board and the health care authority under chapter

1 41.05 RCW including, but not limited to, those necessary for the
2 operation of benefit plans, education of employees, claims
3 administration, and appeals process; and

4 (b) Report all data relating to employees eligible to participate
5 in benefits or plans administered by the (~~school~~) public employees'
6 benefits board and the health care authority in a format designed and
7 communicated by the (~~school~~) public employees' benefits board and
8 the health care authority.

9 **Sec. 23.** RCW 28A.400.280 and 2018 c 260 s 29 are each amended to
10 read as follows:

11 (1) Except as provided in subsection (2) of this section, school
12 districts may provide employer fringe benefit contributions after
13 October 1, 1990, only for basic benefits. However, school districts
14 may continue payments under contracts with employees or benefit
15 providers in effect on April 13, 1990, until the contract expires.

16 (2) School districts may provide employer contributions after
17 October 1, 1990, for optional benefit plans, in addition to basic
18 benefits. Beginning January 1, 2020, school district optional
19 benefits must be outside the (~~school~~) public employees' benefits
20 board's authority in RCW (~~41.05.740(6)~~) 41.05.065. Beginning
21 December 1, 2019, and each December 1st thereafter, school district
22 optional benefits must be reported to the (~~school~~) public
23 employees' benefits board and health care authority. The (~~school~~)
24 public employees' benefits board shall review the optional benefits
25 offered by districts and: (a) Determine if the optional benefits
26 conflict with (~~school~~) public employees' benefits board's plans
27 offering authority and, if not, (b) evaluate whether to seek
28 additional benefit offerings authority from the legislature. Optional
29 benefits may include direct agreements as defined in chapter 48.150
30 RCW, and may include employee beneficiary accounts that can be
31 liquidated by the employee on termination of employment. Optional
32 benefit plans may be offered only if:

33 (a) Each full-time employee, regardless of the number of
34 dependents receiving basic coverage, receives the same additional
35 employer contribution for other coverage or optional benefits; and

36 (b) For part-time employees, participation in optional benefit
37 plans shall be governed by the same eligibility criteria and/or
38 proration of employer contributions used for allocations for basic
39 benefits.

1 (3) School districts are not intended to divert state basic
2 benefit allocations for other purposes. Beginning January 1, 2020,
3 school districts must offer all benefits offered by the ((school))
4 public employees' benefits board administered by the health care
5 authority, and consistent with RCW 41.56.500(2).

6 (4) Any optional benefits offered by a school district under
7 subsection (2) of this section are considered an enhancement to the
8 state's definition of basic education.

9 **Sec. 24.** RCW 28A.400.350 and 2018 c 260 s 23 are each amended to
10 read as follows:

11 (1) The board of directors of any of the state's school districts
12 or educational service districts may make available medical, dental,
13 vision, liability, life, accident, disability, and salary protection
14 or insurance, direct agreements as defined in chapter 48.150 RCW, or
15 any one of, or a combination of the types of employee benefits
16 enumerated in this subsection, or any other type of insurance or
17 protection, for the members of the boards of directors, the students,
18 and employees of the school district or educational service district,
19 and their dependents. Except as provided in subsection (6) of this
20 section, such coverage may be provided by contracts or agreements
21 with private carriers, with the state health care authority, or
22 through self-insurance or self-funding pursuant to chapter 48.62 RCW,
23 or in any other manner authorized by law. Any direct agreement must
24 comply with RCW 48.150.050.

25 (2)(a) Whenever funds are available for these purposes the board
26 of directors of the school district or educational service district
27 may contribute all or a part of the cost of such protection or
28 insurance for the employees of their respective school districts or
29 educational service districts and their dependents. The premiums on
30 such liability insurance shall be borne by the school district or
31 educational service district.

32 (b) After October 1, 1990, school districts may not contribute to
33 any employee protection or insurance other than liability insurance
34 unless the district's employee benefit plan conforms to RCW
35 28A.400.275 and 28A.400.280.

36 (c) After December 31, 2019, school district contributions to any
37 employee insurance that is purchased through the health care
38 authority must conform to the requirements established by chapter
39 41.05 RCW and the ((school)) public employees' benefits board.

1 (3) For school board members, educational service district board
2 members, and students, the premiums due on such protection or
3 insurance shall be borne by the assenting school board member,
4 educational service district board member, or student. The school
5 district or educational service district may contribute all or part
6 of the costs, including the premiums, of life, health, health care,
7 accident or disability insurance which shall be offered to all
8 students participating in interschool activities on the behalf of or
9 as representative of their school, school district, or educational
10 service district. The school district board of directors and the
11 educational service district board may require any student
12 participating in extracurricular interschool activities to, as a
13 condition of participation, document evidence of insurance or
14 purchase insurance that will provide adequate coverage, as determined
15 by the school district board of directors or the educational service
16 district board, for medical expenses incurred as a result of injury
17 sustained while participating in the extracurricular activity. In
18 establishing such a requirement, the district shall adopt regulations
19 for waiving or reducing the premiums of such coverage as may be
20 offered through the school district or educational service district
21 to students participating in extracurricular activities, for those
22 students whose families, by reason of their low income, would have
23 difficulty paying the entire amount of such insurance premiums. The
24 district board shall adopt regulations for waiving or reducing the
25 insurance coverage requirements for low-income students in order to
26 assure such students are not prohibited from participating in
27 extracurricular interschool activities.

28 (4) All contracts or agreements for insurance or protection
29 written to take advantage of the provisions of this section shall
30 provide that the beneficiaries of such contracts may utilize on an
31 equal participation basis the services of those practitioners
32 licensed pursuant to chapters 18.22, 18.25, 18.53, 18.57, and 18.71
33 RCW.

34 (5) (a) Until (~~the creation of the school employees' benefits~~
35 ~~board under RCW 41.05.740~~) January 1, 2020, school districts
36 offering medical, vision, and dental benefits shall:

37 (i) Offer a high deductible health plan option with a health
38 savings account that conforms to section 223, part VII of subchapter
39 1 of the internal revenue code of 1986. School districts shall comply

1 with all applicable federal standards related to the establishment of
2 health savings accounts;

3 (ii) Make progress toward employee premiums that are established
4 to ensure that full family coverage premiums are not more than three
5 times the premiums for employees purchasing single coverage for the
6 same coverage plan, unless a subsequent premium differential target
7 is defined as a result of the review and subsequent actions described
8 in RCW 41.05.655;

9 (iii) Offer employees at least one health benefit plan that is
10 not a high deductible health plan offered in conjunction with a
11 health savings account in which the employee share of the premium
12 cost for a full-time employee, regardless of whether the employee
13 chooses employee-only coverage or coverage that includes dependents,
14 does not exceed the share of premium cost paid by state employees
15 during the state employee benefits year that started immediately
16 prior to the school year.

17 (b) All contracts or agreements for employee benefits must be
18 held to responsible contracting standards, meaning a fair, prudent,
19 and accountable competitive procedure for procuring services that
20 includes an open competitive process, except where an open process
21 would compromise cost-effective purchasing, with documentation
22 justifying the approach.

23 (c) School districts offering medical, vision, and dental
24 benefits shall also make progress on promoting health care
25 innovations and cost savings and significantly reduce administrative
26 costs.

27 (d) All contracts or agreements for insurance or protection
28 described in this section shall be in compliance with chapter 3, Laws
29 of 2012 2nd sp. sess.

30 (6) The authority to make available basic and optional benefits
31 to school employees under this section expires December 31, 2019.
32 Beginning January 1, 2020, school districts and educational service
33 districts shall make available basic and optional benefits through
34 plans offered by the health care authority and the (~~school~~) public
35 employees' benefits board.

36 **Sec. 25.** RCW 28A.710.350 and 2018 c 260 s 24 are each amended to
37 read as follows:

38 (1) A function of the (~~school~~) public employees' benefits board
39 established under RCW (~~41.05.740~~) 41.05.065 is to design and

1 approve insurance benefit plans and to establish eligibility criteria
2 for participation in insurance benefit plans (~~by January 1, 2020~~).
3 In order for the (~~school~~) public employees' benefits board to
4 (~~develop~~) provide these benefit plans, charter school employees'
5 information must be provided to the (~~school~~) public employees'
6 benefits board and the health care authority.

7 (2) Charter schools and their benefit providers must submit data
8 to the health care authority in accordance with RCW 41.05.075(3).

9 (3) Any benefit provider offering a benefit plan by contract or
10 agreement with a charter school must make available to the charter
11 school the benefit plan descriptions and, where available, the
12 demographic information on plan subscribers that the charter school
13 and benefit providers are required to report to the health care
14 authority under this section.

15 (4) Each charter school must:

16 (a) Carry out all actions required by the (~~school~~) public
17 employees' benefits board and the health care authority under chapter
18 41.05 RCW including, but not limited to, those actions necessary for
19 the operation of benefit plans, education of employees, claims
20 administration, and appeals process; and

21 (b) Report all data relating to employees eligible to participate
22 in benefits or plans administered by the (~~school~~) public employees'
23 benefits board and the health care authority in a format designed and
24 communicated by the (~~school~~) public employees' benefits board and
25 the health care authority.

26 **Sec. 26.** RCW 43.79A.040 and 2018 c 260 s 28, 2018 c 258 s 4, and
27 2018 c 127 s 6 are each reenacted and amended to read as follows:

28 (1) Money in the treasurer's trust fund may be deposited,
29 invested, and reinvested by the state treasurer in accordance with
30 RCW 43.84.080 in the same manner and to the same extent as if the
31 money were in the state treasury, and may be commingled with moneys
32 in the state treasury for cash management and cash balance purposes.

33 (2) All income received from investment of the treasurer's trust
34 fund must be set aside in an account in the treasury trust fund to be
35 known as the investment income account.

36 (3) The investment income account may be utilized for the payment
37 of purchased banking services on behalf of treasurer's trust funds
38 including, but not limited to, depository, safekeeping, and
39 disbursement functions for the state treasurer or affected state

1 agencies. The investment income account is subject in all respects to
2 chapter 43.88 RCW, but no appropriation is required for payments to
3 financial institutions. Payments must occur prior to distribution of
4 earnings set forth in subsection (4) of this section.

5 (4)(a) Monthly, the state treasurer must distribute the earnings
6 credited to the investment income account to the state general fund
7 except under (b), (c), and (d) of this subsection.

8 (b) The following accounts and funds must receive their
9 proportionate share of earnings based upon each account's or fund's
10 average daily balance for the period: The 24/7 sobriety account, the
11 Washington promise scholarship account, the Gina Grant Bull memorial
12 legislative page scholarship account, the Washington advanced college
13 tuition payment program account, the Washington college savings
14 program account, the accessible communities account, the Washington
15 achieving a better life experience program account, the community and
16 technical college innovation account, the agricultural local fund,
17 the American Indian scholarship endowment fund, the foster care
18 scholarship endowment fund, the foster care endowed scholarship trust
19 fund, the contract harvesting revolving account, the Washington state
20 combined fund drive account, the commemorative works account, the
21 county enhanced 911 excise tax account, the toll collection account,
22 the developmental disabilities endowment trust fund, the energy
23 account, the fair fund, the family and medical leave insurance
24 account, the fish and wildlife federal lands revolving account, the
25 natural resources federal lands revolving account, the food animal
26 veterinarian conditional scholarship account, the forest health
27 revolving account, the fruit and vegetable inspection account, the
28 future teachers conditional scholarship account, the game farm
29 alternative account, the GET ready for math and science scholarship
30 account, the Washington global health technologies and product
31 development account, the grain inspection revolving fund, the
32 Washington history day account, the industrial insurance rainy day
33 fund, the juvenile accountability incentive account, the law
34 enforcement officers' and firefighters' plan 2 expense fund, the
35 local tourism promotion account, the low-income home rehabilitation
36 revolving loan program account, the multiagency permitting team
37 account, the northeast Washington wolf-livestock management account,
38 the pilotage account, the produce railcar pool account, the regional
39 transportation investment district account, the rural rehabilitation
40 account, the Washington sexual assault kit account, the stadium and

1 exhibition center account, the youth athletic facility account, the
2 self-insurance revolving fund, the children's trust fund, the
3 Washington horse racing commission Washington bred owners' bonus fund
4 and breeder awards account, the Washington horse racing commission
5 class C purse fund account, the individual development account
6 program account, the Washington horse racing commission operating
7 account, the life sciences discovery fund, the Washington state
8 heritage center account, the reduced cigarette ignition propensity
9 account, the center for childhood deafness and hearing loss account,
10 the school for the blind account, the Millersylvania park trust fund,
11 the public employees' and retirees' insurance reserve fund, the
12 (~~school employees' benefits board insurance reserve fund, [the]~~)
13 public employees' and retirees' insurance account, (~~[the] school~~
14 ~~employees' insurance account,~~) and the radiation perpetual
15 maintenance fund.

16 (c) The following accounts and funds must receive eighty percent
17 of their proportionate share of earnings based upon each account's or
18 fund's average daily balance for the period: The advanced right-of-
19 way revolving fund, the advanced environmental mitigation revolving
20 account, the federal narcotics asset forfeitures account, the high
21 occupancy vehicle account, the local rail service assistance account,
22 and the miscellaneous transportation programs account.

23 (d) Any state agency that has independent authority over accounts
24 or funds not statutorily required to be held in the custody of the
25 state treasurer that deposits funds into a fund or account in the
26 custody of the state treasurer pursuant to an agreement with the
27 office of the state treasurer shall receive its proportionate share
28 of earnings based upon each account's or fund's average daily balance
29 for the period.

30 (5) In conformance with Article II, section 37 of the state
31 Constitution, no trust accounts or funds shall be allocated earnings
32 without the specific affirmative directive of this section.

33 **Sec. 27.** RCW 41.59.105 and 2017 3rd sp.s. c 13 s 818 are each
34 amended to read as follows:

35 (1) All collective bargaining agreements entered into between a
36 school district employer and school district employees under this
37 chapter after June 10, 2010, as well as bargaining agreements
38 existing on June 10, 2010, but renewed or extended after June 10,
39 2010, shall be consistent with RCW 28A.657.050.

1 (2) All collective bargaining agreements entered into between a
2 school district employer and school district employees under this
3 chapter shall be consistent with RCW 28A.400.280 and 28A.400.350.

4 ~~((3) Employee bargaining shall be initiated after July 1, 2018,~~
5 ~~over the dollar amount to be contributed beginning January 1, 2020,~~
6 ~~on behalf of each employee for health care benefits. Bargaining must~~
7 ~~subsequently be conducted in even-numbered years between the governor~~
8 ~~or governor's designee and one coalition of all the exclusive~~
9 ~~bargaining representatives impacted by benefit purchasing with the~~
10 ~~school employees' benefits board established in RCW 41.05.740,~~
11 ~~consistent with RCW 28A.400.280 and 28A.400.350. The coalition~~
12 ~~bargaining must follow the model initially established for state~~
13 ~~employees in RCW 41.80.020.~~

14 ~~(4) The governor shall submit a request for funds necessary to~~
15 ~~implement the collective bargaining agreement for the dollar amount~~
16 ~~to be expended for school employee health benefits, or for~~
17 ~~legislation necessary to implement the agreement. A request for funds~~
18 ~~shall not be submitted to the legislature by the governor unless such~~
19 ~~request:~~

20 ~~(a) Has been submitted to the director of the office of financial~~
21 ~~management by October 1st prior to the legislative session at which~~
22 ~~the request is to be considered; and~~

23 ~~(b) Has been certified by the director of the office of financial~~
24 ~~management as being feasible financially for the state.~~

25 ~~The legislature shall approve or reject the submission of the~~
26 ~~request for funds. The legislature shall not consider a request for~~
27 ~~funds unless the request is transmitted to the legislature as part of~~
28 ~~the governor's budget document submitted under RCW 43.88.030 and~~
29 ~~43.88.060.~~

30 ~~If the legislature rejects or fails to act on the submission,~~
31 ~~either party may reopen all or part of the agreement. However, if the~~
32 ~~director of the office of financial management does not certify a~~
33 ~~request under this section as being feasible financially for the~~
34 ~~state, the parties shall enter into collective bargaining solely for~~
35 ~~the purpose of reaching a mutually agreed upon modification of the~~
36 ~~agreement necessary to address the absence of those requested funds.~~
37 ~~The legislature may act upon the health care benefit provisions of~~
38 ~~the modified collective bargaining agreement if those provisions are~~
39 ~~agreed upon and submitted to the office of financial management and~~
40 ~~legislative budget committees before final legislative action on the~~

1 ~~biennial or supplemental operating budget. If the legislature rejects~~
2 ~~or fails to act on the submission, either party may reopen all or~~
3 ~~part of the agreement.)~~)

4 **Sec. 28.** RCW 41.56.500 and 2017 3rd sp.s. c 13 s 817 are each
5 amended to read as follows:

6 (1) All collective bargaining agreements entered into between a
7 school district employer and school district employees under this
8 chapter after June 10, 2010, as well as bargaining agreements
9 existing on June 10, 2010, but renewed or extended after June 10,
10 2010, shall be consistent with RCW 28A.657.050.

11 (2) All collective bargaining agreements entered into between a
12 school district employer and school district employees under this
13 chapter shall be consistent with RCW 28A.400.280 and 28A.400.350.

14 ~~((3) Employee bargaining shall be initiated after July 1, 2018,~~
15 ~~over the dollar amount to be contributed for school employee health~~
16 ~~benefits beginning January 1, 2020, on behalf of each employee for~~
17 ~~health care benefits. Bargaining must subsequently be conducted in~~
18 ~~even-numbered years between the governor or governor's designee and~~
19 ~~one coalition of all the exclusive bargaining representatives~~
20 ~~impacted by benefit purchasing with the school employees' benefits~~
21 ~~board established in RCW 41.05.740, consistent with RCW 28A.400.280~~
22 ~~and 28A.400.350. The coalition bargaining must follow the model~~
23 ~~initially established for state employees in RCW 41.80.020.~~

24 ~~(4) The governor shall submit a request for funds necessary to~~
25 ~~implement the collective bargaining agreement for the dollar amount~~
26 ~~to be expended for school employee health benefits, or for~~
27 ~~legislation necessary to implement the agreement. A request for funds~~
28 ~~shall not be submitted to the legislature by the governor unless such~~
29 ~~request:~~

30 ~~(a) Has been submitted to the director of the office of financial~~
31 ~~management by October 1st prior to the legislative session at which~~
32 ~~the request is to be considered; and~~

33 ~~(b) Has been certified by the director of the office of financial~~
34 ~~management as being feasible financially for the state.~~

35 The legislature shall approve or reject the submission of the
36 request for funds. The legislature shall not consider a request for
37 funds unless the request is transmitted to the legislature as part of
38 the governor's budget document submitted under RCW 43.88.030 and
39 43.88.060.

1 ~~If the legislature rejects or fails to act on the submission,~~
2 ~~either party may reopen all or part of the agreement. However, if the~~
3 ~~director of the office of financial management does not certify a~~
4 ~~request under this section as being feasible financially for the~~
5 ~~state, the parties shall enter into collective bargaining solely for~~
6 ~~the purpose of reaching a mutually agreed upon modification of the~~
7 ~~agreement necessary to address the absence of those requested funds.~~
8 ~~The legislature may act upon the health care benefit provisions of~~
9 ~~the modified collective bargaining agreement if those provisions are~~
10 ~~agreed upon and submitted to the office of financial management and~~
11 ~~legislative budget committees before final legislative action on the~~
12 ~~biennial or supplemental operating budget. If the legislature rejects~~
13 ~~or fails to act on the submission, either party may reopen all or~~
14 ~~part of the agreement.)~~)

15 NEW SECTION. **Sec. 29.** The following acts or parts of acts are
16 each repealed:

17 (1) RCW 41.05.004 (Intent—Use of word "board.") and 2018 c 260 s
18 5;

19 (2) RCW 41.05.740 (School employees' benefits board) and 2018 c
20 260 s 1 & 2017 3rd sp.s. c 13 s 801;

21 (3) 2018 c 260 s 33 (uncodified); and

22 (4) 2018 c 260 s 34 (uncodified).

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