

Summary of 2011 Legislative Section Actions Impacting the Trust

Health Benefits

In the area of health benefits, the Legislature closely followed the lead of the Governor by leaving the monthly allocation for active state funded K-12 employees the same as last year at \$768 for 2011-12 and 2012-13. State employees were able to negotiate with the Governor for \$850 a month. The Medicare eligible retiree insurance subsidy was reduced to \$150 a month starting Jan. 1, 2012, and the remittance from the district to pay for this subsidy is set at \$66.01 per month starting Sept. 1, 2011, and \$67.91 starting Sept. 1, 2012.

Health Care Authority

The Health Care Authority section of the budget contains a proviso that allocates \$1,200,000 to plan the implementation of a system of consolidated public school employee health benefits purchasing for the 2013-14 school year. The HCA shall deliver a report to the legislature by Dec. 15, 2011, that sets forth the implementation plan to the legislature's fiscal committees.

The HCA report must include a response to a long list of questions regarding implementing the new system. OSPI and the Office of the Insurance Commissioner shall provide information and technical assistance as requested by the HCA. The HCA shall not implement the new school employee benefits pool until authorized to do so by the legislature. The budget bill, [HB 1087](#), HCA Section 213 (3) (a), has the complete language for this proviso.

Actual Bills:

Health Benefits

- [SSB 5445](#) - **Health Benefits Exchange.** Sets up a health benefits exchange. Works to be consistent with the federal affordable care act. Set a goal of reducing the growth in health care expenditures to no more than 4% per year within 5 years.
- [2ESB 5773](#) - **Health Saving Account / High Deductible.** Calling for the PEBB to offer a health savings account and high deductible health benefit plan beginning with the 2012 plan year. It requires the HCA to offer direct patient provider primary care services in 2013-14 as an option for employees. Calls for a performance evaluation of these practices.
- [ESHB 1790](#) - **Direct Practice Health Providers.** Modifies school district contract provisions with regard to direct practice health providers. In a direct health care practice, a health care provider charges a set fee for all primary care services provided in their office, regardless of the number of visits. No insurance plan is involved. The amended version puts this practice within district optional benefits rather than basic benefits.