



K-12 HEALTH BENEFITS LEGISLATION (ESSB 5940)

Legislative goals

- ◆ Improve transparency of health benefit plan claims and financial data.
- ◆ Create greater affordability and equity for full family health insurance coverage.
- ◆ Promote health care innovations and cost savings and significantly reduce administrative costs.
- ◆ Support greater parity in employee health insurance premiums between state and K-12 employees.
- ◆ Retain collective bargaining.

Employees

- ◆ Each employee pays a minimum premium charge.
- ◆ Employee premiums are structured to ensure that employees who select richer benefit plans pay the higher premium.

School district and health plan providers

- ◆ Must offer a plan with high deductible and health savings account and a plan with full-time premium the same as that for state employees.
- ◆ Must make progress toward more affordable full family insurance coverage; ratio of 3:1.
- ◆ School district and health benefit provider data reporting on health plans and plan requirements is clarified, expanded and enforceable; data reported to the Office of the Insurance Commissioner.

Office of the Insurance Commissioner

- ◆ Annual reporting beginning Dec. 1, 2013, of summary district and benefit provider data.
- ◆ Insurance Commissioner to take enforcement actions, provided bylaw for benefit providers and third-party contractors not complying with data requirements.

Health Care Authority - By June 1, 2015, study and report on the following:

- ◆ The appropriate target for affordable full family coverage.
- ◆ Pros/cons of a single consolidated school employee health benefits purchasing plan.
- ◆ Pros/cons of consolidating K-12 health benefit purchasing through the Public Employees' Benefits Board program.
- ◆ Possible separation of purchasing health benefit plans for certificate and classified employee groups.
- ◆ Analysis of implications, impacts, costs, timelines and other factors to be considered.

Joint Legislative Audit and Review Committee - By Dec. 31, 2015, report to the Legislature on the following, with the Legislature to take action to implement the recommendations or alternatives in the 2016 session:

- ◆ Review of school district health benefit data and report progress by school districts and their benefit providers in meeting legislative goals.
- ◆ Report on the status of individual school districts health insurance plans; provide a performance grant to those districts achieving highest performance.
- ◆ If districts have not made adequate progress on the legislative goals, recommend and develop implementing legislation for the 2016 legislative session on:
 - legislative or agency actions to help remove barriers to improvement; and
 - consolidated school district health insurance purchasing into either a new school employees health benefits plan or the state employees benefits plan.