
Appropriations Committee

HB 1246

Brief Description: Concerning eligibility for health benefits from the school employees' benefits board for school employees.

Sponsors: Representatives Ortiz-Self, Berry, Reeves, Bronoske, Reed, Bergquist, Macri, Fosse, Santos and Pollet.

Brief Summary of Bill

- Revises criteria for the School Employees' Benefits Board (SEBB) eligibility, including allowing employees to become eligible by working for more than one SEBB organization and prorating employer contributions across SEBB organizations in such cases.
- Requires school districts and educational service districts to report details to the SEBB necessary to determine eligibility and prorate amounts for employees across SEBB organizations.
- Requires the Health Care Authority and the Office of the Superintendent of Public Instruction to convene a workgroup to establish reporting processes to implement the bill.

Hearing Date: 1/26/23

Staff: James Mackison (786-7104).

Background:

To provide health care and related benefits for all eligible public-school employees and represented employees of educational service districts (ESDs), the Legislature created the nine-member School Employees' Benefits Board (SEBB). The program is administered by the Health Care Authority (HCA). Under the SEBB, collective bargaining for school employee health

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benefits is consolidated to a single agreement. A school employee must be anticipated to work at least 630 hours per school year for a single SEBB organization to be eligible.

State prototypical school-funding formulas include funding for health benefits under the SEBB for state-funded staff units. SEBB organizations may also cover eligible staff beyond state-funded units and locally negotiate eligibility criteria of less than 630 hours with local funds. The current Health Benefits Rate that applies to each SEBB-eligible school employee is \$1,026 per employee per month in the 2022-23 school year.

In administering the program, the HCA and SEBB adopt rules that define procedures, eligibility criteria, and enrollment effective dates. School districts and other SEBB organizations are required to report data relating to SEBB-eligible employees to the HCA.

In some circumstances, an employee may work for more than one SEBB organization. An example would be a substitute teacher that substitutes in more than one school district.

Summary of Bill:

The eligibility criteria for the SEBB are revised to allow school employees that work less than 630 in a single SEBB organization to be eligible if they are anticipated to work more than 630 combined hours in more than one SEBB organization. Employer contributions for employees eligible through more than one SEBB organization must be prorated across the SEBB organizations. Employer contributions from employers establishing local criteria less restrictive than 630 hours may not be prorated.

Additional revisions to the criteria include:

- a presumption of SEBB eligibility in a school year if the school employee worked more than 630 hours in the previous school year and their schedule has not changed such that they would no longer work 630 hours; and
- a requirement to count all hours a school employee is anticipated to receive compensation during approved leave and holidays.

School districts and educational service districts must report details necessary for the SEBB and HCA to determine eligibility of school employees that may be eligible through more than one SEBB organization and prorated employer contributions.

The HCA and the Office of the Superintendent of Public Instruction must convene a workgroup of SEBB organizations to create a process for using or modifying reported data to determine eligibility in cases where employees may be eligible through more than one employer and prorate employer contributions.

Appropriation: None.

Fiscal Note: Requested on January 17, 2023.

Effective Date: The bill contains multiple effective dates. Please see the bill.