

SENATE BILL REPORT

HB 2481

As of February 19, 2024

Title: An act relating to waiving health benefit premiums in the public employees' benefits board.

Brief Description: Waiving health benefit premiums in the public employees' benefits board.

Sponsors: Representatives Volz, Bergquist, Robertson and Macri.

Brief History: Passed House: 2/13/24, 97-0.

Committee Activity: Ways & Means: 2/20/24.

Brief Summary of Bill

- Waives the payment of premiums during the month of death for retired participants in the Public Employees' Benefits Board health coverage program.

SENATE COMMITTEE ON WAYS & MEANS

Staff: Amanda Cecil (786-7460)

Background: Retirees from state agencies, school districts, and some local government entities receive health benefit coverage from the Public Employees' Benefits Board (PEBB) program administered by the Health Care Authority (HCA). About 80,000 retired employees subscribe to PEBB retiree health benefit coverage, most of which pay retiree premiums through monthly deductions from retirement benefits paid by the Department of Retirement Systems (DRS).

Retirement benefits in the month that a retiree dies are prorated to the date of death. If a full monthly benefit was paid, DRS takes back the entire pension payment for the final month, including the health benefit premium remitted to HCA, calculates the correct payment for the final month, and deposits the corrected amount in the member's bank account. DRS does

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not resend premium payments for health benefit premiums to the HCA. Typically DRS makes benefits payments during the later part of each month, so a typical repayment required of the deceased member's estate is for three or four days' worth of benefits.

Summary of Bill: During the month that a retired participant in the PEBB health coverage program dies, HCA must waive the payment of premiums. HCA must enroll any eligible surviving dependents in the same plan effective on the first day of the month in which the death occurred, and require those survivors to pay the applicable premiums.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.