## PROPOSED RULE MAKING

**CR-102 (December 2017)**  
(Implements RCW 34.05.320)  
Do NOT use for expedited rule making

### Agency: Health Care Authority, SEBB Admin# 2022-02

- [x] Original Notice
- [ ] Supplemental Notice to WSR _____
- [ ] Continuance of WSR ____

- [x] Preproposal Statement of Inquiry was filed as WSR 22-04-096; or
- [ ] Expedited Rule Making--Proposed notice was filed as WSR _____; or
- [ ] Proposal is exempt under RCW 34.05.310(4) or 34.05.330(1); or
- [ ] Proposal is exempt under RCW ____.

### Title of rule and other identifying information: (describe subject)

182-30-080  When must a newly eligible school employee, or a school employee who regains eligibility for the employer contribution, elect school employees benefits board (SEBB) benefits and complete required forms?

### Hearing location(s):

<table>
<thead>
<tr>
<th>Date</th>
<th>Time</th>
<th>Location: (be specific)</th>
<th>Comment:</th>
</tr>
</thead>
</table>
| June 7, 2022 | 10:00 AM | In response to the coronavirus disease 2019 (COVID-19) public health emergency, the Health Care Authority continues to hold public hearings virtually without a physical meeting place. This promotes social distancing and the safety of the residents of Washington State. | To attend the virtual public hearing, you must register in advance:  
Register in advance for this webinar: [https://us02web.zoom.us/webinar/register/WN_edPzYSMR9CMXCEzVlwvWw](https://us02web.zoom.us/webinar/register/WN_edPzYSMR9CMXCEzVlwvWw)  
If the link above opens with an error message, please try using a different browser. After registering, you will receive a confirmation email containing information about joining the public hearing. |

### Date of intended adoption: Not sooner than June 8, 2022  
(Note: This is NOT the effective date)

Submit written comments to:

- Name: HCA Rules Coordinator  
- Address: PO Box 42716, Olympia WA 98504-2716  
- Email: arc@hca.wa.gov  
- Fax: (360) 586-9727  
- Other:  

- By (date) June 7, 2022

### Assistance for persons with disabilities:

- Contact HCA Rules Coordinator  
- Phone: (360) 725-1305  
- Fax: (360) 586-9727  
- TTY: Telecommunication Relay Services (TRS): 711  
- Email: arc@hca.wa.gov  
- Other:  

- By (date) May 20, 2022
Purpose of the proposal and its anticipated effects, including any changes in existing rules: The purpose of this proposal is to implement a policy resolution to support the School Employees Benefits Board (SEBB) Program:

Amended WAC 182-30-080 to implement Policy Resolution SEBB 2022-01 School employees returning to work from active duty.

Reasons supporting proposal: See purpose statement,

Statutory authority for adoption: RCW 41.05.021, 41.05.160, Policy Resolution SEBB 2022-01

Statute being implemented: RCW 41.05.021, 41.05.160

Is rule necessary because of a:

☐ Federal Law?
☐ Federal Court Decision?
☐ State Court Decision?

If yes, CITATION:

Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters: N/A

Name of proponent: (person or organization) Health Care Authority

☐ Private
☐ Public
☒ Governmental

Name of agency personnel responsible for:

<table>
<thead>
<tr>
<th>Name</th>
<th>Office Location</th>
<th>Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td>Drafting:</td>
<td>Stella Ng</td>
<td>PO Box 42716, Olympia WA 98504-2716</td>
</tr>
<tr>
<td>Implementation:</td>
<td>Barbara Scott</td>
<td>PO Box 42716, Olympia WA 98504-2716</td>
</tr>
<tr>
<td>Enforcement:</td>
<td>Jean Bui</td>
<td>PO Box 42716, Olympia WA 98504-2716</td>
</tr>
</tbody>
</table>

Is a school district fiscal impact statement required under RCW 28A.305.135?

☐ Yes  ☒ No

If yes, insert statement here:

The public may obtain a copy of the school district fiscal impact statement by contacting:

Name:
Address:
Phone:
Fax:
TTY:
Email:
Other:

Is a cost-benefit analysis required under RCW 34.05.328?

☐ Yes: A preliminary cost-benefit analysis may be obtained by contacting:

Name:
Address:
Phone:
Fax:
RCW 34.05.328 does not apply to Health Care Authority rules unless requested by the Joint Administrative Rules Review Committee or applied voluntarily.

<table>
<thead>
<tr>
<th>Regulatory Fairness Act Cost Considerations for a Small Business Economic Impact Statement:</th>
</tr>
</thead>
<tbody>
<tr>
<td>This rule proposal, or portions of the proposal, <strong>may be exempt</strong> from requirements of the Regulatory Fairness Act (see chapter 19.85 RCW). Please check the box for any applicable exemption(s):</td>
</tr>
<tr>
<td>☐ This rule proposal, or portions of the proposal, is exempt under RCW 19.85.061 because this rule making is being adopted solely to conform and/or comply with federal statute or regulations. Please cite the specific federal statute or regulation this rule is being adopted to conform or comply with, and describe the consequences to the state if the rule is not adopted.</td>
</tr>
<tr>
<td>Citation and description:</td>
</tr>
<tr>
<td>☐ This rule proposal, or portions of the proposal, is exempt because the agency has completed the pilot rule process defined by RCW 34.05.313 before filing the notice of this proposed rule.</td>
</tr>
<tr>
<td>☐ This rule proposal, or portions of the proposal, is exempt under the provisions of RCW 15.65.570(2) because it was adopted by a referendum.</td>
</tr>
<tr>
<td>☐ This rule proposal, or portions of the proposal, is exempt under RCW 19.85.025(3). Check all that apply:</td>
</tr>
<tr>
<td>☐ RCW 34.05.310 (4)(b) (Internal government operations) ☐ RCW 34.05.310 (4)(e) (Dictated by statute)</td>
</tr>
<tr>
<td>☐ RCW 34.05.310 (4)(c) (Incorporation by reference) ☐ RCW 34.05.310 (4)(f) (Set or adjust fees)</td>
</tr>
<tr>
<td>☐ RCW 34.05.310 (4)(d) (Correct or clarity language) ☐ RCW 34.05.310 (4)(g) ((i) Relating to agency hearings; or (ii) process requirements for applying to an agency for a license or permit)</td>
</tr>
<tr>
<td>☐ This rule proposal, or portions of the proposal, is exempt under RCW ______.</td>
</tr>
<tr>
<td>Explanation of exemptions, if necessary:</td>
</tr>
</tbody>
</table>

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**COMPLETE THIS SECTION ONLY IF NO EXEMPTION APPLIES**

If the proposed rule is **not exempt**, does it impose more-than-minor costs (as defined by RCW 19.85.020(2)) on businesses?

☒ No   Briefly summarize the agency's analysis showing how costs were calculated. **These rules do not apply to small businesses.**

☐ Yes   Calculations show the rule proposal likely imposes more-than-minor cost to businesses, and a small business economic impact statement is required. Insert statement here:

The public may obtain a copy of the small business economic impact statement or the detailed cost calculations by contacting:

Name: Wendy Barcus  
Address:  
Phone:  
Fax:  
TTY:  
Email:  
Other:

**Date:** May 3, 2022  
**Name:** Wendy Barcus  
**Title:** HCA Rules Coordinator  
**Signature:**
WAC 182-30-080  When must a newly eligible school employee, or a school employee who regains eligibility for the employer contribution, elect school employees benefits board (SEBB) benefits and complete required forms? A school employee who is newly eligible or who regains eligibility for the employer contribution toward school employees benefits board (SEBB) benefits enrolls as described in this section.

(1) When a school employee is newly eligible for SEBB benefits:
   (a) A school employee must complete the required forms indicating their enrollment elections, including an election to waive enrollment provided the school employee is eligible to waive as described in WAC 182-31-080. The required forms must be returned to the school employee's SEBB organization or contracted vendor. Their SEBB organization or contracted vendor must receive the forms no later than (thirty-one) 31 days after the school employee becomes eligible for SEBB benefits under WAC 182-31-040.
   (i) The school employee may enroll in supplemental life insurance up to the guaranteed issue coverage amount without evidence of insurability if the required forms are returned to the school employee's SEBB organization or contracted vendor as required. A school employee may apply for enrollment in supplemental life insurance over the guaranteed issue coverage amount at any time during the calendar year by submitting the required form to the contracted vendor for approval. For a school employee who requests a change in their supplemental life insurance after the election period described in this subsection, the change begins the first day of the month following the date the contracted vendor approves the request. A school employee may enroll in supplemental accidental death and dismemberment (AD&D) insurance at anytime without evidence of insurability by submitting the required form to the contracted vendor.
   (ii) School employees are enrolled in employee-paid long-term disability (LTD) insurance automatically. A school employee may elect to reduce their employee-paid LTD insurance or decline their employee-paid LTD insurance by returning the form to their SEBB organization. A school employee may apply for a change in their employee-paid LTD insurance at any time during the calendar year by submitting the required form to their SEBB organization or the contracted vendor. For a school employee who requests a change in their employee-paid LTD insurance after the election period described in this subsection, the change begins the first day of the month following the date the SEBB organization approves the required form to reduce or decline the employee-paid LTD insurance, or the day of the month the contracted vendor approves the required form to increase the employee-paid LTD insurance.
   (iii) If the school employee is eligible to participate in the salary reduction plan (see WAC 182-31-060), the school employee will automatically enroll in the premium payment plan upon enrollment in SEBB medical allowing medical premiums to be taken on a pretax basis. To opt out of the premium payment plan, a new school employee must complete the required form and return it to their SEBB organization. The form must be received by their SEBB organization no later than (thirty-one) 31 days after the employee becomes eligible for SEBB benefits.
If a school employee is eligible to participate in the salary reduction plan (see WAC 182-31-060), the school employee may enroll in the state's medical flexible spending arrangement (FSA) or limited purpose FSA, dependent care assistance program (DCAP), or both an FSA and DCAP, except as limited by subsection (4) of this section. To enroll in these SEBB benefits, the school employee must return the required form to their SEBB organization. The form must be received by the SEBB organization no later than 31 days after the school employee becomes eligible for SEBB benefits.

(b) If a newly eligible school employee's SEBB organization, or the authority's contracted vendor in the case of life insurance and AD&D, does not receive the school employee's required forms indicating medical, dental, vision, life insurance, AD&D insurance, and LTD insurance elections, and the school employee's tobacco use status attestation within 31 days of the school employee becoming eligible, their enrollment will be as follows for those elections not received within 31 days:

(i) A medical plan determined by the health care authority (HCA);
(ii) A dental plan determined by the HCA;
(iii) A vision plan determined by the HCA;
(iv) Basic life insurance;
(v) Basic AD&D insurance;
(vi) Employer-paid LTD insurance and employee-paid LTD insurance;
(vii) Dependents will not be enrolled; and
(viii) A tobacco use premium surcharge will be incurred as described in WAC 182-30-050 (1)(b).

(2) The employer contribution toward SEBB benefits ends according to WAC 182-31-050. When a school employee's employment ends, participation in the salary reduction plan ends.

(3) When a school employee regains eligibility for the employer contribution toward SEBB benefits, including following a period of leave as described in WAC 182-31-100(1) or 182-31-040 (4)(d), SEBB medical, dental, and vision begin the first day of the month following the school employee's return to work if the SEBB organization anticipates the school employee is eligible for the employer contribution.

Note: When a school employee who is called to active duty in the uniformed services under Uniformed Services Employment and Reemployment Rights Act (USERRA) loses eligibility for the employer contribution toward SEBB benefits, they regain eligibility for the employer contribution toward SEBB benefits the day they return from active duty. Employer-paid SEBB benefits will begin the first day of the month in which they return from active duty.

(a) A school employee must complete the required forms indicating their enrollment elections, including an election to waive enrollment if the school employee chooses to waive enrollment as described in WAC 182-31-080. The required forms must be returned to the school employee's SEBB organization except as described in (d) of this subsection. Forms must be received by the SEBB organization, life insurance contracted vendor, or AD&D contracted vendor, if required, no later than 31 days after the school employee regains eligibility except as described in (a)(i) and (b) of this subsection:

(i) A school employee who self-paid for supplemental life insurance or supplemental AD&D coverage after losing eligibility will maintain that level of coverage upon return;
(ii) A school employee who was eligible to continue supplemental life insurance but discontinued that supplemental coverage must submit evidence of insurability to the contracted vendor if they choose to reenroll when they regain eligibility for the employer contribution.

(b) A school employee does not have to return a form indicating employee-paid LTD insurance elections. Their employee-paid LTD insur-
ance will be automatically reinstated effective the first day of the month following the date they regain eligibility for the employer contribution toward SEBB benefits.

(c) If a school employee's SEBB organization, or contracted vendor accepting forms directly, does not receive the required forms within ((thirty-one)) 31 days of the school employee regaining eligibility, the school employee's enrollment for those elections not received will be as described in subsection (1)(b)(i) through (viii) of this section, except as described in (a)(i) and (b) of this subsection.

(d) If a school employee is eligible to participate in the salary reduction plan (see WAC 182-31-060), the school employee may enroll in the medical FSA (or), limited purpose FSA, DCAP, or both an FSA and DCAP, except as limited by subsection (4) of this section. To enroll in these SEBB benefits, the school employee must return the required form to the contracted vendor or their SEBB organization. The contracted vendor or school employee's SEBB organization must receive the form no later than ((thirty-one)) 31 days after the school employee becomes eligible for SEBB benefits.

(4) If a school employee who is eligible to participate in the salary reduction plan (see WAC 182-31-060) is hired into a new position that is anticipated to be eligible for SEBB benefits in the same year, the school employee may not resume participation in a DCAP (or), a medical FSA, or a limited purpose FSA until the beginning of the next plan year, unless the time between employments is ((thirty)) 30 days or less and within the current plan year. The school employee must notify the new SEBB organization of the transfer by providing the new SEBB organization the required form no later than ((thirty-one)) 31 days after the school employee's first day of work with the new SEBB organization.

(5) A school employee will have uninterrupted coverage when moving from one SEBB organization to another within the same month or a consecutive month if they are eligible for the employer contribution towards SEBB benefits in the position they are leaving and are anticipated to be eligible for the employer contribution in the new position. SEBB benefits elections also remain the same when a school employee has a break in employment that does not interrupt their employer contribution toward SEBB benefits.

(6) A school employee returning to the same SEBB organization who is anticipated to work at least ((six hundred thirty)) 630 hours in the coming school year, and who was receiving the employer contribution in August of the prior school year, will receive uninterrupted coverage from one school year to the next.