

Fund the SEBB Insurance Agreement



Issue

In the 2017 legislative session the legislature created SEBB (School Employees Benefits Board) when they passed HB 2242. This Board is responsible for developing insurance plans and premiums for all K-12, ESD (Educational Service Districts) and charter school employees starting January 1, 2020. According to the law, a coalition of organizations representing these employees negotiated with Governor Inslee's Office of Financial Management (OFM) the State/employer funding level for SEBB plans and premiums. On September 6, 2018, the Coalition reached an agreement with OFM that has been ratified by the Coalition. On December 13, 2018, Governor Inslee funded the agreement.

Now we need the legislature to agree with Governor Inslee by funding the agreement.

What is the Agreement?

Monthly Allocation - \$680 million

Increase the monthly insurance allocation from \$843.97 to \$1,170. Included within this amount is employer paid dental, vision, life, long-term-disability, and retiree carveout. Employers are also responsible for paying 85% of the medical premiums for insurance plans with an 88% actuarial value; employees pay the remaining 15%.

Eliminate Pro-ration of funding - \$160 million

Any employee who is anticipated to work 630 hours in a school year will receive the full employer allocation of \$1,170 (currently it is pro-rated) starting January 1, 2020.

Wellness Incentive - \$10 million

Any employee who participates in the SEBB wellness program will receive a \$125 reduction in annual deductible or an equal contribution to their HSA (Health Savings Account).

Surcharges

- \$25 per month per subscriber who have one or more covered individual(s) that uses tobacco products.
- \$50 per month for covered spouse or domestic partner who could be covered by their employer.