

Reimbursement of LEOFF 1 Medical Benefits

Issue

Should Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF) Plan 1 disability boards (disability boards) be prohibited from requiring members to pay out-of-pocket?

Background

According to correspondence and testimony, some disability boards require members to pay for their medical benefits first, and then seek reimbursement from the disability board. Some stakeholders would like to end that practice, so that members are never required to pay out-of-pocket for approved medical benefits.

While the Select Committee on Pension Policy does not have oversight over the disability boards, it can make recommendations related to pension policy and administration. LEOFF 1 benefits are codified in pension statute, but not paid by the pension trust fund. Instead, they are paid by the employers (cities and counties) with involvement of the disability boards.

Highlights

- ❖ Staff analysis may be limited since this issue is outside pension policy (e.g., medical insurance and city/county budgeting).
- ❖ Police and fire fighters serve on the disability boards alongside governmental representatives.
- ❖ Disability boards may differ on what treatments and medical devices they agree to cover.
- ❖ Once a treatment or device is approved, most boards only require the member to receive a bill showing their share of the payments (i.e., after other insurance and Medicare have paid their share). The city/county then pays the provider directly.
 - ◇ According to testimony, some disability boards require the member to pay the provider first, and then seek reimbursement.

Committee Activity

An educational briefing was held at the 2020 September meeting, and no action was taken.

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