

Public Employees Benefits Board Retreat
Meeting Minutes

January 27, 2021
Health Care Authority
Virtual Zoom Meeting
9:00 a.m. – 3:30 p.m.

Members Present via Phone

Sue Birch, Chair
Harry Bossi
Yvonne Tate
John Comerford
Leanne Kunze
Elyette Weinstein
Tom MacRobert
Scott Nicholson

SEB Board Counsel

Katy Hatfield

Presentation details can be found in the Briefing Book on the PEB Board webpage at: [PEB Board meetings and materials webpage.](#)

Call to Order

Sue Birch, Chair, called the meeting to order at 9:04 a.m. Sufficient members were present to allow a quorum.

Chair Birch indicated attendance for both the Board and the public, for the 2021 Board season, will be attended via Zoom only, unless Governor's Proclamation 20-28 is modified. Board introductions followed.

New Board Member, Scott Nicholson, was introduced. Scott is the Deputy Assistant Director of State Human Resources, which provides human resources policy support to Washington State agencies and 65,000 employees in areas such as workforce strategies, classification, compensation, diversity/inclusion, civil service rules, and labor relations. Prior to his current role, Scott performed similar work for a school district, which gives him unique insights for the PEBB and SEBB Programs. Scott replaces Tim Barclay who stepped down from the Board at the end of his most recent term.

Meeting Overview

Dave Iseminger, Director, Employees and Retirees Benefits (ERB) Division, provided an overview of the agenda.

COVID-19 Agency Response

Jean Bui, Portfolio Management and Monitoring Section Manager, and **Tanya Deuel**, ERB Finance Manager, brought the Board up-to-date on the agency response to COVID-19.

The PEB Board passed two resolutions regarding COVID-19. They were: Resolution 2020-07 COVID-19 Continuation Coverage Eligibility and Resolution 2020-08 COVID-19 and Enrollment Timelines.

Carrier and agency actions were shared.

HCA provided a limited enrollment during July 2020 to allow members to modify certain benefits that require payroll deductions. A total of 1,098 subscribers took advantage of this option.

Achieving Health Equity for PEBB Program Members

Dr. Emily Transue, Medical Director for ERB Programs, and **Mia Nafziger**, Senior Health Policy Manager, discussed health equity and what we can do to lessen inequities and disparities.

The presenters walked us through an example of two patients with similar diagnoses which had the same provider recommendations for both. Even with this scenario, the likelihood of clinical outcomes may be very different due to: race, which may be heavily influenced by a variety of social and societal factors not traditionally considered medical, like income, education, housing, language, etc.

Health equity means everyone has a fair and just opportunity to be as healthy as possible and health disparities are differences that exist among specific population groups in the attainment of full health potential.

Social determinants of health are conditions in which people are born, grow, live, work, and age. These include: safe housing, transportation, and neighborhoods; racism, discrimination, and violence; education, job opportunities, and income; access to nutritious foods and physical activity opportunities; clean vs polluted air and water; and language and literacy skills. All of these social determinants of health shape health outcomes.

Social Determinants of Health Roundtable

Dr. Emily Transue facilitated a discussion on social determinants of health.

Roundtable participants:

- Diane Oakes, Chief Mission Officer, WA Dental Service & Delta Dental of WA
- Kim Wicklund, Director Community Health, Kaiser Permanente WA (KPWA)
- John Kendrick, Service Area Director, Continuum of Care, Kaiser Permanente Northwest (KPNW)

- Keith Bachman, MD, FACP, KPNW
- Rachel Andrew, MS, LMFT, CCM, Director of Clinical Programs, Premera Blue Cross
- Naim Munir, MD, Vice President, Medical Management & Population Health, Premera Blue Cross
- Charles Levine, Vice President, Provider Network Management, Premera Blue Cross
- Kimberly Hadeed, RS-BSSN, CCM, Regence BlueShield, Case Management Supervisor, BlueCare Path Team

Health equity, diversity, and inclusion are priority concerns for our panel members and their organizations. They all take these topics very seriously. Some common themes and goals were shared:

1. Engage providers in areas where collaboration is possible
2. How well do providers include diversity and equity in their businesses
3. Offer patients the opportunity to select what type of doctor they want to go to
4. Work to expand data and data analytics
5. Community involvement to determine social and economic factors and to work on solutions
6. Work to achieve diversity at every level from providers through administration
7. Big need for dental care (disadvantaged people have greater dental issues)
8. Invest in: core foundation, own responsibility, internal policies & cultural disparities
9. Provide training to ensure cultural competence for providers
10. Divert funding to areas in need
11. Take programs to the elementary school for children that don't have health care
12. Be aware of the biases. What is the best intervention and when should it occur? Such as food insecurities, transportation, access, etc. Break down these barriers.
13. Get the community and providers at the same table.
14. Listen/engage with members, providers, PEBB, SEBB. Active listening and measuring cultural competencies.
15. Funding needs to be consistent with our words

There is no one answer on how these themes/goals are accomplished. Lack of data is a big concern. Providers can't or are unwilling to share their data due to PPI. When surveying patients, they are reluctant to respond and are wary about why you want to know. How this information is collected is important to protect its validity. To date, the best way to gather this information is when directly in contact with the patient. Whatever is being done now, there is a lot more to do.

Charles Levine: Many of the goals are the same for all. Continue to focus together. Bring providers to the same table. Drive toward getting data more broadly. Work on ability to share medical records and help between providers and agencies. Do a better job of working with the providers.

Yvonne Tate: Suggest inquiring, as part of our contract management, about diversity of staff and what training they provide their staff on diversity. This is important at all levels.

All panel members agreed there is a lot more work to be done. Their suggestions for achieving their top priorities:

Diane: Operational Efficiencies

- Create resources
- Go digital
- Make simpler
- Rural providers

Drew: Reduce some of the burdens

- Automation
- Support rural communities
- Look at different ways to better engage

Naim: Engage with providers and delegate that they manage their areas

- Physician care

Charles: Getting helpful data

- Remove hurdles
- Ability to connect medical records (automate)

Sue Birch: Vast opportunity for public/private partnerships

- State ensure interoperability
- State to work more with federal partners

2020 Retiree's Survey

Ellen Wolfhagen, Senior Account Manager, discussed the results of a survey conducted last summer asking how to improve their experience as a PEBB Program member.

Working Lunch: 2021 Open Enrollment Summary

Renee Bourbeau, ERB Benefits Accounts Section Manager, provided a summary of 2021 open enrollment. Benefits Accounts went to great lengths to ensure a successful open enrollment. Provided staff training, contracted with a vendor to provide technical support for PEBB Program subscribers to maneuver through their first open enrollment, conducted seven webinars to 1,400 Benefits Administrators, provided a Virtual Benefits Fair tool, and provided access to ALEX.

Future customer service strategies include faster response time from staff to Benefits Administrators and adding additional staff to assist in monitoring daily FUZE and trends.

Governor's Proposed Budget Update - PEBB

Tanya Deuel, ERB Finance Manager, Financial Services Division, shared highlights from the Governor's proposed budget. Proposed PEBB funding rate for Fiscal Year 2022 is \$988 and for Fiscal Year 2023 it's \$1,018 per eligible employee per month. Both amounts are adequate to maintain the current level of benefits.

The Medicare explicit subsidy is unchanged from the current maximum of \$183 per month.

For the Collective Bargaining Agreement, the Employer contribution remains at 85% of the tiered weighted average. While the wellness deductible incentive remains \$125, the \$25 gift card is eliminated.

2021 Legislative Session

Cade Walker, Executive Special Assistant, ERB Division, provided an update of the current legislative session. We are currently analyzing 22 bills, either as lead or support.

HCA has one agency request legislation, SB5322, which clarifies the prohibiting of dual enrollment between the SEBB and PEBB Programs.

HCA submitted written testimony in support of HB 1052 – Group Insurance Contracts. This bill aligns with insurance codes and allows HCA to hold our carriers accountable for service to PEBB and SEBB Program members.

Other bills introduced have to do with Paid Family and Medical Leave, Pharmacy, Eligibility, Provider/health care services, expanded durable medical equipment, and the Open Public Meetings Act.

PEBB/SEBB Consolidation Report

Sara Whitley, Fiscal Information and Data Analyst, Financial Services Division, discussed the report submitted to the Legislature in November 2020. This report was legislatively mandated requiring a report of the potential fiscal impacts and administrative efficiencies of consolidating the PEBB and SEBB Programs.

The document lists both potentially minor impacts and potentially significant impacts. Minor fiscal impacts could be: alignment of plan offerings, tier factors, and vision benefit. Significant fiscal impacts could be consolidating non-Medicare risk pool and alignment of employee/employer contribution structure.

Potential minor administrative efficiencies could include: alignment of accounting processes and contract/carrier management. Significant administrative efficiencies could include: consolidation of the Boards, enrollment and eligibility processes, and communication vehicles.

These lists are not exhaustive, but a starting point. The report indicates the full consolidation could not occur before January 1, 2025. All of the pieces would need to align.

Leveraging SEBB Program Medical Contracts for PEBB Program

Lauren Johnston, SEBB Procurement Manager, discussed opportunities for leveraging the SEBB Program contracts for use in the PEBB Program.

Sue Birch: As we send out a Request for Renewal (RFR) to our current contractors, we need to include the topic of social and moral determinant of care.

Life & Long-Term Disability Insurance Update

Kimberly Gazard, ERB Contract Manager, provided an update on Life and LTD insurance, including an anticipated proposal on a new LTD benefit design.

HCA had a life insurance beneficiary campaign for ten days starting on July 30, 2020. The goal was to ensure subscribers had listed their beneficiaries to make it easier when they needed to collect their life insurance. 64,293 subscribers took action and updated their beneficiaries. There are still 195,343 insurance documents without a beneficiary designation, including basic life, basic AD&D, supplemental life, and supplemental AD&D.

HCA is planning to look at new strategies in Quarter 1 2021 to increase beneficiary designation.

Long-Term Disability continues to be an area HCA would like to see improvement. Not much has changed since 1977. SEBB LTD mirrors the PEBB LTD plan. While household income has increased 445% during the last 43 years, the Basic LTD benefit has not. The majority of PEBB Program subscribers receive a monthly LTD benefit of \$240 per month when they experience a disability.

HCA is proposing an opt-out design for new hires and existing PEBB Program subscribers. Subscribers could opt-out at any time. Subscribers would be automatically enrolled in coverage equal to 60% of their salary (up to \$16,667 of monthly salary) with no evidence of insurability required.

A subscriber could opt-out, or reduce coverage to 50% of their salary, at any time, effective the first of the next month. To later access or request an increase coverage, evidence of insurability would be required.

If a subscriber opts-out of coverage, they are still eligible for the \$240 per month benefit.

The proposed Opt-out Supplemental LTD plan option would start January 1, 2022.

The additional employee-paid LTD Plan offering include a 50% buy down option with a 90-day benefit waiting period, in addition to the 60% LTD plan.

This presentation is an introduction to the proposal. HCA will bring proposed resolutions to the Board in March for your initial thoughts on the plan. Board action on the policy is scheduled for April 2021.

Public Comment

None.

Next Meeting

March 17, 2021

12:00 p.m. – 5:00 p.m.

Meeting adjourned at 3:15 p.m.