

Public Employees Benefits Board
Meeting Minutes

February 2, 2023
Health Care Authority
Sue Crystal Rooms & Virtual
Olympia, Washington
9:00 a.m. – 4:00 p.m.

The Briefing Book with complete presentations can be found at:
<https://www.hca.wa.gov/about-hca/public-employees-benefits-board-pebb-program/meetings-and-materials>.

Members Present via Zoom

Sue Birch, Chair
Michaela Doelman
Elyette Weinstein
Harry Bossi
Monica McLemore
Tom MacRobert
Leanne Kunze
John Comerford

Member Present On Site

Kurt Spiegel

PEB Board Counsel

Michael Tunick, AAG

Call to Order

Sue Birch, Chair, called the meeting to order at 9:02 a.m. Sufficient members were present to allow a quorum. Board Members and the public were able to attend either in person or virtually.

Two new Board members were introduced.

- Michaela Doelman, State Human Resources Director
- Kurt Spiegel, Interim Executive Director of the Washington Federation of State Employees

Meeting Overview

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

Focus on Health Literacy Panel

Dr. Emily Transue, HCA Associate Medical Director, facilitated a panel discussion regarding health literacy. Panel members included Geoffrey Ankeney, MD, from Kaiser Permanente of Washington and Nicole Saint Clair, MD, from Washington Regence Blue Shield.

The panel discussion centered around personal and organizational health literacy. Topics included relationships between members and health care professionals, supporting employers with their populations, inequities and disparities between groups, active listening, quality of care, and financial barriers.

Ending State COVID Emergency Impacts

Cade Walker, Policy, Rules, and Compliance Section Manager in the Employees and Retirees Benefits (ERB) Division, provided an update on the Governor's State of Emergency that ended on October 31, 2022. For both the PEBB and SEBB Programs, this means that the time frames for turning in enrollment forms and extensions for certain types of benefit coverage, like COBRA, have returned to the regular timing.

PEBB Open Enrollment Summary

Alisa Richards, Benefits Accounts Section Manager in the Employees and Retirees Benefits (ERB) Division, and **Stacy Grof-Tisza**, Customer Service Unit Manager in the Employees and Retirees Benefits (ERB) Division, presented a debrief regarding the PEBB Program's open enrollment for the 2023 plan year. Alisa and Stacy's updates included open enrollment readiness, highlights, UMP network disruption concerns, customer service productivity, and strategies for post-enrollment and the future.

Open Enrollment Plan Changes

Beth Heston, Procurement Manager in the Employees and Retirees Benefits (ERB) Division, gave a debrief on the enrollment changes that occurred during the PEBB Program open enrollment period. Updates included enrollment net changes and switching for the PEBB Program employee and non-Medicare retirees as well as Medicare retirees.

Benefit Update: Medical Flexible Spending Arrangement & Dependent Care Assistance Program (FSA & DCAP)

Martin Thies, Fully Insured Account Unit Manager in the Employees and Retirees Benefits (ERB) Division, provided an overview on the medical Flexible Spending Arrangement (FSA) and Dependent Care Assistance Program (DCAP). The presentation included an overview of the benefits, 2022 design changes, enrollment and election comparisons, 2023 participation and savings, 2022 procurement, a collective bargaining agreement (CBA) update, and administrative enhancements.

Medicare Update

Ellen Wolfhagen, Senior Account Manager in the Employees and Retirees Benefits (ERB) Division gave an update on Medicare benefits, Medicare Advantage (MA) and supplement plans, and differences between commercial market Medicare AARP UnitedHealthcare plans and PEBB Program's UnitedHealthcare MA-PD plans. Ellen also provided information regarding informed decision making, Stakeholder's Medicare Coalition, 2023 PEBB Program Medicare enrollment and open enrollment experiences.

Information regarding Medicare appeal processes, oversight of medical plans, and proposed Centers for Medicare and Medicaid (CMS) Medicare Advantage rules was also provided, in addition to details regarding the PEBB Program's risk pools, non-Medicare retirees in the PEBB Program portfolio and split accounts.

Benefits 24/7 Application

Chatrina Pitsch, IT Project Manager in the Enterprise Technology Services (ETS) Division provided an update on the Benefits 24/7 application and its progress toward launching later in 2023. Details of the update included the origination of the project, expanded scope, what is changing for subscribers, improvements for benefits administrators, what stays the same, special open enrollments and new enrollment events, continuation and retiree coverage, and a high-level timeline of the project.

Pharmacy Network Utilization

Luke Dearden, Clinical Pharmacist in the Clinical Quality and Care Transformation (CQCT) Division provided information regarding pharmacy network utilization in the PEBB Program. Topics included an overview of the PEBB Program UMP pharmacy network as well as UMP pharmacy use for the Medicare and non-Medicare populations, mail order pharmacies, critical access pharmacies, and PRBB Program conclusions.

2023 Legislative Session and Legislative Reports Update

Cade Walker, Policy, Rules, and Compliance Section Manager in the Employees and Retirees Benefits Division brought details regarding the 2023 legislative session and legislative reports. These details included the number of bills analyzed last session as well as this session so far by the ERB Division, recent and upcoming legislative reports, a breakdown of ERB lead bills, requested legislation, and topical areas of introduced legislation.

Governor's Proposed Budget Update and Collective Bargaining Agreement (CBA) Update

Tanya Deuel, Finance Manager in the Financial Services Division (FSD) provided an update on both the Governor's proposed budget and the collective bargaining agreement. Information regarding the 2023-25 Collective Bargaining Agreement (CBA) included a description of the current 2023 structure of rates, as well as calculating the state index rate and determining employee premiums using the current structure. The presentation also outlined a new 2024 structure of rates (pending funding) from the collective bargaining agreement, the employer medical contribution (EMC) and additional investments moving to an EMC, and determining employee premiums using the new structure. An illustrative methodology comparison was provided.

Tanya's presentation also outlined a Governor's budget update, including the fiscal year (FY) 2023 supplemental budget funded decision package, the 2023-25 PEBB Program funding rate, Medicare explicit subsidy, the 2023-25 biennial budget funded decision packages, and budget authority.

Inflation Reduction Act (IRA) Overview

Emily Duchaine, Regulatory Analyst in the Policy, Rules, and Compliance Section of the Employees and Retirees Benefits (ERB) Division provided an overview of the Inflation Reduction Act (IRA). The presentation included additional information

regarding the act, a timeline of compliance requirements, and the impacts of the IRA on the PEBB Program portfolio.

Procurement and Benefit Planning Cycles

John Partin, Benefit Strategy and Design Section Manager in the Employees and Retirees Benefits (ERB) Division presented on the procurement and benefit planning cycles within the PEBB Program. Topics included development of benefit designs, as well as the PEBB Program's procurement cycle for 2024 and the benefits planning cycle for 2025.

Proposed PEB Board By-laws Amendment

Dave Iseminger, Division Director of the Employees and Retirees Benefits (ERB) Division, introduced a proposed amendment to the PEB Board by-laws. Dave included information regarding why the amendment may need updated and outlined the proposed changes.

Public Comment

The following members of the public provided comments:

Laurel Lemke, RPEC, addressed concern regarding home dialysis benefit parity with Kaiser.

Linnea Mulder, RPEC, had questions on Ellen Wolfhagen's presentation. Ellen and Dave Iseminger committed to reach out to Ms. Mulder to address the questions.

Julie Orcutt, state employee, sent a letter to the Board regarding a wider variety of pharmacy benefits, especially regarding weight loss.

Next Meeting

March 9, 2023

9:00 a.m. – 1:30 p.m.

Preview of March 9, 2023 PEB Board Meeting

Dave Iseminger, Division Director of the Employees and Retirees Benefits (ERB) Division, provided an overview of potential agenda topics for the March 9, 2023 Board Meeting.

Meeting adjourned at 3:46 p.m.