

# **School Employees Benefits Board Retreat**

**January 28, 2021**

## School Employees Benefits Board

January 28, 2021

9:00 a.m. – 3:45 p.m.

### Attendance by Zoom Only

Health Care Authority  
Sue Crystal A & B  
626 8<sup>th</sup> Avenue SE  
Olympia, Washington

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**TAB 1**

**School Employees Benefits Board Retreat**  
**January 28, 2021**  
**9:00 a.m. – 3:45 p.m.**

**Aligning with Governor's Proclamation 20-28**  
**all Board Members and public attendees**  
**will only be able to attend virtually**

**TO JOIN ZOOM MEETING – SEE INFORMATION BELOW**

9:00 a.m.	<b>Welcome and Introductions</b>		Lou McDermott, Chair	
9:15 a.m.	<b>Meeting Overview</b>		Dave Iseminger, Director Employees & Retirees Benefits (ERB) Division	Information
9:20 a.m.	<b>COVID-19 Agency Response</b>	TAB 3	Jean Bui, Manager Portfolio Management & Monitoring Section, ERB Division  Tanya Deuel, ERB Finance Manager Financial Services Division	Information/ Discussion
10:00 a.m.	<b>Achieving Health Equity for SEBB Program Members</b>	TAB 4	Emily Transue, MD, MHA Medical Director for ERB Programs  Mia Nafziger, Senior Health Policy Analyst Clinical Quality & Care Transformation Division	Information/ Discussion
10:30 a.m.	<b>Break</b>			
10:45 a.m.	<b>Social Determinants of Health Roundtable</b>	TAB 5	<u>Facilitator: Emily Transue, MD</u>  Diane Oakes, Chief Mission Officer, Washington Dental Service & Delta Dental of Washington  Kim Wicklund, Director of Community Health, KPWA  John Kendrick, Service Area Director, Continuum of Care, KPNW  Keith Bachman, MD, FACP, KPNW  Rachel Andrew, MS, LMFT, CCM Director of Clinical Programs Premera Blue Cross	

			<p>Naim Munir, MD Vice President Medical Management and Population Health Premera Blue Cross</p> <p>Chuck Levine, Vice President Provider Network Management Premera Blue Cross</p> <p>Kimberly Hadeed, RN-BSN, CCM Regence BlueShield Case Management Supervisor BlueCare Path Team</p>	
11:45 a.m.	<b>ESD Report</b>	TAB 6	Cade Walker, Executive Special Assistant, ERB Division	Information/ Discussion
12:15 p.m.	<b>Break</b>			
12:30 p.m.	<b>Working Lunch: SEBB Program Open Enrollment Results</b>	TAB 7	Renee Bourbeau, Manager Benefits Accounts Section ERB Division	Information/ Discussion
1:00 p.m.	<b>Governor's Proposed Budget Update - SEBB</b>	TAB 8	Tanya Deuel, ERB Finance Manager Financial Services Division	Information/ Discussion
1:25 p.m.	<b>2021 Legislative Session</b>	TAB 9	Cade Walker, Executive Special Assistant, ERB Division	Information/ Discussion
1:45 p.m.	<b>PEBB/SEBB Consolidation Report</b>	TAB 10	Sara Whitley, Fiscal Information & Data Analyst Financial Services Division	Information/ Discussion
2:15 p.m.	<b>SEBB Medical Portfolio</b>	TAB 11	Lauren Johnston, SEBB Procurement Manager Portfolio Management & Monitoring Section, ERB Division	
2:40 p.m.	<b>Life and Long-Term Disability Insurance Update</b>	TAB 12	Kimberly Gazard, Contract Manager Portfolio Management & Monitoring Section, ERB Division	Information/ Discussion
3:10 p.m.	<b>Optional Benefits</b>	TAB 13	Cade Walker, Executive Special Assistant, ERB Division	Information/ Discussion
3:25 p.m.	<b>Public Comment</b>			
3:40 p.m.	<b>Closing</b>		Lou McDermott, Chair	
3:45 p.m.	<b>Adjourn</b>			

**\*All Times Approximate**

The School Employees Benefits Board Retreat will meet Thursday, January 28, 2021. Due to COVID-19 and out of an abundance of caution, all Board Members and public attendees will attend this meeting virtually.

The Board will consider all matters on the agenda plus any items that may normally come before them.

This notice is pursuant to the requirements of the Open Public Meeting Act, Chapter 42.30 RCW.

Direct e-mail to: [SEBBoard@hca.wa.gov](mailto:SEBBoard@hca.wa.gov).

Materials posted at: <https://www.hca.wa.gov/about-hca/school-employees-benefits-board-sebb-program> by close of business on January 25, 2021.

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**Join Zoom Meeting**

<https://zoom.us/j/96162394649?pwd=SmlFcVZBdkU0S2tMWFMxdExYcHhoQT09>

Meeting ID: 961 6239 4649

Passcode: 342901

**One tap mobile**

+12532158782,,96162394649# US (Tacoma)

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**Dial by your location**

+1 253 215 8782 US (Tacoma)

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+1 346 248 7799 US (Houston)

+1 312 626 6799 US (Chicago)

+1 929 205 6099 US (New York)

+1 301 715 8592 US (Washington D.C)

Meeting ID: 961 6239 4649

Find your local number: <https://zoom.us/u/acjyl3tqrh>

## SEB Board Members

Name	Representing
Lou McDermott, Deputy Director Health Care Authority 626 8 <sup>th</sup> Ave SE PO Box 42720 Olympia, WA 98504-2720 V 360-725-0891 <a href="mailto:louis.mcdermott@hca.wa.gov">louis.mcdermott@hca.wa.gov</a>	Chair
Kerry Schaefer 1405 N 10 <sup>th</sup> ST Tacoma, WA 98403 C 253-227-3439 <a href="mailto:kerry.schaefer@hca.wa.gov">kerry.schaefer@hca.wa.gov</a>	Employee Health Benefits Policy and Administration
Vacant	Employee Health Benefits Policy and Administration
Dawna Hansen-Murray 9932 Jackson ST Yelm, WA 98597 C 360-790-4961 <a href="mailto:dawna.hansen-murray@hca.wa.gov">dawna.hansen-murray@hca.wa.gov</a>	Classified Employees
Dan Gossett 603 Veralene Way SW Everett, WA 98203 C 425-737-2983 <a href="mailto:dan.gossett@hca.wa.gov">dan.gossett@hca.wa.gov</a>	Certificated Employees

## SEB Board Members

### Name

### Representing

Katy Henry  
230 E Montgomery AVE  
Spokane, WA 99207  
V 509-655-2350  
[Katy.henry@hca.wa.gov](mailto:Katy.henry@hca.wa.gov)

Certificated Employees

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Classified Employees

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Business Services  
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608 E 19<sup>th</sup> Ave  
Spokane, WA 99203  
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Employee Health Benefits Policy  
and Administration  
(WASBO)

Alison Poulsen  
12515 South Hangman Valley RD  
Valleyford, WA 99036  
C 509-499-0482  
[alison.poulsen@hca.wa.gov](mailto:alison.poulsen@hca.wa.gov)

Employee Health Benefits Policy  
and Administration

### Legal Counsel

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1/22/21





STATE OF WASHINGTON  
**HEALTH CARE AUTHORITY**

626 8th Avenue SE • P.O. Box 45502 • Olympia, Washington 98504-5502

**SEB BOARD MEETING SCHEDULE**

**2021 School Employees Benefits (SEB) Board Meeting Schedule**

The SEB Board meetings will be held at the Health Care Authority, Sue Crystal Center, Rooms A & B, 626 8<sup>th</sup> Avenue SE, Olympia, WA 98501.

January 28, 2021 - 9:00 a.m. – 4:00 p.m.

March 4, 2021 - 9:00 a.m. – 2:00 p.m.

April 7, 2021 - 9:00 p.m. – 2:00 p.m.

May 5, 2021 - 9:00 a.m. – 2:00 p.m.

June 3, 2021 - 9:00 a.m. – 2:00 p.m.

June 24, 2021 - 9:00 a.m. – 2:00 p.m.

July 15, 2021 - 9:00 a.m. – 2:00 p.m.

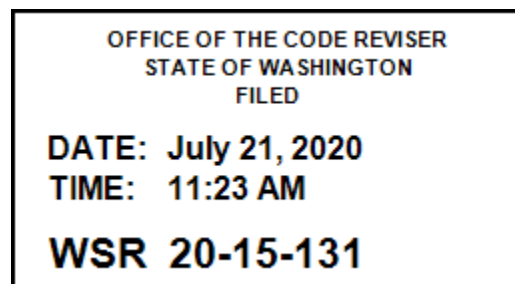
July 22, 2021 - 9:00 a.m. – 2:00 p.m.

July 29, 2021 - 9:00 a.m. – 2:00 p.m.

\*Meeting times are tentative

If you are a person with a disability and need a special accommodation, please contact Connie Bergener at 360-725-0856

6/12/20



**TAB 2**

## SCHOOL EMPLOYEES BENEFITS BOARD BY-LAWS

### **ARTICLE I**

#### **The Board and Its Members**

1. **Board Function**—The School Employees Benefits Board (hereinafter “the SEBB” or “Board”) is created pursuant to RCW 41.05.740 within the Health Care Authority; the SEBB’s function is to design and approve insurance benefit plans for school district, educational service district, and charter school employees, and to establish eligibility criteria for participation in insurance benefit plans.
2. **Staff**—Health Care Authority staff shall serve as staff to the Board.
3. **Appointment**—The members of the Board shall be appointed by the Governor in accordance with RCW 41.05.740. A Board member whose term has expired but whose successor has not been appointed by the Governor may continue to serve until replaced.
4. **Board Composition**—The composition of the nine-member Board shall be in accordance with RCW 41.05.740. All nine members may participate in discussions, make and second motions, and vote on motions.
5. **Board Compensation**—Members of the Board shall be compensated in accordance with RCW [43.03.250](#) and shall be reimbursed for their travel expenses while on official business in accordance with RCW [43.03.050](#) and [43.03.060](#).

### **ARTICLE II**

#### **Board Officers and Duties**

1. **Chair of the Board**—The Health Care Authority Director or his or her designee shall serve as Chair of the Board and shall conduct meetings of the Board. The Chair shall have all powers and duties conferred by law and the Board’s By-laws. If the regular Chair cannot attend a regular or special meeting, the Health Care Authority Director may designate another person to serve as temporary Chair for that meeting. A temporary Chair designated for a single meeting has all of the rights and responsibilities of the regular Chair.
2. **Vice Chair of the Board**—In December 2017, and each January beginning in 2019, the Board shall select from among its members a Vice Chair. If the Vice Chair position becomes vacant for any reason, the Board shall select a new Vice Chair for the remainder of the year. The Vice Chair shall preside at any regular or special meeting of the Board in the absence of a regular or temporary Chair.

### **ARTICLE III**

#### **Board Committees** **(RESERVED)**

**ARTICLE IV**  
**Board Meetings**

1. Application of Open Public Meetings Act—Meetings of the Board shall be at the call of the Chair and shall be held at such time, place, and manner to efficiently carry out the Board’s duties. All Board meetings shall be conducted in accordance with the Open Public Meetings Act, Chapter 42.30 RCW, but the Board may enter into an executive session as permitted by the Open Public Meetings Act.
2. Regular and Special Board Meetings—The Chair shall propose an annual schedule of regular Board meetings for adoption by the Board. The schedule of regular Board meetings, and any changes to the schedule, shall be filed with the State Code Reviser’s Office in accordance with RCW 42.30.075. The Chair may cancel a regular Board meeting at his or her discretion, including the lack of sufficient agenda items. The Chair may call a special meeting of the Board at any time and proper notice must be given of a special meeting as provided by the Open Public Meetings Act, RCW 42.30.
3. No Conditions for Attendance—A member of the public is not required to register his or her name or provide other information as a condition of attendance at a Board meeting.
4. Public Access—Board meetings shall be held in a location that provides reasonable access to the public including the use of accessible facilities.
5. Meeting Minutes and Agendas—The agenda for an upcoming meeting shall be made available to the Board and the interested members of the public at least 24 hours prior to the meeting date or as otherwise required by the Open Public Meetings Act. Agendas may be sent by electronic mail and shall also be posted on the HCA website. An audio recording (or other generally-accepted electronic recording) shall be made of each meeting. HCA staff will provide minutes summarizing each meeting from the audio recording. Summary minutes shall be provided to the Board for review and adoption at a subsequent Board meeting.
6. Attendance—Board members shall inform the Chair with as much notice as possible if unable to attend a scheduled Board meeting. Board staff preparing the minutes shall record the attendance of Board members in the minutes.

**ARTICLE V**  
**Meeting Procedures**

1. Quorum—Five voting members of the Board shall constitute a quorum for the transaction of business. No final action may be taken in the absence of a quorum. The Chair may declare a meeting adjourned in the absence of a quorum necessary to transact business.
2. Order of Business—The order of business shall be determined by the agenda.
3. Teleconference Permitted—A Board member may attend a meeting in person or, by special arrangement and advance notice to the Chair, by telephone conference call or video conference when in-person attendance is impracticable.

4. Public Testimony—The Board actively seeks input from the public at large, from enrollees served by the SEBB Program, and from other interested parties. Time is reserved for public testimony at each regular meeting, generally at the end of the agenda. At the direction of the Chair, public testimony at Board meetings may also occur in conjunction with a public hearing or during the Board’s consideration of a specific agenda item. The Chair has authority to limit the time for public testimony, including the time allotted to each speaker, depending on the time available and the number of persons wishing to speak.
5. Motions and Resolutions—All actions of the Board shall be expressed by motion or resolution. No motion or resolution shall have effect unless passed by the affirmative votes of a majority of the Board members present and eligible to vote, or in the case of a proposed amendment to the By-laws, a 2/3 majority of the Board .
6. Representing the Board’s Position on an Issue—No Board member may endorse or oppose an issue purporting to represent the Board or the opinion of the Board on the issue unless the majority of the Board approve of such position.
7. Manner of Voting—On motions, resolutions, or other matters a voice vote may be used. At the discretion of the Chair, or upon request of a Board member, a roll call vote may be conducted. Proxy votes are not permitted, but the prohibition of proxy votes does not prevent a temporary Chair designated by the Health Care Authority Director from voting.
8. State Ethics Law and Recusal—Board members are subject to the requirements of the Ethics in Public Service Act, Chapter 42.52 RCW. A Board member shall recuse himself or herself from casting a vote as necessary to comply with the Ethics in Public Service Act.
9. Parliamentary Procedure—All rules of order not provided for in these By-laws shall be determined in accordance with the most current edition of Robert’s Rules of Order Newly Revised. Board staff shall ensure a copy of *Robert’s Rules* is available at all Board meetings.
10. Civility—While engaged in Board duties, Board members conduct shall demonstrate civility, respect, and courtesy toward each other, HCA staff, and the public and shall be guided by fundamental tenets of integrity and fairness.

**ARTICLE VI**  
**Amendments to the By-Laws and Rules of Construction**

1. Two-thirds majority required to amend—The SEBB By-laws may be amended upon a two-thirds (2/3) majority vote of the Board.
2. Liberal construction—All rules and procedures in these By-laws shall be liberally construed so that the public’s health, safety, and welfare shall be secured in accordance with the intents and purposes of applicable State laws and regulations.

**TAB 3**



# COVID-19 Agency Response

Jean Bui, Manager  
Portfolio Management & Monitoring Section  
Employees & Retirees Benefits Division  
January 28, 2021

Tanya Deuel  
ERB Rates & Finance Unit Manager  
Financial Services Division

# Select Governor's Proclamations

## Proclamation 20-05

- Issued 2/29/2020; Declares a State of Emergency for the entire state due to the COVID pandemic

## Proclamations 20-25 & 20-46

- Extenders for the duration of the State of Emergency



# SEBB Passed Resolutions

- Resolution 2020-07  
COVID-19 Continuation Coverage Eligibility
- Resolution 2020-08  
COVID-19 and Enrollment Timelines

# Carrier Actions

## COVID-19:

- Testing coverage
- Treatment coverage
- Prescription Refill too soon
- Vaccine coverage

# Select Agency Actions

- Telehealth Policies and Infrastructure Support
- Medicaid State Plan Amendments
- Distribution of federal monies to hospitals and providers
- PPE distribution assistance
- Interagency Support
- IRS Cafeteria Plan Flexibility Advocacy

# Limited Open Enrollment ( LOE): Overview

- **Timeline:**
  - July 1, 2020 to July 31, 2020
- **Purpose:**
  - As a result of COVID-19, and without any other required qualifying event, allow members to modify certain benefits that require payroll deductions

## Scope of LOE (*cont.*)

- Highlight of what was included in the scope:
  - Members that waived their medical coverage can enroll in medical
  - Members with medical coverage can add dependents
  - Members may enroll in or change their Medical Flexible Spending Arrangement (FSA) and/or Dependent Care Assistance Program (DCAP) election amount

## Scope of LOE (*cont.*)

- Highlight of what is excluded from the scope:
  - Adding dependents to dental or vision coverage
  - Disenrolling from medical coverage
  - Elections that decrease annual contributions to an amount lower than what has been contributed (DCAP) or claimed (FSA)

# Medical Enrollment Data

METRIC	SEBB Results
NUMBER OF SUBSCRIBERS THAT TOOK ACTION	1,098
TOTAL MEMBERS ADDED	1,704
OVERALL INCREASE IN MEDICAL ENROLLMENT FROM JUNE 2020	0.65%
SUBSCRIBERS RETURNED FROM WAIVED	225
TOTAL DEPENDENTS ADDED	1,479
CHILDREN	768 (52%)
SPOUSES	711 (48%)

# Participation: Tax-Advantaged Accounts

SEBB LOE Participation	Enrollments		Election Changes		
	New	Percentage Growth	Increased	Decreased	Percentage of Accounts
<b>Medical FSA</b>					
<b>TOTAL</b>	<b>404</b>	<b>3.8%</b>	<b>980</b>	<b>386</b>	<b>13.0%</b>
<b>Dependent Care FSA (DCAP)</b>					
<b>TOTAL</b>	<b>42</b>	<b>2.8%</b>	<b>16</b>	<b>241</b>	<b>17.1%</b>

- Roughly 15% of SEBB Program account enrollees participated
- Nearly 450 new accounts were created
- For those changing their annual election:
  - FSA elections tended to increase
  - DCAP elections were overwhelmingly decreased



# Annual Elections: Tax-Advantaged Accounts

DATE	SEBB Total Elections
<b>Medical FSA</b>	
1-Jul-20	\$16,195,991.86
17-Aug-20	\$17,231,868.94
<b>\$ Change</b>	<b>\$1,035,877.08</b>
<b>% Change</b>	<b>6.4%</b>
<b>Dependent Care FSA (DCAP)</b>	
1-Jul-20	\$6,718,459.56
17-Aug-20	\$6,478,310.52
<b>\$ Change</b>	<b>-\$240,149.04</b>
<b>% Change</b>	<b>3.6%</b>

- FSA: annual elections increased by over \$1 million, or 6.4%
- DCAP: annual elections decreased by \$240,000, or 3.6%

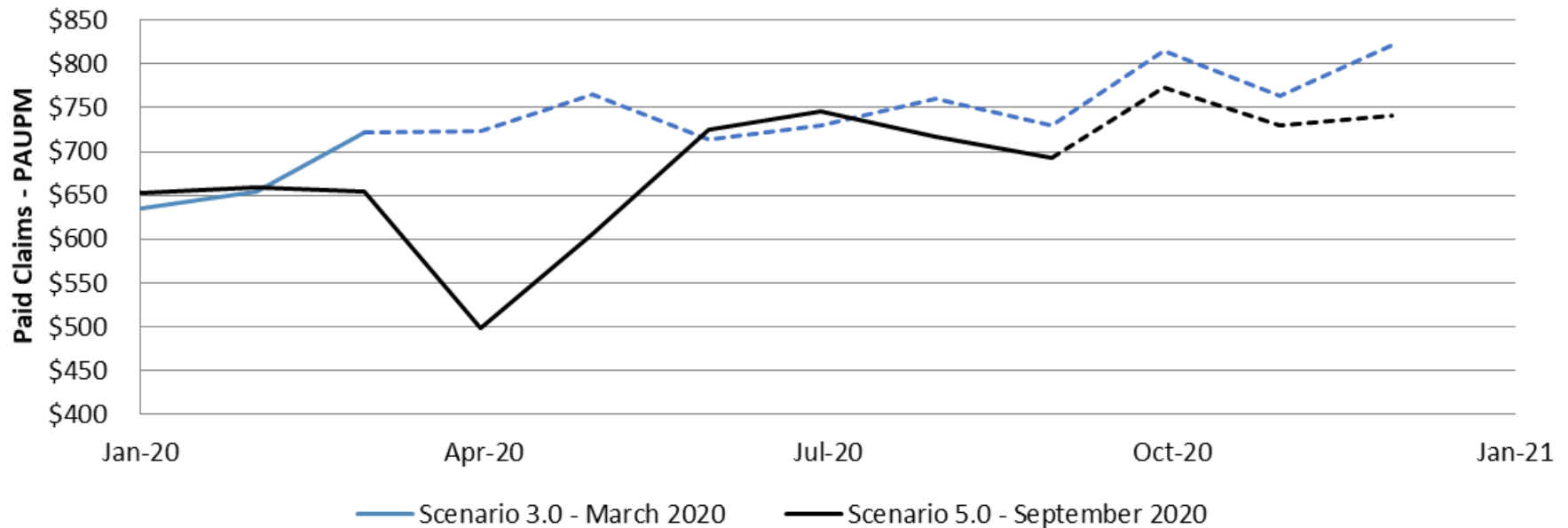
# COVID Utilization

- PEBB Program Medical Utilization
  - Uniform Medical Plan (UMP) – non-Medicare Population
- PEBB Program Dental Utilization
  - Uniform Dental Plan (UDP)

*\*PEBB Program Data shown until SEBB Program establishes a creditable baseline*

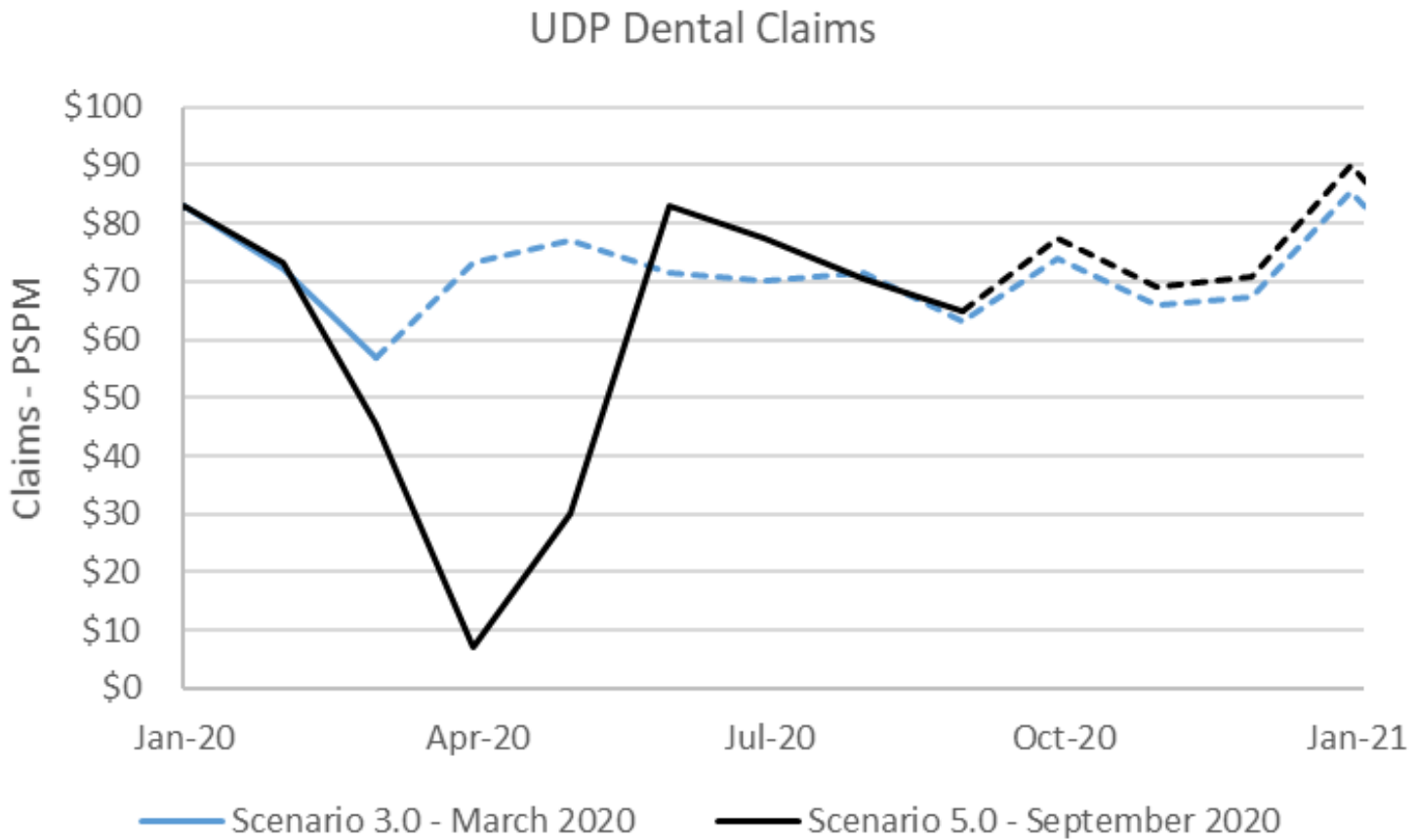
# PEBB Program COVID-19 Medical Utilization

UMP Classic Non-Medicare Claims



*\*\*PEBB Program UMP Classic non-Medicare Population only*

# PEBB Program COVID-19 Dental Utilization



*\*\*PEBB Program UDP Population only*

# Questions?

Jean Bui, Manager

Portfolio Management & Monitoring Section  
Employees and Retirees Benefits (ERB) Division

[jean.bui@hca.wa.gov](mailto:jean.bui@hca.wa.gov)

Tanya Deuel, Manager

ERB Rates and Finance Unit  
Financial Services Division

[tanya.deuel@hca.wa.gov](mailto:tanya.deuel@hca.wa.gov)

# Appendix

## Board Resolutions

- PEBB 2020-01 COVID-19 Continuation Coverage Eligibility
- PEBB 2020-02 COVID-19 Enrollment Timelines
- PEBB 2020-03 COVID-19 Related Eligibility for Newly Hired or Rehired State Employees

# Resolution PEBB 2020-01 COVID-19 Continuation Coverage Eligibility

**Resolved that,** beginning February 29, 2020, the date that Governor Inslee declared a state of emergency in Proclamation 20-05, the maximum period of continuation coverage is extended until two months after the date the Governor terminates the state of emergency.



# Resolution PEBB 2020-02

## COVID-19 and Enrollment Timelines

**Resolved that,** beginning February 29, 2020, the date that Governor Inslee declared a state of emergency in Proclamation 20-05, any enrollment timelines established for continuation coverage and retiree subscribers will be extended to 30 days past the date the Governor terminates the state of emergency.

The Health Care Authority is authorized, during the state of emergency as described above, to extend this deadline further and extend any other enrollment deadlines as needed to meet the needs of the state and PEBB Program subscribers.

# Resolution PEBB 2020-03

## COVID-19 Related Eligibility for Newly Hired or Rehired State Employees

**Resolved that**, beginning April 1, 2020, and through the last day of the month in which the Governor terminates the COVID-19 state of emergency declared in Proclamation 20-05, an employee hired or rehired by a state agency to respond to the Covid-19 emergency in the following position types, first responders (firefighters, police, EMTs, public safety personnel, etc.), health care professionals (doctors, nurses, pharmacists, behavioral health specialists, etc.), any position worked in medical facilities (health care professionals, lab technicians, administrative staff, sanitation workers, etc.), public health officials, and any COVID-19 research positions, is eligible for the employer contribution toward PEBB benefits in any month they work a minimum of 8 hours. If the employee becomes eligible under this temporary criteria for establishing eligibility, PEBB coverage will begin the first day of the month in which the employee becomes eligible. PEBB benefits for this resolution includes the following: medical, dental, basic life, basic AD&D, and basic LTD.

The Health Care Authority is authorized during the state of emergency to include additional position types to the list above, as needed, to meet the needs of the state and PEBB Program subscribers.

Once the COVID-19 state of emergency is terminated, the temporary criteria for establishing eligibility ends and the standard PEBB benefits and maintenance eligibility rules apply.

# HCA's COVID-19 Response Efforts

*A snapshot of the agency's actions to support Washington residents, providers, and communities during the COVID-19 pandemic*

# Technology

- Distributed about 6,000 smart phones (donated by cell phone companies) to Apple Health (Medicaid) clients and tribal members
  - 400 talk minutes and unlimited data per month
- Distributed about 800 laptops to physical and behavioral health providers, including Indian health care providers and tribal members
- Purchased and distributed 2,000 free Zoom telehealth licenses to providers, focused on those providing care to the most vulnerable
- Hosted technical assistance webinars to providers about the laptop, cell phone, and Zoom license programs

## Technology (cont.)

- Serve on the Behavioral Health Institute's Broadband Subcommittee to address access to affordable and stable broadband
- Implemented over-the-phone interpretation (OPI) and video remote interpreting (VRI) for interpreter services
- Serve on the interagency COVID-19 modeling workgroup to support data-informed pandemic response
- Worked with Epic and Ochin to develop, prototype, and pilot an app-based COVID-19 symptom monitoring and testing tool for long-term care settings and community-based partners
- Supported COVID-related clinical program initiatives with ProviderOne system changes and data requests

# Mental Health and Substance Use

- Stood up the Washington Listens support line for people experiencing stress due to COVID-19
- Led statewide public messaging around mental and emotional well-being during COVID-19
- Partnered with the state's Spread the Facts campaign to include mental health messaging
- Produced an extensive library of infographics, articles, and resources, available at [coronavirus.wa.gov](https://coronavirus.wa.gov)
- Produced a list of federal and state flexibilities to enable telehealth for people with behavioral health needs

# Mental Health and Substance Use (*cont.*)

- Ensured opioid treatment remains available to people with substance use disorder
- Supported youth and adolescent behavioral health providers in navigating service delivery
- Implemented a process for documenting telework for those who require supervision under the Medicaid Behavioral Health State Plans
- Coordinated a statewide plan for Behavioral Health Telehealth Rapid Response Team
- Invested in the Behavioral Health Institute to support tele-behavioral health for providers
- Secured federal funds to support increased mental health and substance use disorder treatment for low-income, non-Medicaid individuals

# Community

- Partnered with Accountable Communities of Health to distribute 4.4 million masks statewide
- Expanded flexibilities with the Medicaid Alternative Care Program for local health jurisdictions, school districts, and tribes



# Testing

- Implemented new testing codes and guidance for testing
- Led a multi-agency and private insurer approach to develop consistent models for testing

# Health Coverage

- First state to obtain Medicaid emergency waivers to ensure coverage
- Stopped termination of coverage for all existing Apple Health clients for the duration of the public health emergency
- Implemented policy to allow Children's Health Insurance Program (CHIP) premium payments to be written off if clients are unable to pay
- Initiated procedures to allow Apple Health, PEBB, and SEBB Program members to refill prescriptions early
- Held a limited open enrollment that added 892 PEBB Program members and 1,710 SEBB Program members to medical coverage

## Health Coverage (*cont.*)

- Spearheaded changes at the IRS for employee flexibility to change Flexible Spending Arrangement (FSA) and Dependent Care Assistance Program (DCAP) accounts
- Extended the grace period for 2019 FSA/DCAP account holders
- PEB Board and SEB Board resolutions to extend timelines/continuation coverage beyond the State of Emergency
- Expanded clinical eligibility criteria for the Alien Emergency Medical (AEM) Program to include COVID-19 testing and treatment

# Hospitals

- Expedited Disproportionate Share Hospital (DSH) and (SNAF) payments
- Provided \$2 million to certain rural hospitals with federal disaster relief funding
- Implemented 20 percent increase for COVID-related inpatient stays at DRG hospitals

# Provider Financial Support

- Worked with managed care organizations to support providers, including increased primary care management fees and payment in advance; bonus payments; provider access payments; accelerated claims payments; and sub-capitated arrangements
- Increased rates for after-hours and weekend telehealth minutes
- Increased private duty nursing (PDN) rates

# FQHCs and Rural Health Clinics

- Expedited underpayments
- Implemented new telehealth codes and guidance
- Temporarily suspended payment for clinics on a payment plan

# Dental

- Increased rate for oral surgeries
- Added new PPE payment
- Added new code for dental phone triage

# Transportation

- Increased rate for providers transporting COVID-19 patients and facility-to-facility transport
- Provided masks for non-emergency medical transportation (NEMT) contractors
- Expanded flexibility for NEMT to serve Medicaid beneficiaries



# Staff Support

- Provided the Rethink platform, offering resources for staff who are balancing work and child care
- Deployed OneX Agent, a telephony platform, for call center agents to work remotely
- Held multiple live Q&A sessions for staff to ask questions about COVID-related issues, furloughs, unemployment, telework, etc.
- Transitioned the Results HCA/Results Washington quarterly target review process to virtual format across all divisions
- Continue to host monthly agency all-staff meeting, Currents, virtually
- Created a COVID-19 resource page on Inside HCA, the agency's intranet site
- Implemented wellness time to encourage staff to focus on their health and wellbeing during work hours

# Interagency Support

- Supported Department of Social and Health Services Community Service Division by:
  - Answering and triaging about 31,000 calls
  - Processing about 1,000 Classic Medicaid applications
- Supported the Employment Security Department by answering nearly 12,000 calls into the unemployment income and fraud call centers
- Supported the Health Benefit Exchange by redirecting renewal calls while their agents were setting up remote work

**TAB 4**



# Achieving Health Equity for SEBB Program Members

Emily Transue, MD, MHA  
Medical Director for ERB Programs  
Clinical Quality and Care Transformation  
January 28, 2021

Mia Nafziger  
Senior Health Policy Analyst  
Policy Division

# A tale of two patients

- Both of them are:
  - 35 years old
  - Pregnant
  - Mildly overweight
  - Borderline BP
  - Otherwise healthy

## A tale of two patients (*cont.*)

- The provider recommends to both women:
  - Healthier diet (increase fruits/vegetables, decrease processed foods)
  - Stress reduction
  - Regular exercise (walking or similar)
  - Follow up with obstetrician
  - Regular blood pressure checks

## A tale of two patients (*cont.*)

- Even if the underlying health of both women, and medical advice, are the same, the likelihood of clinical outcomes may be very different

## A tale of two patients (*cont.*)

- For example, one would be:
  - Twice as likely to have a stillbirth or infant death
  - 3 times as likely to die in pregnancy and childbirth
  - In the future, twice as likely to have a stroke
  - 2-3 times as likely to have heart disease; IF:
    - She is Black and the other is white
- These differences largely disappear if the woman was raised and treated in a country with greater equity; not a genetic difference



## A tale of two patients (*cont.*)

- Race is a complex example
  - Direct impacts of discrimination and racism
  - Proxy for other factors
- Clinical outcomes are heavily influenced by a variety of social and societal factors that are not traditionally considered “medical”
  - Income, education, housing, language, etc.

# A tale of two patients (*cont.*)

- How do these impacts occur?
  - Many intersecting factors
  - Consider the above recommendations:
    - Healthier diet
    - Stress reduction
    - Regular exercise
    - Follow up with obstetrician
    - Regular blood pressure checks

## Dependencies of recommendations:

- Healthier diet (more fruits/vegetables, less processed foods)
  - Requires access to grocery stores with fresh produce, \$ to pay for these, time to prepare
- Stress reduction
  - Requires social supports, supportive family and work environment, freedom from violence, discrimination, financial stress, etc.
- Regular exercise (walking or similar)
  - Requires a safe neighborhood to walk in or transportation to a safe place, or a gym membership or equipment
- Follow up with Obstetrician
  - Requires access to providers who are taking new patients, and who are able to communicate effectively (language, cultural appropriateness) with the patient about her needs
- Regular blood pressure checks
  - Requires equipment or a local resource (pharmacy or clinic), and a responsive provider to monitor and treat issues

# What is health equity?

**Health equity** means that everyone has a fair and just opportunity to be as healthy as possible. This requires removing obstacles to health such as poverty, discrimination, and their consequences, including powerlessness and lack of access to good jobs with fair pay, quality education and housing, safe environments, and health care.<sup>1</sup>

**Health disparities** are differences that exist among specific population groups in the United States in the attainment of full health potential that can be measured by differences in incidence, prevalence, mortality, burden of disease, and other adverse health conditions.<sup>2</sup>

<sup>1</sup> <https://www.rwjf.org/content/dam/farm/reports/issuebriefs/2017/rwjf437343>

<sup>2</sup> Braveman P, Arkin E, Orleans T, Proctor D, and Plough A. What Is Health Equity? And What Difference Does a Definition Make? Princeton, NJ: Robert Wood Johnson Foundation, 2017.

# What is health equity? (cont'd)

## Equality



## Equity



## What are the social determinants of health?

**The social determinants of health** are the conditions in which people are born, grow, live, work and age.

These circumstances are shaped by the distribution of money, power, and resources at global, national, and local levels. **The social determinants of health are mostly responsible for health inequities** – the unfair and avoidable differences in health status seen within and between countries.<sup>1</sup>

<sup>1</sup> World Health Organization

## What are the social determinants of health? (*cont.*)

Many definitions exist, but social determinants include:

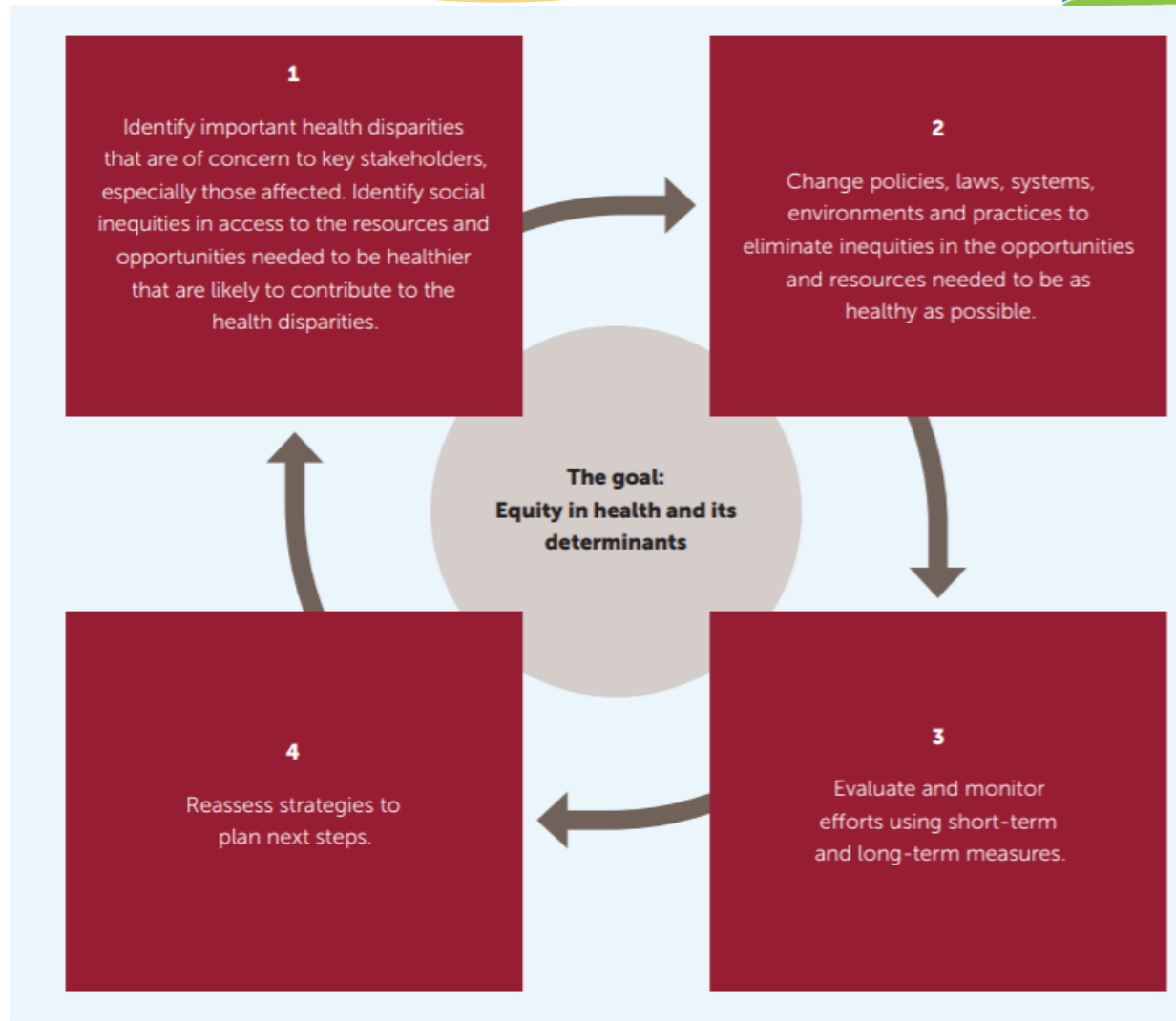
- Safe housing, transportation, and neighborhoods
- Racism, discrimination, and violence
- Education, job opportunities, and income
- Access to nutritious foods and physical activity opportunities
- Clean vs polluted air and water
- Language and literacy skills

# How do the social determinants of health shape health outcomes?

- Poor-quality housing → Lead and allergens, temperature extremes, unsafe building factors → Chronic disease, mental health
- Homelessness → Higher rates of substance abuse and infectious disease
- Limited access to supermarkets → Poor diet → Higher risk of cancer, diabetes, hypertension, birth defects, heart disease
- Lack of social connection → Depression and anxiety, increased risk of dementia, premature death
- Incarceration → Depression, anxiety, infant mortality (among many other factors)

**Addressing social determinants of health can improve health and reduce health disparities**





Braveman P, Arkin E, Orleans T, Proctor D, and Plough A. What Is Health Equity? And What Difference Does a Definition Make? Princeton, NJ: Robert Wood Johnson Foundation, 2017.

# Example of care intervention to target a health disparity

- Goal: Reduce cardiovascular disease risk factors among African Americans
- Partial root cause of disparity: Treatment non-adherence and providers' lack of treatment intensification
- Intervention: Patients receive monthly calls from nurses to discuss their disease risk management
  - Rationale: Target patients and providers to address multiple chronic conditions
- Outcome: Increase medication management, lower blood glucose

[https://www.solvingdisparities.org/sites/default/files/FA\\_2015GranteePortfolio\\_FIN.pdf](https://www.solvingdisparities.org/sites/default/files/FA_2015GranteePortfolio_FIN.pdf)

# Health Equity at HCA: Data and Analysis

- Expand the collection of race/ethnicity and other demographic data in the PEBB and SEBB Programs
- Standardize and expand use of health screening tools to obtain data on key social determinants of health
- Stratify quality measures by demographic and social determinants of health factors to identify inequitable results
- Analyze inequitable results and related factors to identify potential causes for those results

## Health Equity at HCA: Collaborate with Communities to Develop Targeted Strategies

- Develop general strategies to address inequitable health outcomes and better coordinate across programs and different state, tribal, and local agencies
- Collaborate with communities to
  - Prioritize what inequitable health outcomes to focus on
  - Adapt general strategies for individual communities

## Health Equity at HCA: Sustainable and Continuous Implementation

- Amend HCA contracts with health plans and other vendors to incentivize reductions in health disparities
- Support efforts to expand trauma-informed and culturally and linguistically appropriate services
- Host annual event or forum with contractors, service providers, and community partners on emerging best practices to advance health equity

# Questions?

Mia Nafziger  
Senior Health Policy Analyst  
[Mia.Nafziger@hca.wa.gov](mailto:Mia.Nafziger@hca.wa.gov)

Emily Transue, MD, MHA  
Medical Director, ERB Programs  
[Emily.Transue@hca.wa.gov](mailto:Emily.Transue@hca.wa.gov)

**TAB 5**



# Social Determinants of Health Roundtable

Facilitator:  
Emily Transue, MD, MHA  
Medical Director for ERB Programs  
January 28, 2021





## **Diane Oakes**

### **Chief Mission Officer**

### **Washington Dental Service & Delta Dental of Washington**

Diane Oakes is the Chief Mission Officer for Washington Dental Service (WDS), a mission-driven enterprise that encompasses Delta Dental of Washington (DDWA), Arcora Foundation, and additional investments in strategies to move the needle on oral health in Washington. In this newly created role, Diane is responsible for developing strategy, leading initiatives, and influencing processes and systems across the WDS Enterprise to transform oral healthcare delivery and improve health equity. Most recently Diane was President and CEO of Arcora Foundation. Prior to that Diane worked for the Centers for Disease Control and Prevention. When Diane isn't diving deep into oral health, she is running around with her two rambunctious boys. Diane holds master's degrees in public health and social work from the University of Washington.

## **Kaiser Board Bios**

### **Kim Wicklund, Director of Community Health, KPWA**

Kim Wicklund is Director of Community Health for Kaiser Permanente's Washington region. She leads KP's regional efforts to create the conditions of health so that people in the areas KP serves live in thriving, equitable communities. Kim leads a team of dedicated community health professionals who partner closely with community organizations on a variety of initiatives related to economic opportunity, thriving schools, social health, equity, and the clinical and social net. Those community partnerships are at the heart of their work.

Driven by a commitment to social justice and health equity, Kim has extensive experience working to improve social factors that impact health in communities that have histories of marginalization and disinvestment. Prior to joining KP, Kim worked in public and non-profit sectors on various issues, including asthma, diabetes, lead poisoning and safe housing.

Kim's passion for community health was sparked as a Peace Corps volunteer in Papua New Guinea. She earned her Bachelor's degree in Global Studies and Spanish from Pacific Lutheran University, and her Master's in Public Health from the University of Minnesota. Kim spends her free time enjoying the wilderness and rowing on Lake Washington.

### **John Kendrick, Service Area Director, Continuum of Care, KPNW**

John Kendrick has a passion for service, working in a variety of non-profit and healthcare leadership roles. John began his professional career working with those experiencing homelessness and struggling with the challenges of addiction. In 2014, John accepted a role at Kaiser Permanente Northwest, within the developing Complex Care Medical Home program, where he could parlay compassion and activism into growing partnerships with community-based and health-forward organizations, focusing on self-sufficiency and resource access for our members.

John currently acts as Service Area Director for the Continuum of Care, where he currently oversees evolving post-acute, care management, ancillary, and population health services. John has helped lead a system-wide redesign of continuing care services, increasing hospice revenue, reducing readmissions in SNF, and improving home health access, as well as developed strong partnerships with external agencies and provider groups throughout the region, to assure that Kaiser Permanente members experience quality care regardless of location. John continues to focus on system integration and collaboration, and is driving social health initiatives forward within Kaiser Permanente nation.

He is leading the KPNW universal social needs screening and Thrive Local implementation efforts, to assure that all social care needs are addressed, and our community is working holistically to create lasting change and improvements. Outside of work, John serves as the Vice President on the Board of Directors at the Council for the Homeless and has served on the Regional Health Improvement Plan Council through the Washington Accountable Community of Health.

### **Keith Bachman, MD, FACP, KPNW**

Keith Bachman MD FACP is a primary care internist in the Northwest Region practicing in Portland, Oregon since 1998. In addition to his clinical work, he serves as a Permanente Quality Ambassador, connecting the needs of our employer group customers to Kaiser Permanente Care delivery. He has served as the Clinical Lead for the Care Management Institute's Obesity Prevention and Treatment Initiative and as the medical director for the Severe Obesity/Bariatric Surgery program. In the community, he has served on the Oregon Health Improvement Commission for the Oregon Health Authority, and on the Portland Public Schools Wellness Advisory Committee.

Dr Bachman is passionate about healthy eating and active living in his own life and tries to be a role model for his family including children age 13 and 16. In his clinical practice, he believes that upstream disease prevention is critical and tries to motivate and guide his patients toward healthy lifestyle choices and is working toward making changes in the healthcare system to make this work easier for himself and colleagues. He is very proud of his work within KP to make the healthcare system safer and more responsive to patients of all sizes and weights. He was also thrilled to represent the KP community in sharing our early national learnings about "Exercise as a Vital Sign" at the CDC's Weight of the Nation Conference in 2011.

He usually succeeds at getting his 5-9 servings of veggies and fruits a day, and strives to (but does not always succeed) at getting the recommended 30- 50 minutes of physical activity most days of the week, including paddling with the KP Thriving Dragons dragon boat team.

# Director of Clinical Programs

**Rachel Andrew**

**MS, LMFT, CCM»**

**DIRECTOR OF CLINICAL PROGRAMS**



At Premera, Rachel leads a multidisciplinary team including case management, care transition management, disease management and wellness activities.

She is the co-author of *The Integrated Case Management Manual: Value-Based Assistance for Complex Medical and Behavioral Health Patients, Second Edition* (2018). Her prior experience includes over 25 years of teaching in bachelor and master's behavioral health and education programs and speaks nationally on the topic of Value-Based Integrated Case Management. She has over 10 years' experience in community mental health, including as a director for five clinics and leading grassroots community projects focused on improving the well-being of the community. She has practiced as a mental health therapist in psychiatric hospitals, inpatient facilities including pediatrics, cardiology and oncology, school-based counseling, and community mental health clinics. Rachel's work in other settings includes insurance case management and utilization management clinical roles, and she was an elementary school teacher. Rachel holds certificates in minority mental health, integrated case management, LEAN, Synectics creative problem-solving and is a certified case manager and child mental health specialist.

## Naim Munir, M.D

### VP MEDICAL MANAGEMENT AND POPULATION HEALTH

Naim Munir is the Vice President of Medical Management and Population Health at Premera.

He is a board-certified family physician with over 20 years of experience in managed care and population health. Naim is passionate about leading large and complex teams to achieve meaningful quality, experience, and affordability outcomes to improve the health of populations.

His experience has included leadership positions in the New York, Michigan, and Texas markets and with provider-sponsored, regional, and national health plans. He has served in leadership roles in Medicare Advantage, commercial, and Medicaid health plans. Naim's experience also includes serving as the chief medical officer at a large health plan of a regional integrated delivery system.

Naim has been committed to healthcare quality throughout his career and served on NCQA's national accreditation oversight committee for two terms. Over his career, Naim has built strong and collaborative relationships with physicians and key stakeholders to improve the health of populations.

## Charles Levine

### VICE PRESIDENT, PROVIDER NETWORK MANAGEMENT



Charles (Chuck) Levine is Premera's vice president of Provider Network Management.

In this role, he is responsible for network development, provider contracting and relationship management for the Premera and LifeWise markets in multiple states.

Chuck has nearly 30 years of experience working with provider networks. He previously worked at Coordinated Care in Tacoma (Centene Corporation), where he served as vice president of Network Development and Contracting. At Coordinated Care, Chuck oversaw provider network strategy, network development, contract implementation, and provider relations for Medicaid and Washington Exchange products.

After leaving Coordinated Care in 2015, Chuck opened a healthcare consulting business. He also worked at Cigna for 12 years, leading network strategy in multiple states, including Washington, Alaska, and Oregon.

Chuck earned a bachelor's degree from the University of Pittsburgh, and a master's degree from the University of Iowa.

Chuck lives in downtown Seattle with his wife, Jackie, and has three children in the Seattle area. He enjoys photography, music, a good book, and the outdoors.



Kimberly J. Hadeed, RN-BSN, CCM  
Regence BlueShield. Case Management, Supervisor. BlueCare Path Team.

My educational background is in Nursing both in the United States and Internationally. This is how I came to be so passionate about studying and learning about Social Determinants of Health, Health Disparities and Health Equity. Living among a vastly different culture than my own with their own long-standing traditions, ways of life and limited resources taught me to utilize creativity in order to accomplish much. I've always been drawn to Community Health and have clinical experience in Maternity/Gynecology, Long Term Care, Hospice, Skilled Nursing Facility and Case Management within two different health insurance payers.

My personal background includes a love for travel, reading, and spending time with my family and 2-year-old daughter, Gabby. Our family is a blend of American and Middle Eastern heritage. This makes for a vibrant, loud and food centered household. We live near Mount Hood, Oregon and are both nature and animal lovers.

**TAB 6**





# ESD Benefits Report

Cade Walker  
Executive Special Assistant  
Employees & Retirees Benefits (ERB) Division  
January 28, 2021



# Report Background

- ESHB 2140(7) – due to Legislature 12/31/20
  - Health benefits provided to ESD employees and costs
  - Estimated costs to ESDs to participate in SEBB
  - Comparison of costs, benefits offered, and employees covered if ESDs join SEBB
  - Overview of revenue sources for ESDs
- Data collected from OSPI, ESDs, and HCA



# Key Findings

- ESD revenue is a mix between local (6 percent), state (30 percent), federal (27 percent), and other program (37 percent) funding
- As of January 1, 2020, five ESDs were participating in the Public Employees Benefits Board (PEBB) Program and must use PEBB eligibility rules for their employees. The remaining four ESDs independently acquire employee benefits and have varying rules for benefits eligibility
- All ESDs' benefits are similar to SEBB benefits



## Key Findings (*cont.*)

- Current cost to ESDs for 2020 benefits is an estimated \$22,306,083
- The cost to ESDs if they had participated in the SEBB Program for 2020 is an estimated \$27,955,940, which is an increase of \$5,649,857
- The majority of this increased cost is for the four ESDs not participating in the PEBB Program, and the primary driver of this cost increase is due to the difference of eligibility and waiver rules

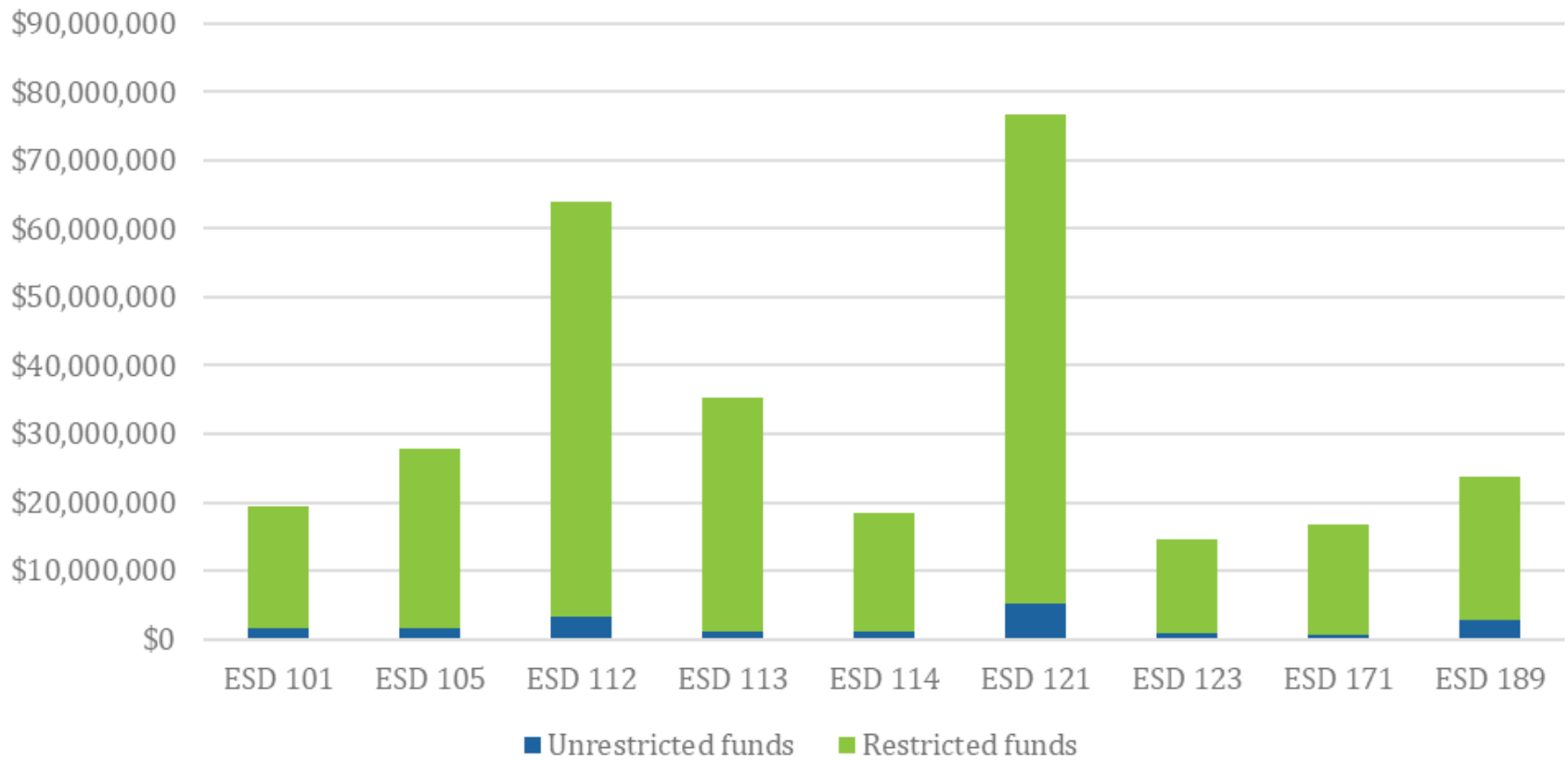


# ESD Background

- 9 regional Educational Service Districts, with primary purpose to:
  - Provide cooperative and informational services to local school districts
  - Assist the Superintendent of Public Instruction and the State Board of Education in the performance of their respective statutory or constitutional duties
  - Provide services to school districts, the Washington Center for Deaf and Hard of Hearing Youth, and the Washington State School for the Blind to assure equal educational opportunities
- As of February 2020, ESDs had 2,687 employees (114 low, 676 high)
- Majority of positions are year-round, 2,080-hour FTE
- Funding comes from local, state, and federal government sources, as well as other sources (cooperative, financial, etc.)

# ESD Total Revenue

ESD revenue - restricted and unrestricted funds, ScFY2018



# ESD-SEBB Comparison

- As of 2020, 5 ESDs (101, 105, 113, 171, & 189) were voluntarily participating in PEBB Program benefits. The remaining ESDs (112, 114, 121, & 123) acquired benefits individually.
  - (ESD 112 began participating in PEBB Program benefits in 2021)
- Benefits:
  - All benefits for PEBB ESDs and non-PEBB ESDs were comparable to SEBB Program benefits
- Eligibility:
  - PEBB ESD eligibility is full employer contribution for 0.5 FTE (2,080 hours)
  - Non-PEBB ESDS eligibility:
    - 112:  $\leq 1,080$  full; 720-1,080 prorated;  $\geq 720$  not eligible
    - 114 :  $\leq 1,440$  full; 1,040-1,440 prorated;  $\geq 1,040$  not eligible
    - 121: 2,080 full;  $\geq 2,080$  prorated
    - 123:  $\leq 1,040$  full;  $\geq 1,040$  not eligible

# 2020 ESD Employee Eligibility

	ESD Eligibility		SEBB Eligibility	
	Eligible	Non-eligible	Eligible	Non-eligible
<b>ESD 101*</b>	146 (PEBB) 18 (SEBB)	7	168 (+4)	3
<b>ESD 105**</b>	146	0	146	0
<b>ESD 112</b>	658 (171 waived)	18	661 (+3)	15
<b>ESD 113*</b>	236 (PEBB) 79 (SEBB)	94	306 (-9)	103
<b>ESD 114</b>	197 (52 waived)	48	198 (+1)	47
<b>ESD 121</b>	327 (32 waived)	186	338 (+11)	175
<b>ESD 123</b>	190 (36 waived)	5	194 (+4)	1
<b>ESD 171**</b>	113	1	113 (+0)	1
<b>ESD 189**</b>	178	40	192 (+14)	26

\* PEBB Participant; \*\*PEBB & SEBB Participant



# 2020 Employer Benefit Cost Estimates

	Current (est.)	SEBB (est.)	Difference	Percent Increase
<b>ESD 101*</b>	\$1,894,908	\$2,028,768	+\$133,860	7.1%
<b>ESD 105**</b>	\$1,666,050	\$1,763,096	+\$97,046	5.8%
<b>ESD 112</b>	\$5,525,667	\$7,982,236	+\$2,456,569	44.5%
<b>ESD 113*</b>	\$3,665,644	\$3,695,256	+\$29,612	0.8%
<b>ESD 114</b>	\$1,611,389	\$2,378,972	+\$767,583	47.6%
<b>ESD 121</b>	\$3,121,247	\$4,081,688	+\$960,441	30.8%
<b>ESD 123</b>	\$1,477,588	\$2,342,744	+\$865,156	58.6%
<b>ESD 171**</b>	\$1,298,370	\$1,364,588	+\$66,218	5.1%
<b>ESD 189**</b>	\$2,045,220	\$2,318,592	+\$273,372	13.4%
<b>Total</b>	<b>\$22,306,083</b>	<b>\$27,955,940</b>	<b>+\$5,649,857</b>	<b>24.3%</b>

\* PEBB Participant; \*\*PEBB & SEBB Participant



# Questions?

Cade Walker, Executive Special Assistant  
Employees and Retirees Benefits Division

[cade.walker@hca.wa.gov](mailto:cade.walker@hca.wa.gov)

**TAB 7**



# 2021 Open Enrollment Summary

Renee Bourbeau  
Benefits Accounts Section Manager  
Employees and Retirees Benefits Division  
January 2021

# Open Enrollment Readiness

- Contact Center:
  - 2019: Contracted with a vendor to provide technical support to SEBB Program employees for their first annual open enrollment
  - 2020: Trained HCA contact center staff to take calls for the second open enrollment
- Webinars:
  - Conducted seven pre-open enrollment webinars to 1,400 Benefits Administrators
  - Discussed SEBB My Account functionality:
    - Provided updates on upcoming open enrollment, revised rules and policies
    - Responded to general questions and answers

# Open Enrollment Readiness (*cont.*)

- No in-person benefits fairs this year
- Used only Virtual Benefits Fair tool
- Employees could learn about benefits options from their home
  - Available anytime day or night
  - Accessible via a computer, tablet, or smartphone
  - Links to videos, plan comparisons, carriers, and vendors' webinars
- Direct access to ALEX and links to SEBB My Account

# Open Enrollment Readiness (*cont.*)

- ALEX offered again during this open enrollment
- Interactive, online benefits advisor
- Helped employees:
  - Learn about their SEBB benefits
  - Guide them through choosing a medical, dental, and vision plan
  - Suggest plans to consider, based on responses to questions
  - Accessible 24 hours a day/7 days a week
- Launched on October 1, 2020

# Open Enrollment (October 26-November 23)

- Contact Center:
  - Available 8am-5pm through end of open enrollment
  - Offered technical support with SEBB My Account
  - Helped users with uploading documents and navigating screens to select plans
- GovDelivery Messaging:
  - Nine GovDelivery email messages were distributed to payroll and benefits offices to forward to their employees
- SEBB My Account:
  - Huge spike in account activities in the last 24 hours of open enrollment
  - No technical difficulties with the SEBB My Account server



## Open Enrollment (October 26-November 23) (*cont.*)

- ALEX had 19,000 visits
- Survey indicated that:
  - 32% of members said the medical section was extremely helpful
  - 40.9% of members said they definitely had a better understanding of their medical benefits
- Virtual Benefits Fair:
  - Over 12,500 visits with over 9,800 unique visitors
  - Over 2,400 checked the site more than once

## SEBB Enrollment Changes 2020 - 2021

Plan	2020	2021	Change	% Change	% of Total
Kaiser Permanente NW 1	1,436	1,410	(26)	-1.8%	0.5%
Kaiser Permanente NW 2	3,659	3,719	60	1.6%	1.4%
Kaiser Permanente NW 3	4,411	4,336	(75)	-1.7%	1.6%
Kaiser Permanente WA Core 1	3,769	3,727	(42)	-1.1%	1.4%
Kaiser Permanente WA Core 2	18,752	19,011	259	1.4%	7.2%
Kaiser Permanente WA Core 3	4,680	4,388	(292)	-6.2%	1.7%
Kaiser Permanente WA SoundChoice	28,118	28,346	228	0.8%	10.8%
Kaiser Permanente WA Options 1	6,460	6,782	322	5.0%	2.6%
Kaiser Permanente WA Options 2	11,888	11,675	(213)	-1.8%	4.4%
Kaiser Permanente WA Options 3	16,451	15,526	(925)	-5.6%	5.9%
Premera High PPO	28,964	28,991	27	0.1%	11.0%
Premera Peak Care EPO	1,679	1,529	(150)	-8.9%	0.6%
Premera Standard PPO	34,224	33,851	(373)	-1.1%	12.9%
UMP Achieve 1	30,191	30,702	511	1.7%	11.7%
UMP Achieve 2	43,752	45,802	2,050	4.7%	17.4%
UMP Plus - PSHVN	12,868	12,913	45	0.3%	4.9%
UMP Plus - UW Medicine	3,321	4,054	733	22.1%	1.5%
UMP High Deductible	3,738	4,112	374	10.0%	1.6%
<b>Total Members</b>	<b>260,381</b>	<b>262,895</b>	<b>2,513</b>	<b>1.0%</b>	<b>100.0%</b>

# Spousal or State-Registered Domestic Partner Coverage Premium Surcharge Attestation

- What is the spousal premium surcharge attestation?
- Why do we charge employees for it?
- When and who has to re-attest?
- Open enrollment results:
  - 14,130 employees had to re-attest
  - 1,474 employees did not re-attest and were sent a reminder letter in December
  - 2,206 employees will be charged the surcharge in 2021

# Other Activities: Dependent Verification (DV) Audit

- HCA conducted an audit of the dependents' enrollment
- Designed to establish whether documentation was sufficient to support dependents' eligibility for benefits
- Scope of audit included:
  - SEBB Program dependents (spouses, state-registered domestic partners, and children)
  - Approved for coverage during the SEBB initial open enrollment period, October 1 – November 15, 2019
- 5,310 dependents were randomly selected for review
- Five separate audit attempts and letters sent in 2020
- 98% dependents correctly enrolled in benefits

# Future Customer Service Strategies

- Significant spike in FUZE inquiries from the Benefits Administrators (BAs) to the Outreach and Training team
- Implemented short-term strategies to respond to BAs timely
- Looking at long-term staffing level:
  - Good news!
  - The Governor's budget supports additional staff which will help with monitoring daily FUZE and trends

# Questions?

Renee Bourbeau  
Benefits Accounts Section Manager  
Employees and Retirees Benefits Division

[Renee.Bourbeau@hca.wa.gov](mailto:Renee.Bourbeau@hca.wa.gov)

**TAB 8**



# Governor's Proposed Budget Update SEBB

Tanya Deuel  
ERB Finance Manager  
Financial Services Division  
January 28, 2021



# SEBB Funding Rate

- \$1,011 Funding Rate (2021-2022 School Year)
- \$1,051 Funding Rate (2022-2023 School Year)
  - Per eligible employee per month
  - Adequate to maintain current level of benefits

*\*Initial Governor's budget bill states FY, but intent is SY*

# Covered Lives Assessment

- The Legislature intends to fund foundational public health services in order to strengthen the public health system
  - Assessment of \$3.25 per covered life in Washington State in FY23 (pro rata share thereafter)
  - Funding was provided in Governor's budget to districts in addition to the funding rate and will be collected by HCA

# Collective Bargaining Agreement

- Employer Medical Contribution (EMC) remains at 85% of UMP Achieve 2
  - *“The Employer Medical Contribution (EMC) will be an amount equal to eighty-five percent (85%) of the monthly premium for the self-insured SEBB-branded Uniform Medical Plan (UMP) with an estimated value of eighty-eight percent (88%).”*
- Wellness deductible incentive increased to \$125
  - Eligible employees who are enrolled as a subscriber in a SEBB medical plan will have the option to earn an annual one hundred twenty-five dollar (\$125) wellness incentive in the form of a reduction in the medical deductible or deposit into the Health Savings Account

# 2021-23 Biennium Fully Funded Decision Packages

Title	FTE	Dollar
<b>TPA Spending Authority</b> Increased spending authority to align with the increased self-insured medical and dental enrollment	NA	\$6.1M
<b>UMP Member Support Staff</b> FTE to provide support for member escalated issues due to higher UMP enrollment than originally projected	1 FTE	\$261K

# 2021-23 Biennium (*cont.*) Fully Funded Decision Packages

Title	FTE	Dollar
<b>Scheduling Tool Replacement</b> Funds to replace the staff scheduling tool for the customer service center	NA	\$15K
<b>Benefit Administrator Customer Support</b> Increase Outreach & Training staffing levels to support the districts	2.5 FTE	\$524K

# Questions?

Tanya Deuel, ERB Finance Manager  
Financial Services Division  
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**TAB 9**



# 2021 Legislative Session

Cade Walker  
Executive Special Assistant  
Employees & Retirees Benefits (ERB) Division  
January 28, 2021

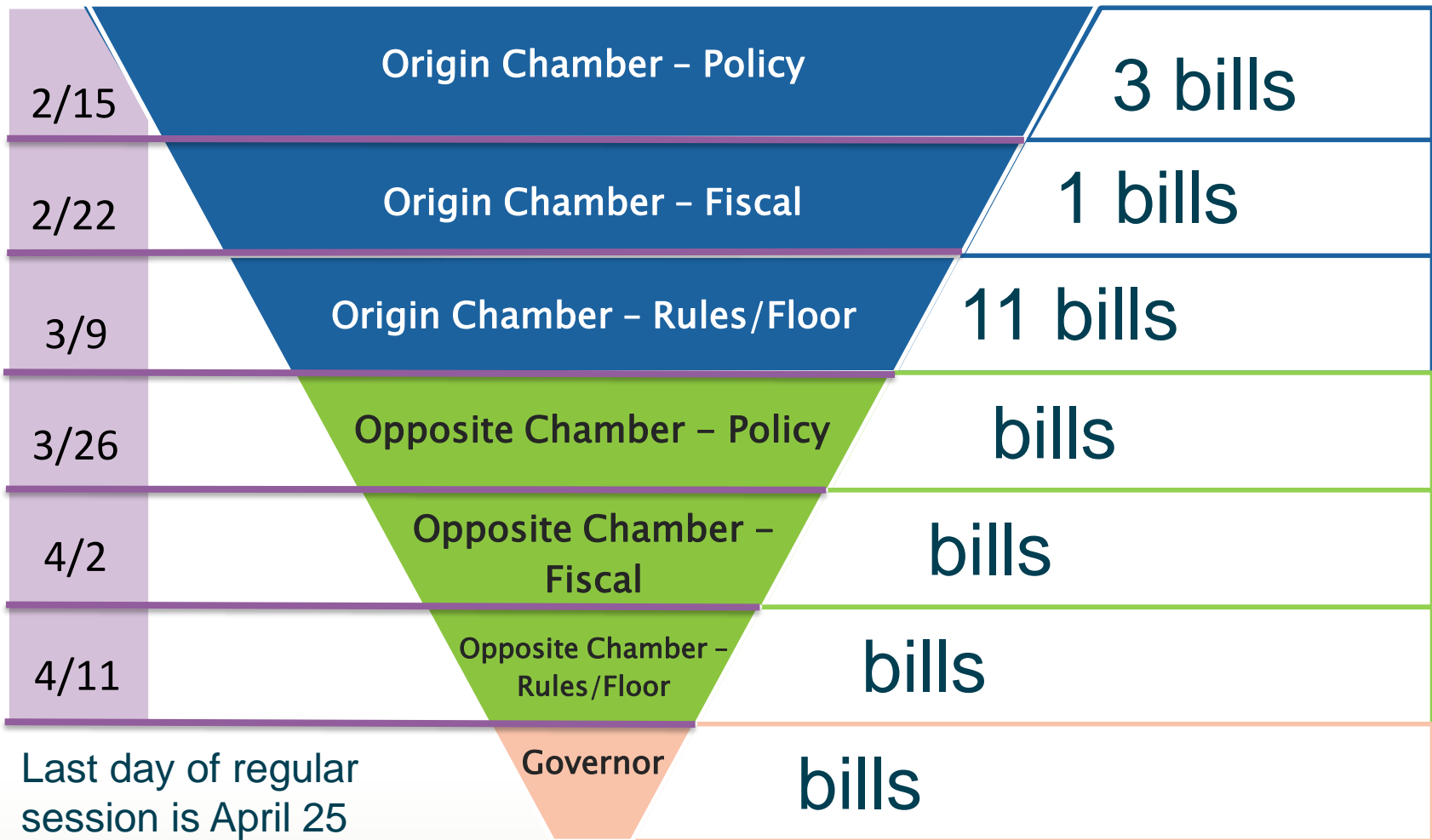


# Number of 2021 Bills Analyzed by ERB Division

	ERB Lead	ERB Support	
High Impact	4	4	8
Low Impact	1	13	14
	5	17	22

*As of January 20, 2021*

# 2021 Legislative Session – ERB high lead bills



# Agency Request Legislation

- SB 5322: Clarifying the prohibiting of dual enrollment between SEBB and PEBB Programs
  - Sponsored by Senator Robinson
  - Clarification to 2020 ESSB 6189(4)
  - Would require an eligible member to enroll in the health benefits (medical/dental/vision) in a single program
  - Currently, state law prohibits dual enrollment but it is unclear whether an eligible member could enroll in a combination of health benefits from the two programs

# HB 1052 – Group Insurance Contracts

- HCA submitted written testimony in support
- Aligns the insurance code with long-standing HCA statutory requirements that state agencies engage in performance-based contracting
- Performance standards (or performance guarantees) allow HCA to hold carriers accountable for service to PEBB/SEBB Program members
- Examples:
  - Health care claim processing timeliness/accuracy
  - Customer service metrics



# Topical Areas of Introduced Legislation

- Paid Family & Medical Leave
  - HB 1073
  - SB 5097
- Pharmacy
  - SB 5020 – Rx drug price increases
  - SB 5076 – Mail order Rx services
  - SB 5195 – Opioid overdose medication
- Eligibility
  - HB 1040 – Health care coverage for retired or disabled school employees



# Topical Areas of Introduced Legislation (*cont.*)

- Provider/health care services
  - SB 5018 – Acupuncture and Eastern medicine
  - SB 5088 – Naturopath scope of practice
  - SB 5222 – ARNP reimbursement rates
- Expanded Durable Medical Equipment (DME)
  - HB 1047 – Hearing instruments for children
- Open Public Meetings Act
  - HB 1056 – Public meetings/emergencies



# Questions?

Cade Walker, Executive Special Assistant  
Employees and Retirees Benefits Division

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**TAB 10**



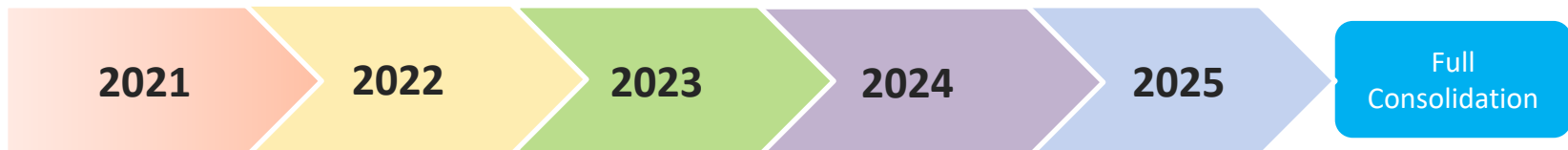


# PEBB/SEBB Consolidation Report

Sara Whitley  
Fiscal Information and Data Analyst  
Financial Services Division  
January 28, 2021

# PEBB/SEBB Consolidation Report

- ESHB 1109 – submitted to Legislature 11/13/2020
  - Required an analysis of the potential fiscal impacts and administrative efficiencies of consolidating the PEBB and SEBB Programs.
  - Requested steps to reach consolidation by 2022. However, analysis of timeline, and what full consolidation would entail, revealed full consolidation could result by 2025.
    - Collective Bargaining schedule (2022 and 2024)
    - Timing of any required Legislative or Board action



Link to report: <https://www.hca.wa.gov/assets/program/consolidation-pebb-sebb-20201115.pdf>

# Analysis of potential fiscal impacts

## Potentially minor fiscal impact

### Alignment of Plan Offerings

Addition of SEBB plans to the PEBB portfolio

### Alignment of Tier Factors

Adjustment of Tier 4 factor to match SEBB, removal of \$10 spousal charge

### Alignment of Vision Benefit\*

Analyzed the impact of vision benefit carve-in or carve-out of medical benefit

## Potentially significant fiscal impact

### Consolidated Non-Medicare Risk Pool

Consolidation of PEBB and SEBB non-Medicare risk pools to include all early retirees

### Alignment of Employee/Employer Contribution Structure\*

Move to an SIR or EMC methodology for both programs

\*Impacted by Collective Bargaining Agreements

# Analysis of potential administrative efficiencies\*

Potentially minor increase to administrative efficiency

**Alignment of Accounting Processes**

**Contract and Carrier Management\*\***

Potentially significant increase to administrative efficiency

**Consolidation of PEB and SEB Boards**

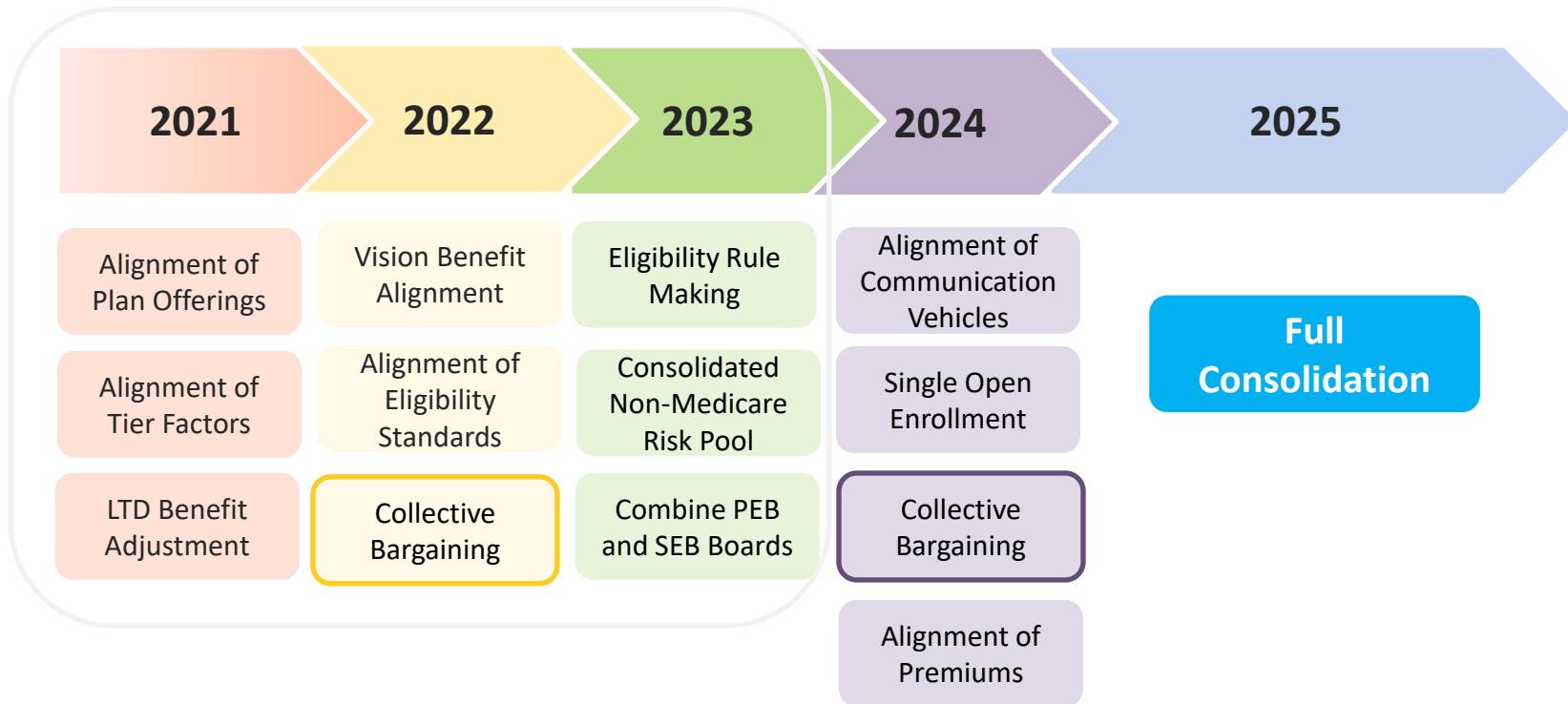
**Enrollment and Eligibility Processes**

**Communication Vehicles**

\*Not an exhaustive list, please see the report for additional potential administrative efficiencies of consolidation.

\*\*Parallels currently exist between PEBB and SEBB Contracts, established via initial procurement to encourage effective and efficient Carrier Management.

# Consolidation Roadmap - Summary



# Consolidation Roadmap – Detail



	<u>Legislative Action</u>	<u>Collective Bargaining*</u>	<u>PEB/SEB Board Action</u>
<b>2021</b>			<ul style="list-style-type: none"> <li>• LTD Supplemental Benefit Adjustment</li> <li>• Possible Adjustment of PEBB Tier 4 Factor, \$10 Spousal Charge (PEBB only)</li> <li>• Plan Offering Alignments</li> </ul>
<b>2022</b>	<ul style="list-style-type: none"> <li>• Alignment of Eligibility Standards Between Programs</li> <li>• Direction from Legislature for 2022 Bargaining Sessions</li> </ul>	<ul style="list-style-type: none"> <li>★ Align Collective Bargaining Processes</li> <li>★ Align SIR/EMC Methodologies</li> <li>★ Alignment of Vision Benefits in PEBB &amp; SEBB</li> </ul>	<ul style="list-style-type: none"> <li>• Alignment of Vision Benefits in PEBB &amp; SEBB</li> </ul>
<b>2023</b>	<ul style="list-style-type: none"> <li>• Consolidated Non-Medicare Risk Pool</li> <li>• Combine PEB and SEB Boards</li> </ul>		<ul style="list-style-type: none"> <li>• Eligibility Rule Making</li> </ul>

\*Collective Bargaining for both PEBB and SEBB occurs biannually (even years, Summer)

# Questions?

Link to Report:

<https://www.hca.wa.gov/assets/program/consolidation-pebb-sebb-20201115.pdf>

Sara Whitley

Fiscal Information and Data Analyst

Financial Services Division

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**TAB 11**





# SEBB Medical Portfolio

Lauren Johnston  
SEBB Procurement Manager  
Employees & Retirees Benefits Division  
January 28, 2021

# Objectives

- Discuss the number of current plans being offered within the SEBB medical plan portfolio
- Review plan service areas
- Review enrollment numbers and enrollment trends

# 2021 SEBB Medical Plan Service Areas



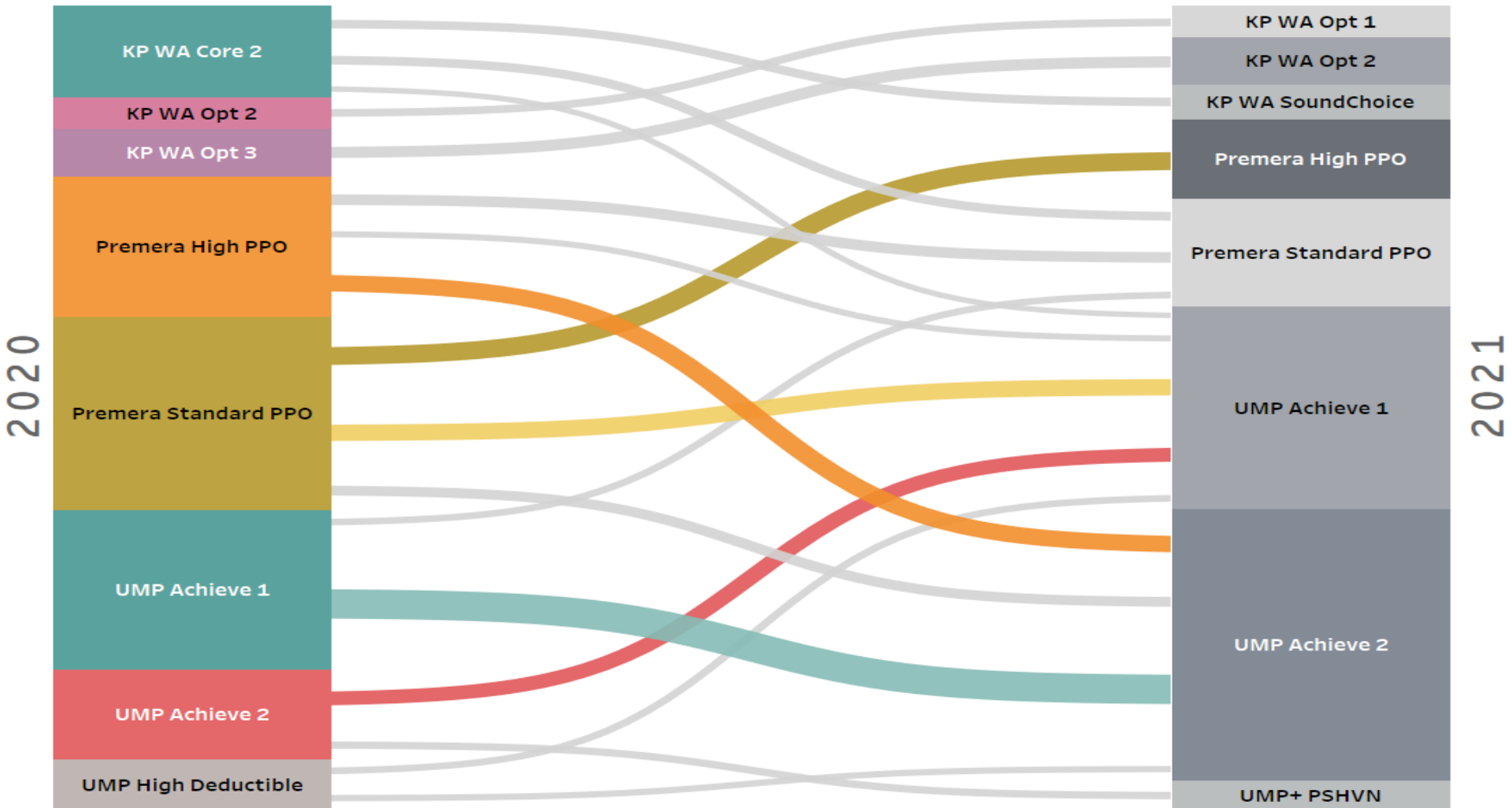
- Kaiser NW
- Kaiser WA
- Kaiser WA Options
- Premera
- Uniform Medical Plan

# SEBB Plans with Enrollment

## Total Enrollees

Plan Name	Pre-OE Enrollment	Enrollment January 2021	Change in Numbers	% Change
KPNW 1	1,436	1,410	-26	-1.8%
KPNW 2	3,659	3,719	60	1.6%
KPNW 3	4,411	4,336	-75	-1.7%
KPWA Core 1	3,769	3,727	-42	-1.1%
KPWA Core 2	18,752	19,011	259	1.4%
KPWA Core 3	4,680	4,388	-292	-6.2%
KPWA SoundChoice	28,118	28,346	228	0.8%
KPWA Opt 1	6,460	6,782	322	5.0%
KPWA Opt 2	11,888	11,675	-213	-1.8%
KPWA Opt 3	16,451	15,526	-925	-5.6%
Premera High PPO	28,964	28,991	27	0.1%
Premera Peak Care EPO	1,679	1,529	-150	-8.9%
Premera Standard PPO	34,224	33,851	-373	-1.1%
UMP Achieve 1	30,191	30,702	511	1.7%
UMP Achieve 2	43,752	45,802	2050	4.7%
UMP High Deductible	12,868	12,913	45	0.3%
UMP Plus - PSHVN	3,321	4,054	733	22.1%
UMP Plus - UW Medicine	3,738	4,112	374	10.0%

# 2021 Open Enrollment Plan Switching



\* A total of 8,436 Subscribers switched plans.

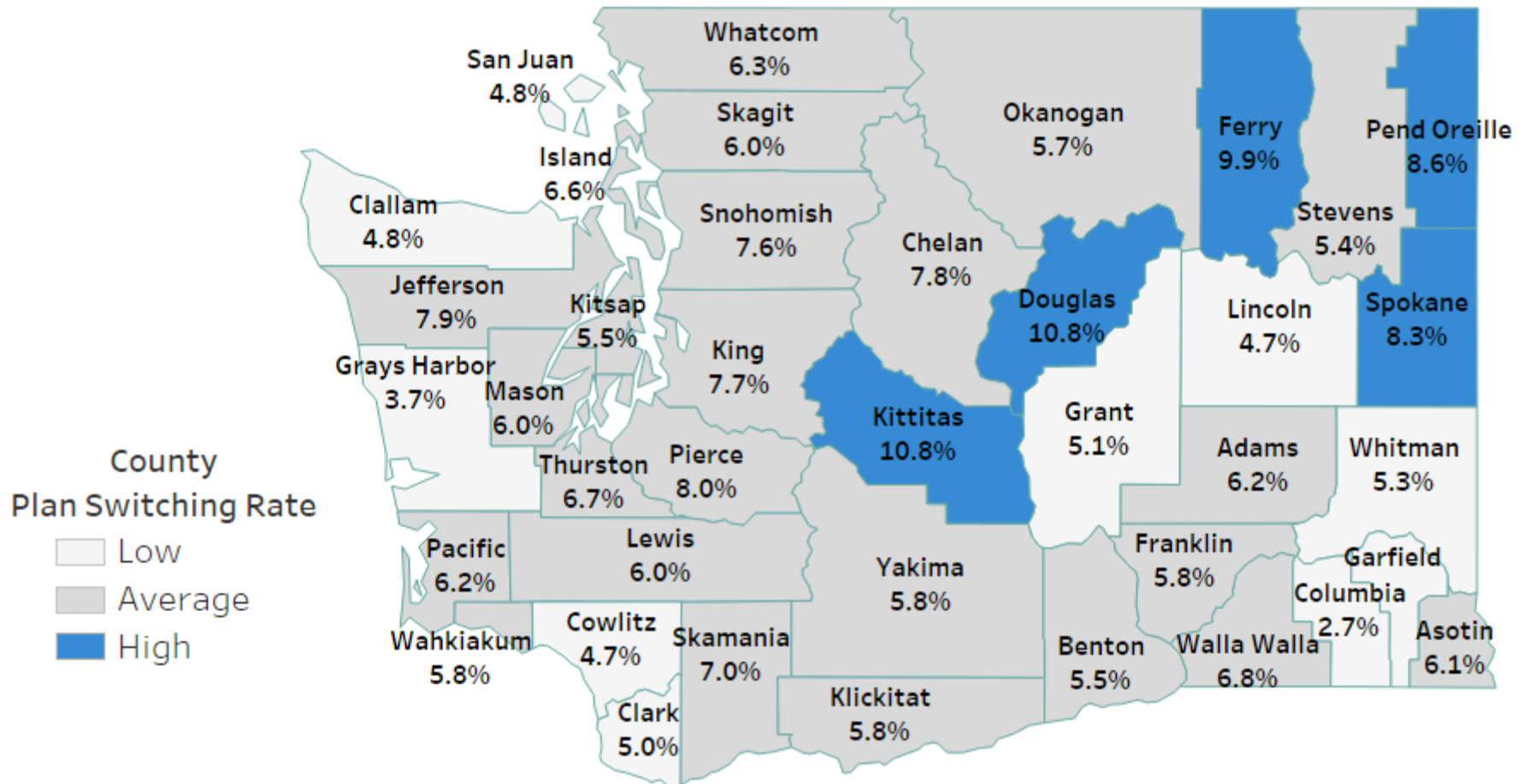
\* Visual includes switches only greater than a volume of 90.

# Top Four Plan Changes

Four out of the five highest volume switching trends were from higher deductible level plans to lower deductible level plans.

EMPLOYEE ONLY				
Original Plan	Original Plan Deductible	Premium Difference of New Plan	New Plan Deductible	New Plan
Premera Standard PPO	\$1,250	+\$5/mo +\$60/yr	\$750	UMP Achieve 1
Premera High PPO	\$750	+\$22/mo +\$264/yr	\$250	UMP Achieve 2
Premera Standard PPO	\$1,250	+\$48/mo +\$576/yr	\$750	Premera High PPO
UMP Achieve 1	\$750	+\$65/mo +\$780/yr	\$250	UMP Achieve 2

# Plan Switching – by County



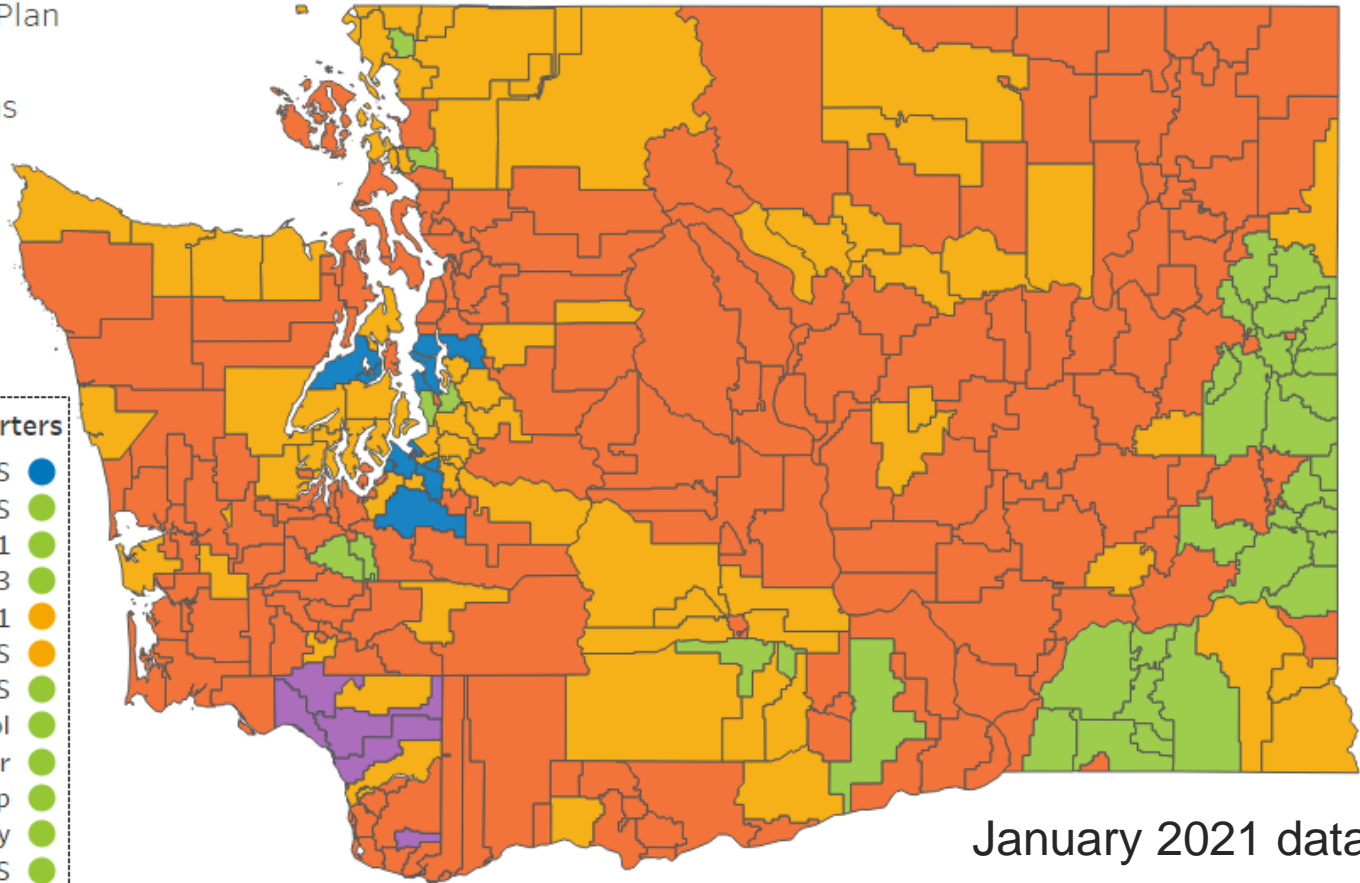
Statewide Average = 6.8%

© 2020 Mapbox © OpenStreetMap

# Most Popular Carrier in Each School District

## Carrier Color Key

- Uniform Medical Plan
- Premera
- Kaiser WA Options
- Kaiser WA
- Kaiser NW



## ESDs and Charters

- Cascade PS ●
- Catalyst PS ●
- ESD 101 ●
- ESD 113 ●
- ESD 121 ●
- Green Dot PS ●
- Impact PS ●
- Lumen High School ●
- PRIDE Prep Charter ●
- Rainier Prep ●
- Spokane Intl. Academy ●
- Summit PS ●
- Willow Public Charter ●

January 2021 data

Popularity based on all enrolled SEBB Program members



## Portfolio Discussion

- 2022 RFR will include questions to the carriers regarding their desire to eliminate any of their plans for 2022 and gauging their perspective
- Would you like additional information, or do you have specific questions you would like to propose in the RFR?

# Questions?

Lauren Johnston

SEBB Procurement Manager

Employees and Retirees Benefits Division

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# Appendix

# 2021 Open Enrollment Plan Switching

Plan Name	Switching Out	Switching In	Net Change
KPNW 1	59	41	-18
KPNW 2	80	89	+9
KPNW 3	72	66	-6
KPWA Core 1	228	165	-163
KPWA Core 2	701	554	-147
KPWA Core 3	198	87	-111
KPWA SoundChoice	605	642	+37
KPWA Opt 1	308	414	+106
KPWA Opt 2	529	473	-56
KPWA Opt 3	623	276	-347
Premera High PPO	952	906	-46
Premera Peak Care EPO	172	112	-60
Premera Standard PPO	1,320	850	-470
UMP Achieve 1	1,241	1,077	-164
UMP Achieve 2	644	1,633	+989
UMP High Deductible	392	334	-58
UMP Plus – PSHVN	189	469	+280
UMP Plus – UW Medicine	122	247	+125

# 2021 SEBB Medical Plans

Plan Name	Premium	Deductible Level	OOP* Max	AV Level
Kaiser Permanente NW 1	\$39	\$1,250	\$2,000	82.95%
Kaiser Permanente NW 2	\$52	\$750	\$3,500	85.26%
Kaiser Permanente NW 3	\$119	\$125	\$2,000	90.15%
Kaiser Permanente WA Core 1	\$16	\$1,250	\$4,000	83.62%
Kaiser Permanente WA Core 2	\$21	\$750	\$3,000	86.40%
Kaiser Permanente WA Core 3	\$91	\$250	\$2,000	90.05%
Kaiser Permanente WA Opt 1	\$66	\$1,250	\$4,500	82.94%
Kaiser Permanente WA Opt 2	\$97	\$750	\$3,500	85.82%
Kaiser Permanente WA Opt 3	\$146	\$250	\$2,500	89.25%
Kaiser Permanente WA SoundChoice	\$51	\$125	\$2,000	91.62%
Premera High PPO	\$76	\$750	\$3,500	85.32%
Premera Peak Care EPO	\$37	\$750	\$3,500	84.52%
Premera Standard PPO	\$28	\$1,250	\$5,000	80.59%
UMP Achieve 1	\$33	\$750	\$3,500	83.71%
UMP Achieve 2	\$98	\$250	\$2,000	88.57%
UMP ACP – PSHVN	\$68	\$125	\$2,000	90.51%
UMP ACP – UW Medicine	\$68	\$125	\$2,000	90.51%
UMP High Deductible	\$25	\$1,400	\$4,200	84.86%

\*Out of Pocket

**TAB 12**



# Life & Long-Term Disability Insurance Update

Kimberly Gazard  
Contract Manager  
Employees and Retirees Benefits (ERB) Division  
January 28, 2021

# Overview

- **Life Insurance**
  - 2020 Beneficiary Designation Solicitation
  - HCA will kick off a “beneficiary designation” communication plan
  
- **Long-Term Disability (LTD)**
  - Background on the need to improve the LTD benefit
  - Areas previously explored to improve disability coverage
  - Discuss the option of a new benefit design
  - The timeline for presentation and voting



# Life Insurance Beneficiary Campaign

- Campaign spread out over 2 weeks/10 working days starting 7/30/2020
- 64,293 subscribers took action with updating their beneficiaries
- The count of coverages still without a beneficiary designation are:
  - Basic Life: 97,404
  - Basic AD&D: 97,607
  - Supplemental Life: 194
  - Supplemental AD&D: 141

# Life Insurance Beneficiary Communication Strategies

- HCA will be planning in the first quarter of 2021 more strategies on how to increase beneficiary designation
- HCA has completed two strategies to increase beneficiary designations as of today:
  - Created a SmartHealth tile that awards points to subscribers who name a beneficiary
  - Life Insurance beneficiary campaign completed July/August 2020

# LTD Comparison from 1977 to 2020

- SEBB LTD plan mirrors the PEBB LTD plan
- The \$240 PEBB (and, thus, the \$400 SEBB) Basic LTD monthly benefit has not changed since 1977
  - In 1977 the median household income in the US was \$13,570 compared to \$74,073 in Washington State in 2018
- While household income has increased 445% during the last 43 years, the Basic LTD benefit has not
- The majority of subscribers are faced with a monthly LTD benefit of only \$400/month when they experience a disability that prevents them from working

## Areas previously explored to improve disability coverage

- During initial program benefits development, described benefit trades that could be made between benefits within anticipated funding
- Requested additional funding during the 2020 session to increase the basic benefit to a maximum monthly benefit of \$1,500
  - Estimated cost to the state for SEBB = approximately \$8 Million
  - No additional funding to increase the basic benefit
- Offered an enrollment period without evidence of insurability throughout the 2020 plan year
- We are proposing an opt-out design for new hires and existing SEBB Program subscribers. SEBB Program subscribers would have the option to opt-out of this design at any time.

# Proposed New Benefit Design Overview

- All subscribers 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 increase coverage evidence of insurability would be required
- If a subscriber opts-out of coverage, there would still be minimum coverage provided (employer paid coverage up to a \$400/month benefit)

## Proposed New Benefit Design Overview (*cont.*)

- Subscriber would have premiums deducted from their pay each month
- Benefit Waiting Period (whichever duration is greater):
  - 90 days
  - The period of sick leave (excluding shared leave) for which you are eligible under your employer's sick leave, paid time off (PTO), or other salaried continuation plan (excluding vacation leave), and/or
  - The period of Washington Paid Family and Medical Leave for which you are receiving benefits
- The minimum monthly benefit would stay "\$100 or 10% of the LTD benefit before deductible income reduction, whichever is greater"

# Proposed Opt-out Supplemental LTD Starting January 1, 2022

- Existing subscribers
  - All SEBB Program subscribers ***not already enrolled*** in supplemental Long-Term Disability (LTD) coverage
  - Subscriber would receive a letter in fall 2021 letting them know they are being auto-enrolled in Supplemental LTD (90-day benefit waiting period & 60% plan)
  - Evidence of Insurability (EOI) will not be required for the Opt-out transition
    - The Standard has agreed to allow prior EOI declines under the Opt-out design
  - First payroll deduction in January 2022
  - Subscribers can opt-out but would be subject to EOI if they choose to re-enroll. The cancellation/termination would be effective the first day of the month following the termination date.

# Proposed Opt-out Supplemental LTD Starting January 1, 2022 (*cont.*)

- New hires
  - SEBB Program subscribers **would be automatically enrolled** (90-day benefit waiting period & 60% plan)
  - New hires would receive a letter letting them know they have their 31-day new hire period to opt-out
    - Coverage would be effective the first calendar day of the following month (similar to all other benefits election)
  - Subscribers can opt-out but would be subject to EOI if they choose to re-enroll. The cancellation/termination would be effective the first day of the month following the termination date.



# Additional Supplemental LTD Plan

- Offering a 50% buy down plan with a 90-day benefit waiting period
  - This would be an **additional plan option** to the SEBB Supplemental LTD portfolio
  - The 50% buy down plan is administrated in the same manner as the 60% plan but offers the flexibility of insuring 50% of insured earnings with lower premium rates
  - SEBB Program subscribers enrolled in the 50% buy down plan can also opt out at any time.
  - 60% plan will remain the default plan for the opt-out design

# Preliminary Proposed Supplemental LTD Rates

	Age	Current Rates	60% Default Plan	50% Buy Down Plan	Rate difference compared to Current	
					60% Plan	50% Plan
<b>Basic LTD (PMPM)</b>		\$2.10	\$2.10	\$2.10		
<b>Supplemental</b>	<b>0-29</b>	0.14	0.11	0.07	-21%	-51%
	<b>30-34</b>	0.19	0.15	0.09	-19%	-51%
	<b>35-39</b>	0.29	0.23	0.14	-21%	-53%
	<b>40-44</b>	0.41	0.32	0.20	-21%	-52%
	<b>45-49</b>	0.56	0.44	0.26	-21%	-53%
	<b>50-54</b>	0.77	0.60	0.37	-21%	-52%
	<b>55-59</b>	0.93	0.73	0.44	-21%	-52%
	<b>60-64</b>	0.96	0.76	0.45	-21%	-53%
	<b>65+</b>	0.98	0.78	0.47	-21%	-52%

\*Note: Rates & Design are subject to WA State Office of the Insurance Commissioner approval

# Calculating Supplemental LTD Premium

## 60% LTD Plan

(90-day benefit waiting period & Age 40)

Calculating a subscriber's insured monthly pre-disability earnings

Example 2:

<b>Monthly Earnings</b>		<b>\$7,500</b>
	(\$90,000 ÷ 12 months)	
<b>Rate (0.0032)</b>	x	<b>0.0032</b>
<b>Monthly Premium Due</b>		<b>\$24.00</b>

## 50% LTD Plan

(90-day benefit waiting period & Age 40)

Calculating a subscriber's insured monthly pre-disability earnings

Example 2:

<b>Monthly Earnings</b>		<b>\$7,500</b>
	(\$90,000 ÷ 12 months)	
<b>Rate (0.0020)</b>	x	<b>0.0020</b>
<b>Monthly Premium Due</b>		<b>\$15.00</b>

# Board Action & Rule Making Timeline

- |              |  |
|--------------|--|
| March 2021   | SEB Board Introduction to proposed policy resolutions                          |
| April 2021   | SEB Board acts on policy resolution  |
| May 2021     | File proposed amendments (CR-102) and distribute new rules for public comments |
| June 2021    | Conduct public hearing and adopt final rules (CR-103)                          |
| January 2022 | Adopted rules will be effective January 1, 2022                                |

# Questions?

Kimberly Gazard, Contract Manager  
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**TAB 13**



# Optional Benefits

Cade Walker  
Executive Special Assistant  
Employees & Retirees Benefits (ERB) Division  
January 28, 2021

# Overview

- Review of HB 2458
- Timeline
- Recap of 2020 optional benefits survey results
- Plan for engaging with districts on optional benefits
- Action items



# HB 2458 (2020)

- Prohibits school districts from offering *any form* of basic or optional benefits that compete the benefits offered by SEBB or under the authority of HCA.
- Delineates optional benefits school districts may offer if not otherwise offered by SEBB and authorizes SEBB to study and offer (subject to funding) the same delineated benefits. Benefits must be voluntary and employee-paid (school district VEBA may continue to be funded by employers).
- Requires school districts, carriers, and HCA to work together to modify, remove, or discontinue any district-based benefit that competes with SEBB/HCA offered benefit.

## HB 2458 (2020) (*cont.*)

- Delineated benefits:
  - Emergency transportation;
  - Identity protection;
  - Legal aid;
  - Long-term care insurance;
  - Noncommercial personal automobile insurance;
  - Personal homeowner's or renter's insurance;
  - Pet insurance;
  - Specific disease, illness-triggered, hospital confinement, or other fixed payment insurance;
  - Travel insurance; and
  - Voluntary employees' beneficiary association (VEBA) accounts.
- The SEB Board has the authority to study and offer, but is not required to do either.

# Annual Timeline

- November/December: School districts are required to report optional benefits by December 1 of each year
  - Survey for reporting optional benefits to go out November 1, one month in advance of due date
- January/February: Results presented at SEB Board Retreat for consultation purposes
  - Trends
  - Identify competing benefits
  - Next steps
- February – August: Engage with school districts and carriers to modify or remove competing components of benefit or end the district-based offering

# December 2020 Optional Benefits Survey Results

- 184 of 304 SEBB Organizations submitted responses
- 464 optional benefits reported
- 10 different benefit types (not including “other”)
- 26 SEBB Organizations reported at least one benefit that likely competes with SEB Board/HCA offerings:
  - 18 - Disability
  - 7 - Life insurance
  - 6 - AD&D
  - 3 - DCAP

# December 2020 Optional Benefits Survey Results (*cont.*)

- School Districts benefits reported:
  - 108 – VEBA
  - 60 – Annuity
  - 52 – EAP
  - 28 – Cancer/Intensive Care
  - 23 – Legal
  - 15 – Pet insurance
  - 15 – Identity protection
  - 9 – Gym memberships
  - 8 – Emergency transportation
  - 2 - Disaster

# Plan for Engaging with School Districts

- 26 school districts may be offering a potentially competing benefit
- E-mail to be sent to whomever submitted the survey on behalf of a district to let them know that the district may be offering a competing benefit and we will be working with them to resolve any conflict
  - Determine with the district/carrier whether the benefit can be appropriately modified, or discuss timeline for retiring the benefit
- It is anticipated that the competing optional benefits are resolved prior to the start of the next school year whenever possible



# Questions?

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# APPENDIX



# 2019 Optional Benefits Survey Results

- 267 of 304 SEBB Organizations submitted responses
- 717 optional benefits reported
- 23 different benefit types (not including “other”)
- 19 SEBB Organizations reported at least one benefit that likely competes with SEB Board/HCA offerings\*:
  - 11 - Life insurance
  - 8 - Disability
  - 8 - Accidental death & dismemberment
  - 6 - Flexible Spending Arrangement (FSA)
  - 3 - Dependent Care Assistance Program (DCAP)

\* In accordance with HB 2458, this does not include specific disease, illness-triggered, hospital confinement, or other fixed payment insurance as these are not currently offered by the SEB Board or HCA.