

# **School Employees Benefits Board Meeting**

**March 3, 2022**

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## School Employees Benefits Board

March 3, 2022

9:00 a.m. – 11:00 a.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**  
**March 3, 2022**  
**9:00 a.m. – 11:00 a.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	
9:05 a.m.	<b>Meeting Overview</b>		Dave Iseminger, Director Employees & Retirees Benefits (ERB) Division	Information
9:10 a.m.	<b>Follow Up from Retreat</b>		Dave Iseminger, Director ERB Division	Information/ Discussion
9:15 a.m.	<b>2022 Legislative Session Update</b>	TAB 3	Cade Walker, Executive Special Assistant, ERB Division	Information/ Discussion
9:35 a.m.	<b>2022 Supplemental Budget Update</b>	TAB 4	Tanya Deuel, ERB Finance Manager Financial Services Division	Information/ Discussion
9:50 a.m.	<b>Eligibility and Enrollment Policy Development</b>	TAB 5	Emily Duchaine, Regulatory Analyst Policy, Rules, & Compliance Section ERB Division	Information/ Discussion
10:05 a.m.	<b>UMP Pharmacy Benefit Management (PBM) Update</b>	TAB 6	Jenny Switzer, Senior Moda Account Manager Portfolio Management & Monitoring Section, ERB Division	Information/ Discussion
10:20 a.m.	<b>2024 Uniform Dental Plan (UDP) Benefit Design Introduction</b>	TAB 7	Ellen Wolfhagen, Senior Account Manager Portfolio Management & Monitoring Section, ERB Division	Information/ Discussion
10:45 a.m.	<b>Public Comment</b>			
10:55 a.m.	<b>Closing</b>		Lou McDermott, Chair	
11:00 a.m.	<b>Adjourn</b>			

**\*All Times Approximate**

The School Employees Benefits Board will meet Thursday, March 3, 2022. Due to COVID-19 and out of an abundance of caution, all Board Members and 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.

To provide public comment by email, direct e-mail to: [board@hca.wa.gov](mailto:board@hca.wa.gov).

Materials posted at: <http://www.pebb.hca.wa.gov/board/> by close of business on February 28, 2022.

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[Join Zoom Meeting](#)

Join Zoom Meeting

<https://zoom.us/j/93251945400?pwd=bk03U3RVUHRGYk5pQ3ZEBG9DcnduUT09>

Meeting ID: 932 5194 5400

Passcode: 202490

One tap mobile

+12532158782,,93251945400#,,,,\*202490# US (Tacoma)

+13462487799,,93251945400#,,,,\*202490# US (Houston)

Dial by your location

+1 253 215 8782 US (Tacoma)

+1 346 248 7799 US (Houston)

+1 669 900 6833 US (San Jose)

+1 301 715 8592 US (Washington DC)

+1 312 626 6799 US (Chicago)

+1 929 205 6099 US (New York)

Meeting ID: 932 5194 5400

Passcode: 202490

Find your local number: <https://zoom.us/u/acag9KVlcp>

## 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:SEBBoard@hca.wa.gov">SEBBoard@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:SEBBoard@hca.wa.gov">SEBBoard@hca.wa.gov</a>	Classified Employees
Dan Gossett 603 Veralene Way SW Everett, WA 98203 C 425-737-2983 <a href="mailto:SEBBoard@hca.wa.gov">SEBBoard@hca.wa.gov</a>	Certificated Employees

## SEB Board Members

Name	Representing
Pamela Kruse 6440 Lake Saint Clair DR SE Olympia, WA 98513 V 360-790-0995 <a href="mailto:SEBBoard@hca.wa.gov">SEBBoard@hca.wa.gov</a>	Certificated Employees
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Alison Poulsen 12515 South Hangman Valley RD Valleyford, WA 99036 C 509-499-0482 <a href="mailto:SEBBoard@hca.wa.gov">SEBBoard@hca.wa.gov</a>	Employee Health Benefits Policy and Administration
<b>Legal Counsel</b>	
Katy Hatfield, Assistant Attorney General 7141 Cleanwater Dr SW PO Box 40124 Olympia, WA 98504-0124 V 360-586-6561 <a href="mailto:Katy.Hatfield@atg.wa.gov">Katy.Hatfield@atg.wa.gov</a>	

2/22/22



STATE OF WASHINGTON  
**HEALTH CARE AUTHORITY**

626 8th Avenue SE • PO Box 45502 • Olympia, Washington 98504-5502

**SEB BOARD MEETING SCHEDULE**

**2022 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 27, 2022 - 9:00 a.m. – 4:00 p.m.

March 3, 2022 - 9:00 a.m. – 2:00 p.m.

April 7, 2022 - 9:00 p.m. – 2:00 – p.m.

May 5, 2022 - 9:00 a.m. – 2:00 p.m.

June 2, 2022 - 9:00 a.m. – 2:00 p.m.

June 23, 2022 - 9:00 a.m. – 2:00 p.m.

July 7, 2022 - 9:00 a.m. – 2:00 p.m.

July 21 2022 - 9:00 a.m. – 2:00 p.m.

July 28, 2022 - 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

7/16/21

OFFICE OF THE CODE REVISER  
STATE OF WASHINGTON  
FILED

DATE: July 16, 2021

TIME: 2:29 PM

WSR 21-15-080



**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**



# 2022 Legislative Session Update

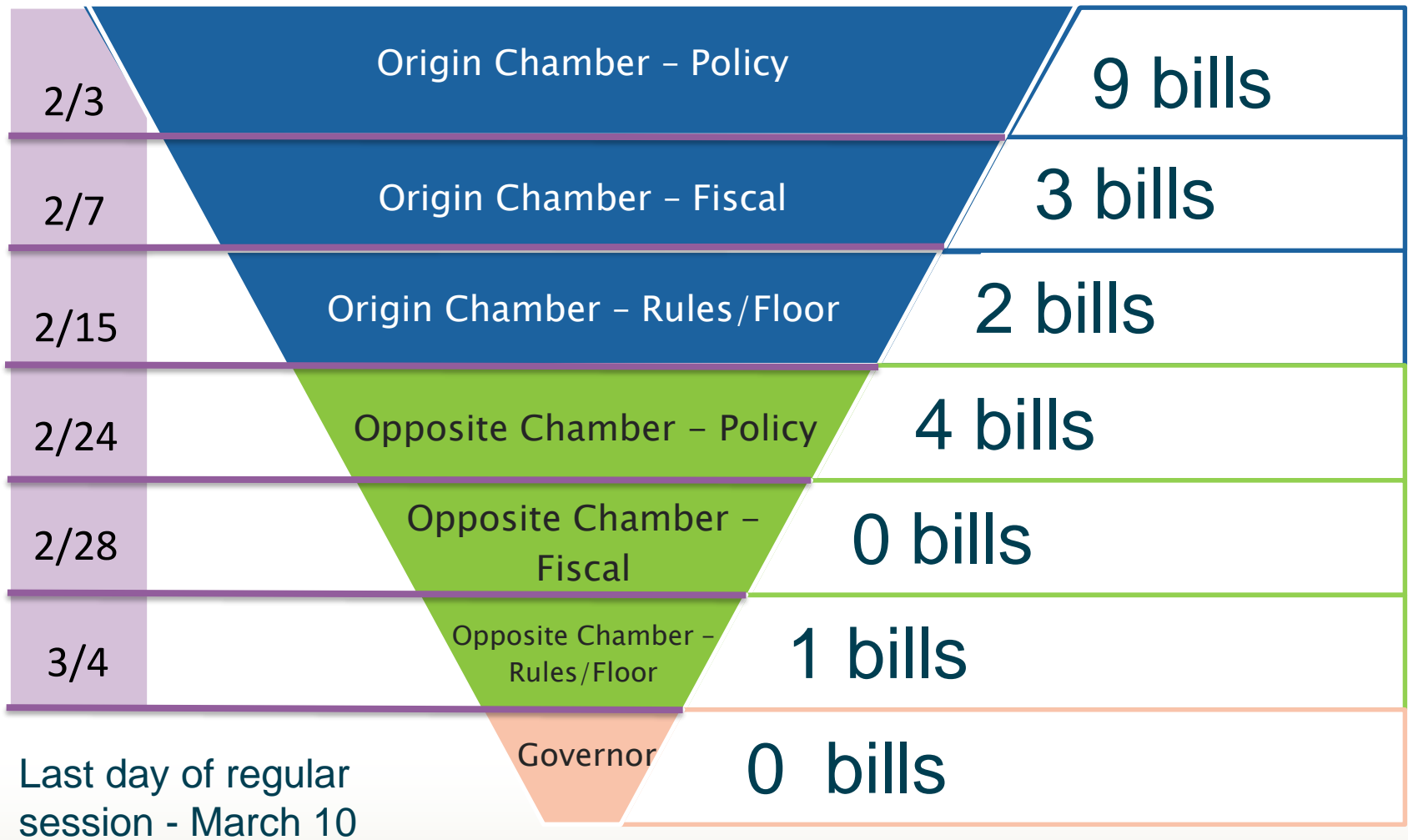
Cade Walker, Executive Special Assistant  
Employees and Retirees Benefits (ERB) Division  
March 3, 2022

# Number of 2022 Bills Analyzed by ERB Division

	ERB Lead	ERB Support	
High Priority	27	22	49
Low Priority	10	91	101
	37	113	150

As of 2/23/22

# 2022 Legislative Session – ERB High Lead Bills





# Topical Areas of Introduced Legislation

## PEBB/SEBB Programs

- HB 1052 (2021) – Performance guarantees
  - Reintroduced and passed to Senate
- ~~1757/5562~~ – ESD employee health care

## Retirees

- ~~1911/5700~~ – Plan 2 members/insurance
  - Plan 2 members included in definition of “separated employee” in RCW 41.05.011

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

## Rx

- ~~1713~~/5610 – Rx drug cost sharing
- ~~1813~~ – Pharmacy Choice
- ~~5794~~ – Behavioral health Rx drugs

## Durable Medical Equipment (DME)

- ~~1854~~ – Hearing instruments coverage

## Insurance

- 1688 – Out-of-network charges
- ~~5704~~ – ARNP reimbursement rate

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

## Medical Services

- 1688/~~5618~~ – Biomarker testing
- ~~1939~~ – Colonoscopy coverage
- ~~1730/5647~~ – Fertility services
- 5702 – Donor breast milk coverage



# Questions?

Cade Walker, Executive Special Assistant  
Employees and Retirees Benefits Division

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

**TAB 4**



# 2022 Supplemental Budget Update SEBB

Tanya Deuel  
ERB Finance Manager  
Financial Services Division  
March 3, 2022

# Proposed Funding Rate

Per employee per month

Adequate to maintain current level  
of benefits

No significant concerns with funding  
rates and underlying assumptions

# SEBB Proposed Funding Rates

Governor Proposed	
Funding Rate	School Year
\$968*	2021-22
\$1,026	2022-23

Senate Proposed	
Funding Rate	School Year
\$968*	2021-22
\$1,026	2022-23

House Proposed	
Funding Rate	School Year
\$968*	2021-22
\$1,026	2022-23

\*Remains unchanged



# Proposed Budget Similarities

## (Governor, Senate, and House Proposed Budgets)

\$600K

**Customer Service Staff** - Funding for 4.5 FTEs is requested to address customer service responsiveness and program complexity within Portfolio Management.

\$1.4M

**Procurement Resources** - Funds are requested to maintain, enhance, and replace contracts with the SEBB Program.

\$350K

**Mental Health Parity** - Funding to complete an analysis of mental health benefits in the Uniform Medical Plan and implement necessary changes to comply with federal requirements.

\$970K

**IT Maintenance and Operations** - 5.0 FTEs to support basic maintenance and operations, and capacity for future enhancements to the SEBB My Account system.

# House Proposed Budget - Proviso Language

\$250,000 is provided for HCA to conduct a study of the Uniform Medical Plan administration. By June 30, 2023, HCA must prepare a report that includes:

- Administrative services provided prior to 2010, those that have been procured since and what elements could be provided by HCA or through discrete provider contracts
- Compare the administrative costs before and after the use of the current contract
- Assumptions on claims' impacts and performance guarantees
- An implementation plan for HCA to resume administration of all or some of the administrative services at the end of the current contract

# Questions?

Tanya Deuel, ERB Finance Manager  
Financial Services Division  
[Tanya.Deuel@hca.wa.gov](mailto:Tanya.Deuel@hca.wa.gov)

**TAB 5**



# Eligibility and Enrollment Policy Development

Emily Duchaine, Regulatory Analyst  
Policy, Rules, and Compliance Section  
Employees and Retirees Benefits Division  
March 3, 2022

# RCW 41.05.740(6)(c) & (d)

(6) The school employees' benefits board shall [...]

(c) Authorize premium contributions for a school employee and the employee's dependents in a manner that encourages the use of cost-efficient health care systems. For participating school employees, the required school employee share of the cost for family coverage premiums may not exceed three times the premiums for a school employee purchasing single coverage for the same coverage plan;

(d) Determine the terms and conditions of school employee and dependent eligibility criteria, enrollment policies, and scope of coverage. At a minimum, the eligibility criteria established by the school employees' benefits board shall address the following:

(i) The effective date of coverage following hire;

(ii) The benefits eligibility criteria, but the school employees' benefits board's criteria shall be no more restrictive than requiring that a school employee be anticipated to work at least six hundred thirty hours per school year to be benefits eligible; and

(iii) Coverage for dependents, including criteria for legal spouses; children up to age twenty-six; children of any age with disabilities, mental illness, or intellectual or other developmental disabilities; and state registered domestic partners, as defined in RCW [26.60.020](#), and others authorized by the legislature;

# RCW 41.05.050(4)(d)(i)

Beginning January 1, 2020, all school districts, represented employees of educational service districts, and charter schools shall commence participation in the school employees' benefits board program established under RCW [41.05.740](#). All school districts, represented employees of educational service districts, charter schools, and all school district employee groups participating in the public employees' benefits board plans before January 1, 2020, shall thereafter participate in the school employees' benefits board program administered by the authority. All school districts, represented employees of educational service districts, and charter schools shall provide contributions to the authority for insurance and health care plans for school employees and their dependents. These contributions must be provided to the authority for all eligible school employees eligible for benefits under RCW [41.05.740\(6\)\(d\)](#), including school employees who have waived their coverage; contributions to the authority are not required for individuals eligible for benefits under RCW [41.05.740\(6\)\(e\)](#) who waive their coverage.

# Uniformed Services Employment and Reemployment Rights Act (USERRA)

Title 20 Chapter IX Part 1002 Subpart D Health Plan Coverage § 1002.168

If the employee's coverage was terminated at the beginning of or during service, does his or her coverage have to be reinstated upon reemployment?

(a) If health plan coverage for the employee or a dependent was terminated by reason of service in the uniformed services, that coverage must be reinstated upon reemployment. An exclusion or waiting period may not be imposed in connection with the reinstatement of coverage upon reemployment, if an exclusion or waiting period would not have been imposed had coverage not been terminated by reason of such service.



# Introduction of Proposed Resolution

SEBB 2022-01      School Employees Returning to  
Work From Active Duty

## Proposed Resolution SEBB 2022-01

# School Employees Returning to Work From Active Duty

When a school employee who is called to active duty in the uniformed services under USERRA loses eligibility for the employer contribution toward SEBB benefits, they regain eligibility for the employer contribution toward SEBB benefits the day they return from active duty. Health plan coverage will begin the first day of the month in which they return from active duty.

# Proposed Resolution SEBB 2022-01

## Example #1

**Example:** Steve works at Roosevelt Middle School. He returned to his job on May 11, 2022, after six months of active duty. When Steve went on active duty, he was eligible for the employer contribution toward SEBB benefits.

- When are employer paid coverages reinstated?  
Employer paid coverages are reinstated May 1.

# Proposed Resolution SEBB 2022-01

## Example #2

**Example:** Penny works at Olympia High School. She returns to her job on Monday, April 25, after eighteen months of active duty. When Penny went on active duty, she was eligible for the employer contribution toward SEBB benefits.

- When are employer paid coverages reinstated?  
Employer paid coverages are reinstated April 1.

# Next Steps

- Incorporate Board feedback in the proposed policies
- Submit feedback by March 18, 2022
- Bring recommended proposed policy resolution to the Board for action at the April 7, 2022 Board Meeting

# Questions?

Emily Duchaine, Regulatory Analyst  
Policy, Rules, and Compliance Section  
Employees and Retirees Benefits Division  
[Emily.Duchaine@hca.wa.gov](mailto:Emily.Duchaine@hca.wa.gov)

**TAB 6**



# UMP Pharmacy Benefit Management (PBM) Update

Jenny Switzer, Senior Moda Account Manager  
Portfolio Management & Monitoring Section  
Employees and Retirees Benefits Division  
March 3, 2022

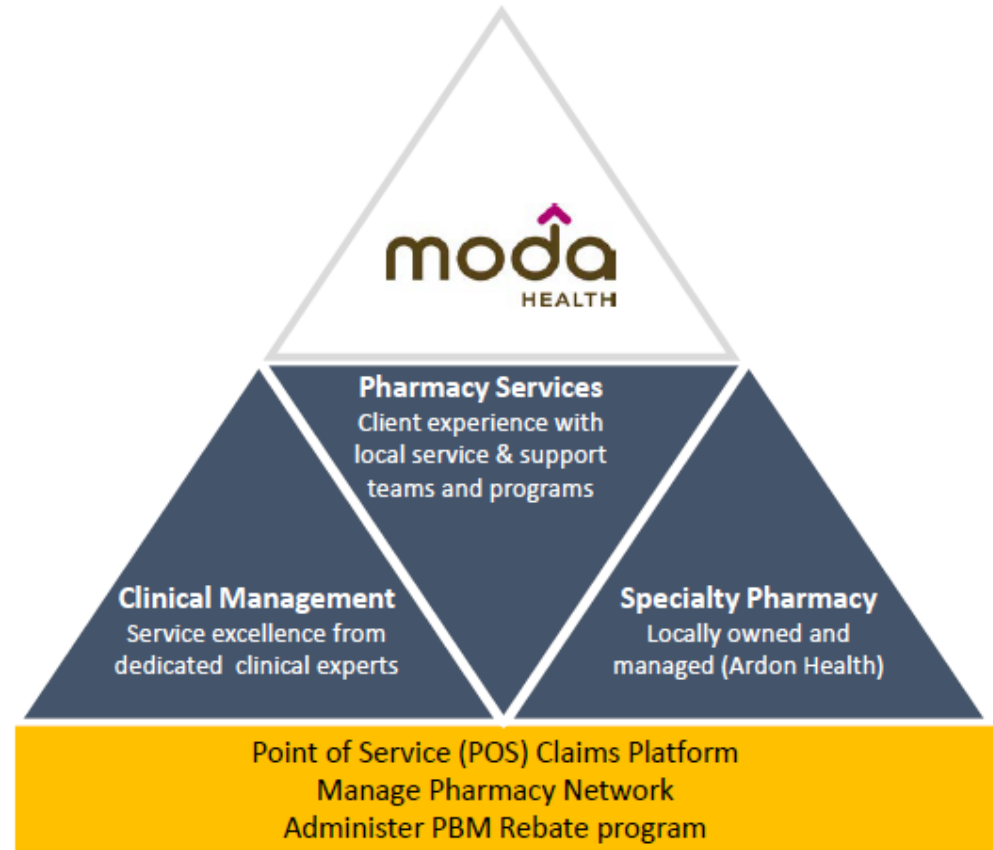


# Background

- The Northwest Prescription Drug Consortium (the Consortium) is jointly administered through the Washington Prescription Drug Program (WPDP) and the Oregon Prescription Drug Program (OPDP)
  - Both state governments joined together to increase purchasing power in 2006
  - UMP must use the Consortium for its pharmacy benefit (RCW 70.14.060)
- The prior Moda Health contract to administer the Consortium expired on 12/31/21
- After a competitive procurement, Moda was awarded the new contract
  - New contract became effective 1/1/2022
  - 5-year contract with an option to extend the contract in one year increments up to a total of 5 years

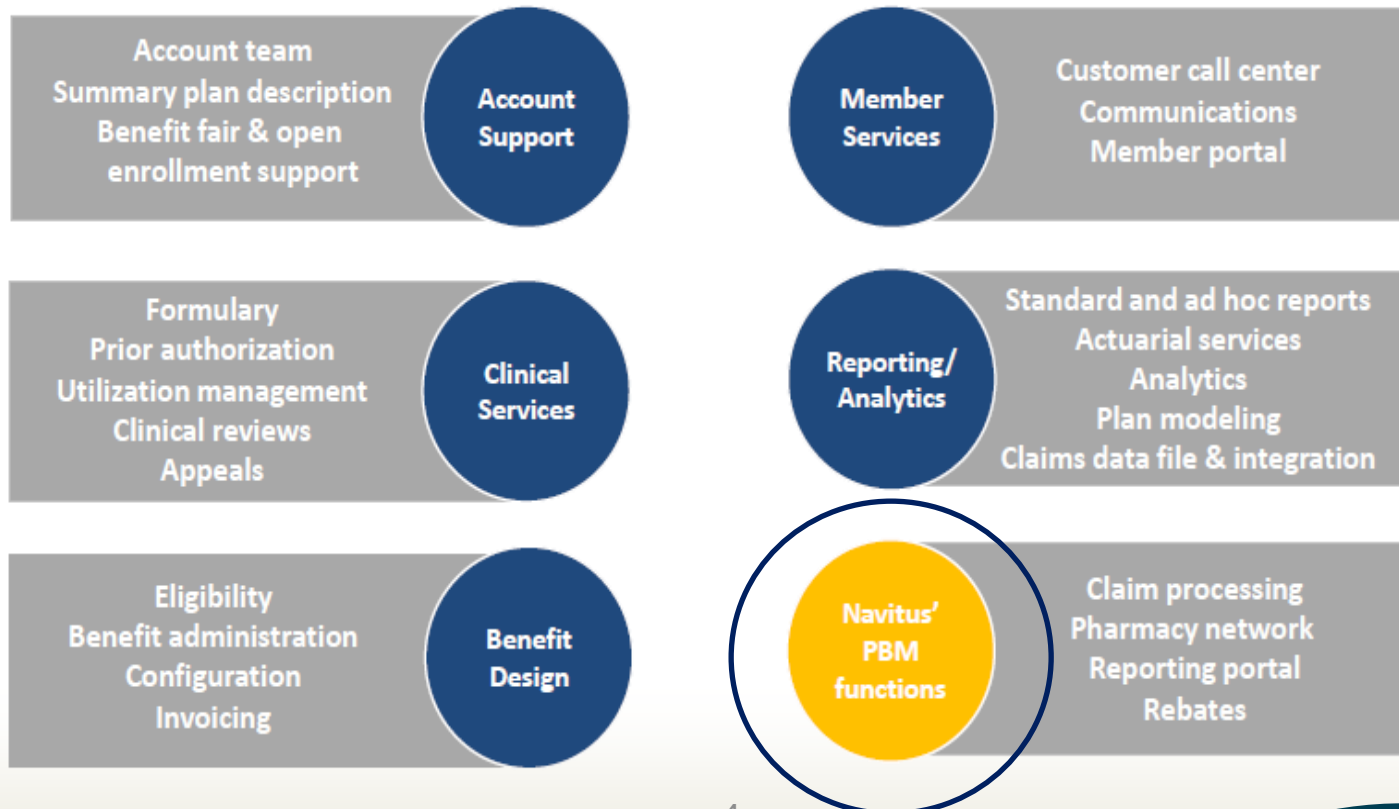
# Overview of Moda's Structure

- Moda administers most aspects of UMP's prescription drug benefit in-house (Blue)
- Moda subcontracts with another pharmacy benefit manager (PBM) to carry out behind-the-scenes functions (Yellow)



# Moda and Navitus Roles

Moda's PBM subcontractor changed from MedImpact to Navitus



# Benefits of Navitus

- More clinical programs to support the health of members
  - Pharmacoadherence programs
- Costco mail order as a potential 2nd mail order option for benefit year 2023
- Greater options for administrative budget flexibility
  - Per Paid Claims
  - Per Member Per Month (PMPM)
- Increased online reporting access
  - 30 user seats available versus previous 4
- Walgreens added to the pharmacy network

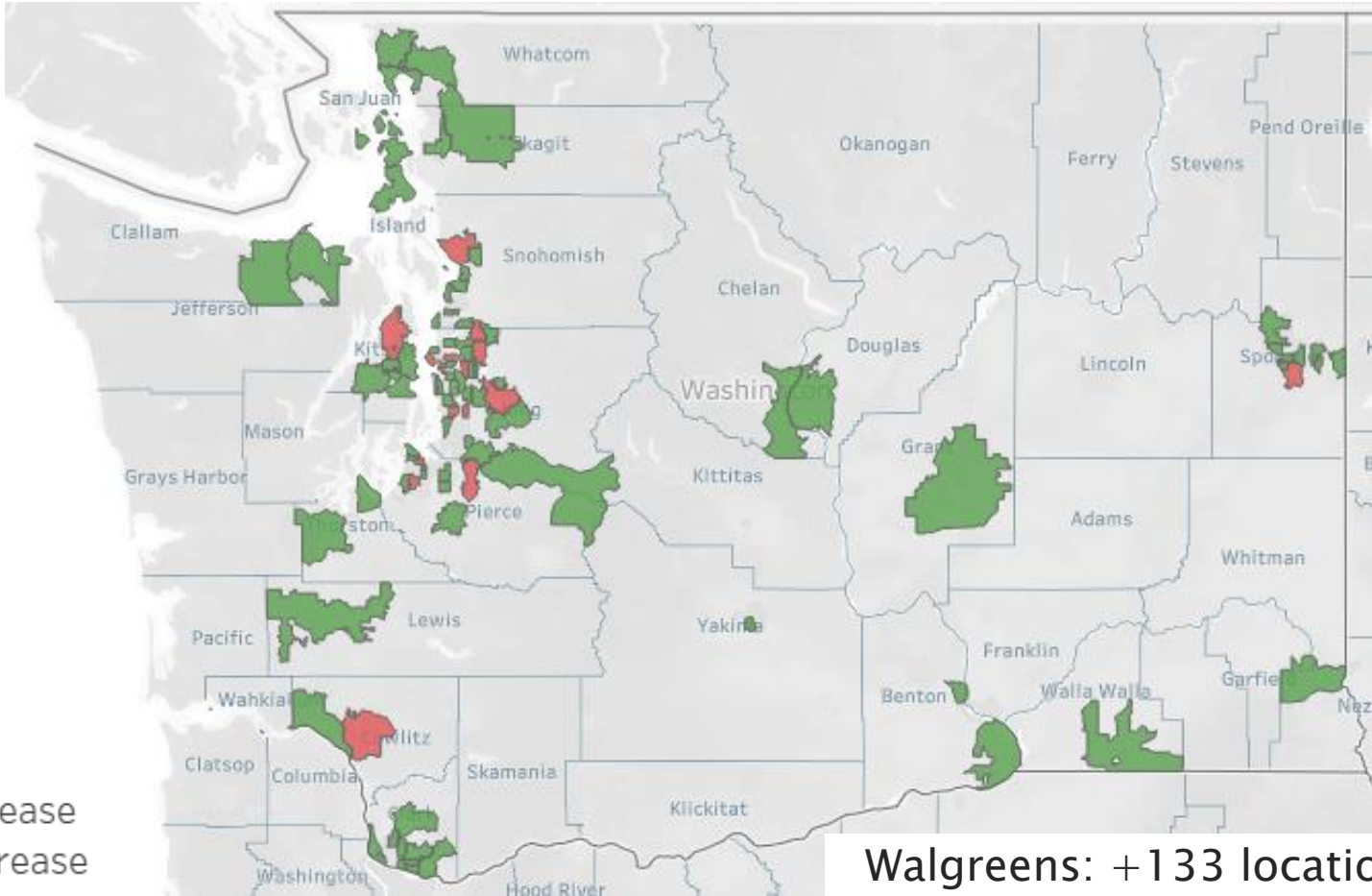
# Member Experience

What stayed the same?	What changed?
<ul style="list-style-type: none"><li>• Benefit design</li><li>• Prior authorizations</li><li>• Customer service</li><li>• Complaints and appeals process</li><li>• Large pharmacy network<ul style="list-style-type: none"><li>• ~53,000 network locations</li></ul></li><li>• Ardon Health for specialty pharmacy</li><li>• Postal Prescription Services for mail order pharmacy</li></ul>	<ul style="list-style-type: none"><li>• New group ID and BIN numbers<ul style="list-style-type: none"><li>• ID cards were issued</li></ul></li><li>• Refreshed member dashboard<ul style="list-style-type: none"><li>• Price check, pharmacy locator, claims history</li></ul></li><li>• New address to submit out-of-network claims</li><li>• Change in drug designation database resulted in changes in some generic and brand designations</li><li>• CVS/Walgreens' network change</li></ul>

# Net Changes to Network Pharmacies

County	CVS	Walgreens	Net Pharmacy Increase
ASOTIN	0	1	1
BENTON	2	4	2
CHELAN	0	1	1
CLALLAM	0	2	2
CLARK	2	13	11
COWLITZ	1	1	0
DOUGLAS	0	1	1
FRANKLIN	0	2	2
GRANT	0	1	1
ISLAND	0	1	1
KING	22	39	17
KITSAP	2	6	4
LEWIS	0	1	1
PIERCE	7	21	14
SKAGIT	0	3	3
SNOHOMISH	6	12	6
SPOKANE	2	12	10
THURSTON	2	4	2
WALLA WALLA	0	1	1
WHATCOM	1	4	3
YAKIMA	0	3	3
	<b>47</b>	<b>133</b>	<b>86</b>

# Net Changes by Zip Code



Walgreens: +133 locations in WA  
 CVS: -47 locations in WA  


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 Net gain: 86 locations

# Member Communications

Title	Published	Audience
Rx OE Brochure	9/16/2021	All members Available online or mail by request
What's Changing Publication	9/16/2021	All subscribers Mailed with welcome packet
SEBB UMP OE Video (recorded)	9/16/2021	Available on-demand to all members
Intercom Newsletters	10/12/2021	All SEBB Program subscribers Email or mail per member preference
UMP Newsletter	10/15/2021	All SEBB Program subscribers Email or mail per member preference
SEBB UMP Webinar (recorded)	11/3/2021	Available on-demand to all members
WSRxS Welcome Postcards	12/7/2021	New UMP members only
Quick Start Guides	12/20/2021	All subscribers Mailed with welcome packet
Welcome Letters	12/20/2021	All subscribers Mailed with welcome packet
Regence.com web alert	1/1/2022 – 1/31/2022	All members



# Additional Communications

- Certificates of Coverage
- Customized letters to targeted members
  - 4,624 letters to SEBB Program members, who had filled a prescription at CVS in previous 8 months, notifying them of change in network status. Included 3 closest network pharmacies to member home address
  - 47,427 letters to SEBB Program subscribers providing advance notice of new pharmacy ID card numbers and how to access claims history online
- Custom Customer Service Recorded Greeting
  - Informed callers they will receive a new card in December and to use it when filling prescriptions in 2022
- SmartHealth Activity Tile
  - 181 SEBB Program members participated in this activity

# Implementation Related Member Impacts

- No appeals received related to implementation
- Difference in concurrent drug utilization review (DUR) edits caused some claims to deny for high dose when they had previously been approved
- Some compound claims partially rejected for non-formulary ingredients, such as bulk powders
- Price changes due to drug reference source classifications, Maximum Allowable Cost (MAC) list changes, and changes to network financial guarantees

# Questions?

Jenny Switzer, Senior Moda Account Manager  
Portfolio Management & Monitoring

[Jenny.Switzer@hca.wa.gov](mailto:Jenny.Switzer@hca.wa.gov)

**TAB 7**



# 2024 Uniform Dental Plan (UDP) Benefit Design Introduction

Ellen Wolfhagen  
Senior Account Manager  
Employees and Retirees Benefits Division  
March 3, 2022

# Background

- SEBB fully leveraged PEBB benefits
- Promise to revisit
- No significant changes in benefits by PEBB for 20 years
- 78% of SEBB Program members use Uniform Dental Plan (UDP)

# Board Timeline

- March
  - Introduction of options
- April
  - Data on utilization and potential costs
- May
  - Reach consensus on priorities

# Remaining Benefit Design Cycle

- Summer/Fall 2022
  - HCA Introduction of budget decision package
- September 2022
  - Budget proposals finalized by Governor
- Spring 2023
  - Biennial budget for FYs 2023-2025 finalized
- Benefit Introduction
  - January 1, 2024 (earliest) or January 1, 2025



# Current UDP Plan Design

- Deductible - \$50/person – up to \$150 family
- Class I (preventive services) – 100% coverage
- Class II (fillings) – 80% coverage
- Class III (crowns, bridges, etc.) – 50% coverage
- TMJ – 70% coverage and \$500 lifetime
- Annual *plan* payment - \$1,750

# Market Comparison – Plan Coverage

Coverage Amount	Uniform Dental Plan	Delta Book of Business	WEA Plan (Pre-SEBB)
The amount the <b>Plan</b> pays towards the covered service.	Class I - Preventive Services, 100%	Class I - Preventive Services, 100%	Class I: – Preventive Services, 70% - 100%
	Class II – Restorative (Fillings), 80%	Class II – Restorative (Fillings), 80%	Class II – Restorative (Fillings, Crowns), 70% - 100%
	Class III – Major (Crowns, Bridges, Implants), 50%	Class III – Major (Crowns, Bridges, Implants), 50%	Class III – Major (Bridges, Implants), 50%

# 2024 UDP Options

- Incentivize preventive services
- Composite materials for fillings
- Annual plan maximum adjustment
- No deductible for children's benefits
- TMJ lifetime benefit limit adjustment

# Incentivize Preventive Services

- Increase Plan percentage coverage (amount plan pays) based on one visit to the dentist
- Can increase by a standard increment per year, based on previous year's usage, up to a maximum
- Benefits could decrease (for non-use) by standard increment to established floor

# Incentive Benefits

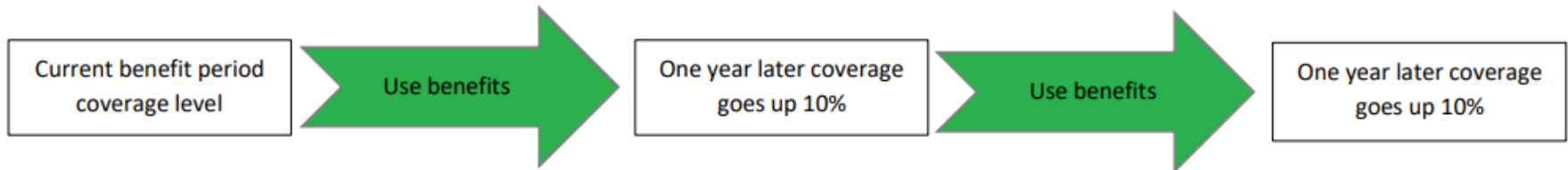
- Large employers – Not currently used by larger groups, but interest is increasing
- WEA Plan (Pre-SEBB) – Class I and II, started at 70% plan coverage and increased by 10% per year up to 100% plan coverage

# WEA Plan Incentive Example

(Source: WEA Plan Summary, 2018)

## How your plan works

Simply visit your dentist at least once in the benefit year to increase your coverage level by 10% for the following year. Repeat until you achieve your maximum benefit levels. Here's an example:



On the other hand, if you do not visit the dentist in the benefit year, your coverage level will decrease by 10% the following year.

# Amalgam and Composite Comparison

Materials for posterior teeth restoration:

- Amalgam restorations contain elemental mercury and are less commonly used
- Composite materials provide good durability and resistance to fracture

# Composite Materials for Fillings

- Currently considered elective in posterior teeth (stainless steel or prefabricated crowns are covered under Class II)
- Large employers
  - Included in smaller fully insured groups
  - Not included in larger self-insured plans
- WEA (Pre-SEBB) – covers posterior composite fillings (base 70%, subject to increase in incentive plan to 100%); crowns and onlays are covered under Class II



# Annual Plan Maximum Adjustment

- Current level is \$1,750
- Preventive services count towards plan benefit, even though no cost share
- Same level since 2008

# Annual Plan Maximum Comparisons

Annual Plan Maximum	Uniform Dental Plan	Delta Book of Business	WEA Plan (Pre-SEBB)
<p>The most the <b>Plan</b> will pay during a coverage period, at which point the member will assume the full responsibility for payment of covered services.</p>	<p>\$1,750 regardless of network status (PPO, Premier, and Out-of-Network)</p>	<p>43% of Book of Business has a \$2,000 maximum</p>	<p>\$2,000 PPO, \$1,750 Premier, and Out-of-Network</p>

# Market Comparison - Deductibles

Annual Deductible	Uniform Dental Plan	Delta Book of Business	WEA Plan (Pre-SEBB)
The amount the member must pay before the plan begins to pay for covered services.	No deductible for preventive services  \$50/individual \$150/family	Industry standard - \$50/\$150 (Waived for Preventive services)	No deductible

# Waiving Children's Deductible

- Reduce financial barriers for pediatric care
- Encourage early preventive visits
- Applies to restorative care as needed
- Develop lifetime habits of good oral care

# Differences in Children's Benefits

## Uniform Dental Plan

- Children's coverage same as adults'
- \$50 deductible
- Class II benefits – 80% coverage
- Annual plan maximum of \$1,750

## WEA Healthy Start

- Covers children up to age 15
- No deductible for children
- Class II benefits – 100% coverage
- No annual plan maximum

# Temporomandibular Joint (TMJ) Benefits

- Clinically – disorders that result in pain in the muscles associated with the TMJ, arthritic problems with the TMJ, or an abnormal range of motion of the TMJ
- Surgical benefits are covered medically (requiring pre-authorization)

# TMJ Benefits Comparison

Uniform Dental Plan	Delta Book of Business	WEA Plan (Pre-SEBB)
70% up to \$500 Lifetime maximum	50% up to \$1,000 annual maximum; \$5,000 Lifetime maximum  Boeing and Alaska Airlines have NO coverage	50% up to \$1,000 annual maximum; \$5,000 Lifetime maximum

# TMJ Lifetime Benefits

- Higher percentage coverage than most large employers
- Covers only non-surgical treatment
- Treatment usually consists of retainers and/or spacers



# Next Steps

- April meeting
  - Data on utilization
  - Potential cost impacts (small, medium, large)
  - Additional information as requested

# Questions?

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