

School Employees Benefits Board Meeting

April 2, 2020

School Employees Benefits Board

April 2, 2020

9:00 a.m. – 10:30 a.m.

Health Care Authority

Sue Crystal A & B

626 8th Avenue SE

Olympia, Washington

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TAB 1

School Employees Benefits Board
April 2, 2020
9:00 a.m. – 10:30 a.m.

**Aligning with [Governor’s Proclamation 20-28](#),
all Board Members and public attendees
will only be able to attend telephonically.**

To attend telephonically:
Call-in Number: 1-866-374-5136
Participant PIN Code: 95587891

9:00 a.m.*	Welcome and Introductions		Lou McDermott, Chair	
9:05 a.m.	Meeting Overview and Prior Meeting Follow Up		David Iseminger, Director Employees & Retirees Benefits (ERB) Division	Information
9:10 a.m.	Legislative Update • Budget • Bills	TAB 3	Tanya Deuel, ERB Finance Manager Financial Services Division Cade Walker, Executive Special Assist to ERB Division	Information/ Discussion
9:30 a.m.	COVID-19 Response Update		David Iseminger, Director (ERB) Division Jean Bui, Manager Portfolio Management & Monitoring Section, ERB Division	Information/ Discussion/ Action
9:45 a.m.	Eligibility and Enrollment Proposed Resolutions <i>*includes COVID-19 resolution(s) for immediate action by the Board</i>	TAB 4	Rob Parkman, Policy and Rules Coordinator, ERB Division	Information/ Discussion/ Action
10:15 a.m.	Public Comment			
10:30 a.m.	Adjourn			

*All Times Approximate

The School Employees Benefits Board will meet Thursday, April 2, 2020. Due to COVID-19 and [Governor’s Proclamation 20-28](#), Board Members and the public will only be able to attend this meeting via telephone. The Board will consider all matters on the agenda plus any other emergency COVID-19 items that develop after the publication of this agenda.

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

Direct e-mail to: 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 March 30, 2020, or as soon as possible in the event additional COVID-19 matters materialize before the meeting convenes.

SEB Board Members

Name	Representing
Lou McDermott, Deputy Director Health Care Authority 626 8 th Ave SE PO Box 42720 Olympia, WA 98504-2720 V 360-725-0891 louis.mcdermott@hca.wa.gov	Chair
Vacant	Employee Health Benefits Policy and Administration
Pete Cutler 7605 Ostrich DR SE Olympia, WA 98513 C 360-789-2787 pete.cutler@hca.wa.gov	Employee Health Benefits Policy and Administration
Dawna Hansen-Murray 9932 Jackson ST Yelm, WA 98597 C 360-790-4961 dawna.hansen-murray@hca.wa.gov	Classified Employees
Dan Gossett 603 Veralene Way SW Everett, WA 98203 C 425-737-2983 dan.gossett@hca.wa.gov	Certificated Employees
Katy Henry 230 E Montgomery AVE Spokane, WA 99207 V 509-324-2167 katy.henry@hca.wa.gov	Certificated Employees

SEB Board Members

Name

Representing

Terri House
Marysville School District
4220 80th ST NE
Marysville, WA 98270
V 360-965-0010
terri.house@hca.wa.gov

Classified Employees

Wayne Leonard
Assistant Superintendent of
Business Services
Mead School District
608 E 19th Ave
Spokane, WA 99203
V 509-465-6017
wayne.leonard@hca.wa.gov

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

Employee Health Benefits Policy
and Administration

Legal Counsel

Katy Hatfield, Assistant Attorney General
7141 Cleanwater Dr SW
PO Box 40124
Olympia, WA 98504-0124
V 360-586-6561
Katy.Hatfield@atg.wa.gov

3/27/20



STATE OF WASHINGTON
HEALTH CARE AUTHORITY
626 8th Avenue SE • P.O. Box 45502 • Olympia, Washington 98504-5502

SEBB MEETING SCHEDULE

2020 School Employees Benefits Board (SEBB) Meeting Schedule

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

January 27, 2020 - 9:00 a.m. – 3:30 p.m.

March 5, 2020 - 9:00 a.m. – 3:30 p.m.

April 2, 2020 - 9:00 p.m. – 3:30 – p.m.

May 7, 2020 - 9:00 a.m. – 3:30 p.m.

June 4, 2020 - 9:00 a.m. – 3:30 p.m.

June 24, 2020 - 9:00 a.m. – 3:30 p.m.

July 16, 2020 - 9:00 a.m. – 3:30 p.m.

July 23, 2020 - 9:00 a.m. – 3:30 p.m.

July 30, 2020 - 9:00 a.m. – 3:30 p.m.

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

7/2/19

OFFICE OF THE CODE REVISER
STATE OF WASHINGTON
FILED

DATE: July 09, 2019

TIME: 1:24 PM

WSR 19-15-021

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



Legislative Update: SEBB 2020 Supplemental Budget

Tanya Deuel
ERB Finance Manager
Financial Services Division
April 2, 2020

Final Funding Rate

Per employee per month

Adequate to maintain current level
of benefits

No significant concerns with funding
rates and underlying assumptions

SEBB Final Funding Rate

Final Conference Budget	
Funding Rate	Timespan
\$994	Jan 20 – June 20
\$1,056	July 20 – Aug 20
\$1,000	2020-21 School Year

Final Conference Budget Funding

\$234,000

Audit Capabilities – Annual staffing to support audit functionality.

\$15,000

K-12 Non-Medicare Risk Pool – One-time funds to implement changes to the risk pool arrangement for retired and disabled school employees.

**\$18.2
Million**

Third Party Administrator Fees - Increased spending authority to align with the increased self-insured medical and dental enrollment.

Continued Conference Budget Funding

\$75,000

Diabetes Request For Information – One time administrative funding to complete an RFI related to diabetes management program.

\$2 Million

ESSB 6189 Funding – Funding to implement ESSB 6189 which prohibits dual enrollment in PEBB and SEBB Program coverage and directs HCA to analyze the impacts of charging a variable funding rate for SEBB Program employees who waive medical coverage.

Questions?

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



Legislative Update: Bills

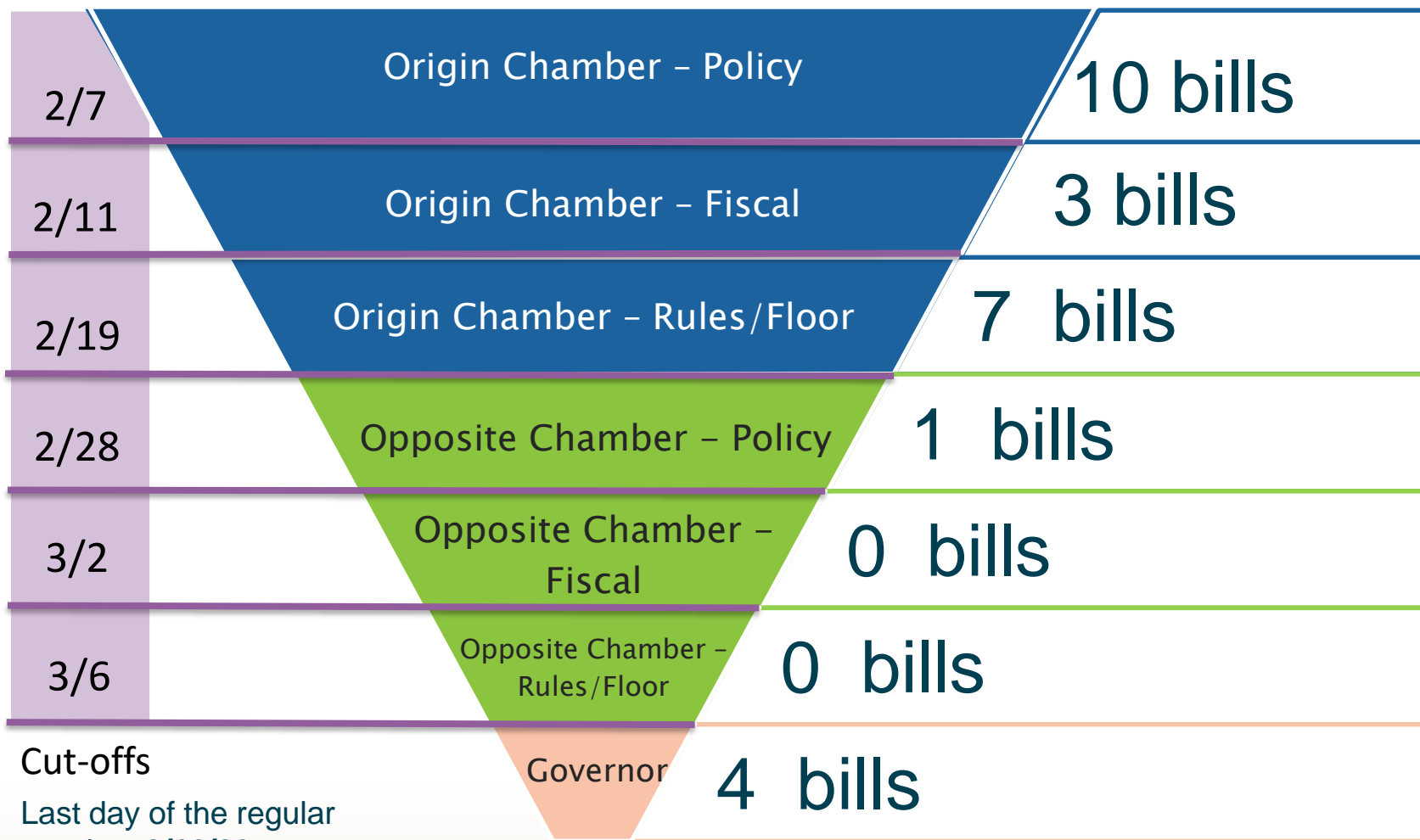
Cade Walker, Executive Special Assistant
Employees and Retirees Benefits (ERB) Division
April 2, 2020

Number* of 2020 Bills Analyzed by ERB Division

	ERB Lead	ERB Support	
High Impact	43	58	101
Low Impact	115	168	283
	158	226	384

* As of 3/25/2020, includes bills from 2019 session that were reintroduced by rule.

Legislative Update – ERB high lead bills





SEBB Program Impact Bills

- ~~HB 2208/SB 6144 – Implementation credits and performance standards.~~
- ~~HB 2458/SB 6479~~ (Optional benefits offered by school districts) – pending Governor action

SEBB Program Impact Bills – Eligibility

- ESSB 6189 (Eligibility for school employees' benefits board coverage) – signed by Governor
- ~~SB 6290 – Contribution to and eligibility for school employee benefit plans.~~
- ~~SB 6296 – Health care benefits for public school employees~~
- ~~HB 2771 – Clarifying contributions to and eligibility for SEBB coverage~~

Topical Areas of Introduced Legislation

- Provider/health carrier credentialing
 - EHB 1552 – signed by Governor
 - 2SSB 5601 – pending Governor action
- Pharmacy
 - Diabetes medication
 - E2SHB 2662 – pending Governor action
 - ~~SSB 6113~~)
 - Rx tourism (~~SB 6111~~)
 - Rx importation (~~SB 6110~~)
- Substance Use Disorder
- Expanded DME coverage
 - Hearing aides
 - Prosthetics/orthotics



Questions?

Cade Walker, Executive Special Assistant
Employees and Retirees Benefits Division

cade.walker@hca.wa.gov

Appendix

CERTIFICATION OF ENROLLMENT

HOUSE BILL 2458

66th Legislature
2020 Regular Session

Passed by the House March 10, 2020
Yeas 91 Nays 6

**Speaker of the House of
Representatives**

Passed by the Senate March 6, 2020
Yeas 47 Nays 1

President of the Senate

Approved

Governor of the State of Washington

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 2458** as passed by the House of Representatives and the Senate on the dates hereon set forth.

Chief Clerk

FILED

**Secretary of State
State of Washington**

HOUSE BILL 2458

AS AMENDED BY THE SENATE

Passed Legislature - 2020 Regular Session

State of Washington **66th Legislature** **2020 Regular Session**

By Representatives Stonier, Sells, Dolan, Schmick, Boehnke,
Bergquist, Vick, Pollet, and Wylie

Read first time 01/14/20. Referred to Committee on Education.

1 AN ACT Relating to optional benefits offered by school districts;
2 amending RCW 28A.400.280 and 28A.400.350; and adding a new section to
3 chapter 41.05 RCW.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 28A.400.280 and 2018 c 260 s 29 are each amended to
6 read as follows:

7 (1) Except as provided in subsection (2) of this section, school
8 districts may provide employer fringe benefit contributions after
9 October 1, 1990, only for basic benefits. However, school districts
10 may continue payments under contracts with employees or benefit
11 providers in effect on April 13, 1990, until the contract expires.

12 (2) (a) School districts may provide employer contributions after
13 October 1, 1990, for optional benefit plans, in addition to basic
14 benefits. Beginning January 1, 2020, school district optional
15 benefits must ~~((be outside))~~ not compete with any form of the basic
16 or optional benefits offered in the school employees' benefits board
17 program either under the school employees' benefits board's authority
18 in RCW 41.05.740(~~(+6)~~) or offered under the authority of the health
19 care authority in the salary reduction plan authorized in RCW
20 41.05.300 and 41.05.310.

1 **(b)** Beginning December 1, 2019, and each December 1st thereafter,
2 school district optional benefits must be reported to the school
3 employees' benefits board and health care authority. ~~((The school
4 employees' benefits board shall review the optional benefits offered
5 by districts and: (a) Determine if the optional benefits conflict
6 with school employees' benefits board's plans offering authority and,
7 if not, (b) evaluate whether to seek additional benefit offerings
8 authority from the legislature. Optional benefits may include direct
9 agreements as defined in chapter 48.150 RCW, and may include
10 employee))~~

11 **(c)** School districts, and the applicable carrier, must work with
12 the health care authority to either modify and remove competing
13 components of the district-based benefit or end any district-based
14 benefit offering in competition with either the health care
15 authority's or the school employees' benefits board offered benefits.

16 **(d)** Unless the school employees' benefits board offers such
17 benefits, school districts may offer only the following optional
18 benefits to school employees:

19 **(i)** Benefits listed in section 3(1) (a) through (i) of this act,
20 offered as employee-paid, voluntary benefits that may be administered
21 by using payroll deductions; and

22 **(ii)** Voluntary employees' beneficiary association accounts ~~((that
23 can be liquidated by the employee on termination of employment)),~~
24 including benefit plans authorized in RCW 28A.400.210(3).

25 ~~((Optional benefit plans may be offered only if:~~

26 ~~(a) Each full-time employee, regardless of the number of
27 dependents receiving basic coverage, receives the same additional
28 employer contribution for other coverage or optional benefits; and~~

29 ~~(b) For part-time employees, participation in optional benefit
30 plans shall be governed by the same eligibility criteria and/or
31 proration of employer contributions used for allocations for basic
32 benefits.))~~

33 (3) School districts are not intended to divert state basic
34 benefit allocations for other purposes. Beginning January 1, 2020,
35 school districts must offer all benefits offered by the school
36 employees' benefits board administered by the health care authority,
37 and consistent with RCW 41.56.500(2).

38 (4) Any optional benefits offered by a school district under
39 subsection (2) of this section are considered an enhancement to the
40 state's definition of basic education.

1 **Sec. 2.** RCW 28A.400.350 and 2019 c 411 s 6 are each amended to
2 read as follows:

3 (1) The board of directors of any of the state's school districts
4 or educational service districts may make available medical, dental,
5 vision, liability, life, accident, disability, and salary protection
6 or insurance, direct agreements as defined in chapter 48.150 RCW, or
7 any one of, or a combination of the types of employee benefits
8 enumerated in this subsection, or any other type of insurance or
9 protection, for the members of the boards of directors, the students,
10 and employees of the school district or educational service district,
11 and their dependents. Except as provided in subsection (6) of this
12 section, such coverage may be provided by contracts or agreements
13 with private carriers, with the state health care authority, or
14 through self-insurance or self-funding pursuant to chapter 48.62 RCW,
15 or in any other manner authorized by law. Any direct agreement must
16 comply with RCW 48.150.050.

17 (2)(a) Whenever funds are available for these purposes the board
18 of directors of the school district or educational service district
19 may contribute all or a part of the cost of such protection or
20 insurance for the employees of their respective school districts or
21 educational service districts and their dependents. The premiums on
22 such liability insurance shall be borne by the school district or
23 educational service district.

24 (b) After October 1, 1990, school districts may not contribute to
25 any employee protection or insurance other than liability insurance
26 unless the district's employee benefit plan conforms to RCW
27 28A.400.275 and 28A.400.280.

28 (c) After December 31, 2019, school district contributions to any
29 employee insurance that is purchased through the health care
30 authority must conform to the requirements established by chapter
31 41.05 RCW and the school employees' benefits board.

32 (3) For school board members, educational service district board
33 members, and students, the premiums due on such protection or
34 insurance shall be borne by the assenting school board member,
35 educational service district board member, or student. The school
36 district or educational service district may contribute all or part
37 of the costs, including the premiums, of life, health, health care,
38 accident or disability insurance which shall be offered to all
39 students participating in interschool activities on the behalf of or
40 as representative of their school, school district, or educational

1 service district. The school district board of directors and the
2 educational service district board may require any student
3 participating in extracurricular interschool activities to, as a
4 condition of participation, document evidence of insurance or
5 purchase insurance that will provide adequate coverage, as determined
6 by the school district board of directors or the educational service
7 district board, for medical expenses incurred as a result of injury
8 sustained while participating in the extracurricular activity. In
9 establishing such a requirement, the district shall adopt regulations
10 for waiving or reducing the premiums of such coverage as may be
11 offered through the school district or educational service district
12 to students participating in extracurricular activities, for those
13 students whose families, by reason of their low income, would have
14 difficulty paying the entire amount of such insurance premiums. The
15 district board shall adopt regulations for waiving or reducing the
16 insurance coverage requirements for low-income students in order to
17 assure such students are not prohibited from participating in
18 extracurricular interschool activities.

19 (4) All contracts or agreements for insurance or protection
20 written to take advantage of the provisions of this section shall
21 provide that the beneficiaries of such contracts may utilize on an
22 equal participation basis the services of those practitioners
23 licensed pursuant to chapters 18.22, 18.25, 18.53, 18.57, and 18.71
24 RCW.

25 (5) (a) Until the creation of the school employees' benefits board
26 under RCW 41.05.740, school districts offering medical, vision, and
27 dental benefits shall:

28 (i) Offer a high deductible health plan option with a health
29 savings account that conforms to section 223, part VII of subchapter
30 1 of the internal revenue code of 1986. School districts shall comply
31 with all applicable federal standards related to the establishment of
32 health savings accounts;

33 (ii) Make progress toward employee premiums that are established
34 to ensure that full family coverage premiums are not more than three
35 times the premiums for employees purchasing single coverage for the
36 same coverage plan, unless a subsequent premium differential target
37 is defined as a result of the review and subsequent actions described
38 in RCW 41.05.655;

39 (iii) Offer employees at least one health benefit plan that is
40 not a high deductible health plan offered in conjunction with a

1 health savings account in which the employee share of the premium
2 cost for a full-time employee, regardless of whether the employee
3 chooses employee-only coverage or coverage that includes dependents,
4 does not exceed the share of premium cost paid by state employees
5 during the state employee benefits year that started immediately
6 prior to the school year.

7 (b) All contracts or agreements for employee benefits must be
8 held to responsible contracting standards, meaning a fair, prudent,
9 and accountable competitive procedure for procuring services that
10 includes an open competitive process, except where an open process
11 would compromise cost-effective purchasing, with documentation
12 justifying the approach.

13 (c) School districts offering medical, vision, and dental
14 benefits shall also make progress on promoting health care
15 innovations and cost savings and significantly reduce administrative
16 costs.

17 (d) All contracts or agreements for insurance or protection
18 described in this section shall be in compliance with chapter 3, Laws
19 of 2012 2nd sp. sess.

20 (6) The authority to make available basic and optional benefits
21 to school employees under this section expires December 31, 2019,
22 except (a) for nonrepresented employees of educational service
23 districts for which the authority expires December 31, 2023, and (b)
24 as authorized under RCW 28A.400.280. Beginning January 1, 2020,
25 school districts, for all school employees, and educational service
26 districts, for represented employees, shall make available basic and
27 optional benefits through plans offered by the health care authority
28 and the school employees' benefits board. Beginning January 1, 2024,
29 educational service districts, for nonrepresented employees, shall
30 make available basic and optional benefits through plans offered by
31 the health care authority and the school employees' benefits board.

32 NEW SECTION. **Sec. 3.** A new section is added to chapter 41.05
33 RCW to read as follows:

34 (1) In addition to the benefits offering authority under this
35 chapter, the school employees' benefits board may study and, subject
36 to the availability of funding, offer the following employee-paid,
37 voluntary benefits:

38 (a) Emergency transportation;

39 (b) Identity protection;

1 (c) Legal aid;
2 (d) Long-term care insurance;
3 (e) Noncommercial personal automobile insurance;
4 (f) Personal homeowner's or renter's insurance;
5 (g) Pet insurance;
6 (h) Specified disease or illness-triggered fixed payment
7 insurance, hospital confinement fixed payment insurance, or other
8 fixed payment insurance offered as an independent, noncoordinated
9 benefit regulated by the office of the insurance commissioner;
10 (i) Travel insurance; and
11 (j) Voluntary employees' beneficiary association accounts.
12 (2) The health care authority, in consultation with the school
13 employees' benefits board, shall review the optional benefits
14 reported by school districts as required in RCW 28A.400.280 and
15 determine if the optional benefits are in competition with benefits
16 currently offered under either the authority's or the board's
17 authorities. If a school district benefit offering is determined to
18 be in competition with the benefits offered under either the
19 authority's or the board's authorities, the health care authority
20 must inform the school district of the benefits conflict and work
21 with the school district, and the applicable carrier, to either
22 modify and remove competing components of the district-based benefit
23 or end the district-based offering. If a carrier is in the process of
24 modifying benefits, including seeking any required regulatory
25 approval, a school district may continue to offer the original
26 benefit.
27 (3) Specified disease or illness-triggered fixed payment
28 insurance, hospital confinement fixed payment insurance, or other
29 fixed payment insurance offered pursuant to this section as an
30 independent, noncoordinated benefit is not a health plan as defined
31 in RCW 48.43.005.

--- END ---

CERTIFICATION OF ENROLLMENT
ENGROSSED SUBSTITUTE SENATE BILL 6189

Chapter 8, Laws of 2020

66th Legislature
2020 Regular Session

SCHOOL EMPLOYEES' BENEFITS BOARD--COVERAGE ELIGIBILITY

EFFECTIVE DATE: March 17, 2020

Passed by the Senate March 10, 2020
Yeas 45 Nays 0

CYRUS HABIB

President of the Senate

Passed by the House March 10, 2020
Yeas 97 Nays 0

LAURIE JINKINS

Speaker of the House of Representatives

Approved March 17, 2020 2:25 PM

JAY INSLEE

Governor of the State of Washington

CERTIFICATE

I, Brad Hendrickson, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE SENATE BILL 6189** as passed by the Senate and the House of Representatives on the dates hereon set forth.

BRAD HENDRICKSON

Secretary

FILED

March 17, 2020

**Secretary of State
State of Washington**

ENGROSSED SUBSTITUTE SENATE BILL 6189

AS AMENDED BY THE HOUSE

Passed Legislature - 2020 Regular Session

State of Washington

66th Legislature

2020 Regular Session

By Senate Ways & Means (originally sponsored by Senators Wellman, Mullet, Pedersen, Zeiger, Kuderer, Das, Short, and Wilson, C.)

READ FIRST TIME 02/11/20.

1 AN ACT Relating to school employees' benefits board coverage;
2 amending RCW 28A.300.615; adding new sections to chapter 41.05 RCW;
3 creating new sections; providing expiration dates; and declaring an
4 emergency.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** (1) The joint legislative audit and review
7 committee shall conduct a study to identify the number and types of
8 part-time school district employees and their eligibility for
9 benefits through the school employees' benefits board. The office of
10 the superintendent of public instruction and the health care
11 authority shall assist in providing any data requested by the joint
12 legislative audit and review committee to conduct the study. The
13 study will seek to identify:

14 (a) The categories and number of employees who worked full-time
15 and less than full-time during the 2018-19 and 2019-20 school years,
16 including ranges of hours worked, how many of those employees were
17 eligible for employer support for benefits each year, and the amount
18 of employer support provided for benefits. The study must summarize
19 the data by major job category, such as substitute teacher,
20 educational staff associate, paraprofessional, bus driver, principal,

1 vice principal, and any other major job categories identified during
2 the review;

3 (b) The number of certificated and classified employees eligible
4 for school employees' benefits board benefits beginning January 1,
5 2020, and the number who waived medical coverage by district;

6 (c) The number of certificated and classified school employee
7 benefit units, including estimated benefit units attributable to
8 pupil transportation and special education, funded in the state
9 budget for school employees' benefits board benefits by district.

10 (2) The joint legislative audit and review committee shall submit
11 the review to the appropriate committees of the legislature by
12 September 1, 2021. The review shall include recommendations for
13 continued and regular data collection that should be incorporated
14 into the superintendent of public instruction's and the health care
15 authority's regular data and reporting systems.

16 (3) This section expires January 1, 2022.

17 NEW SECTION. **Sec. 2.** (1) The health care authority shall
18 conduct an analysis of the impacts of changes to the requirement that
19 school employers remit premiums for employees that waive medical
20 coverage under RCW 41.05.050(4)(d). The analysis shall consider the
21 estimated impacts to the projected future funding rates and the
22 estimated amount billed to each school district based on the
23 following:

24 (a) A variable rate for employees waiving medical coverage and
25 that are covered under dental, vision, long-term life and disability,
26 and any other benefits not waived;

27 (b) A policy allowing members to waive coverage for some or all
28 of the employer paid benefits;

29 (c) Any other options considered by the authority or as
30 recommended by the school employees' benefits board.

31 (2) The analysis is due to the relevant fiscal committees of the
32 legislature by September 1, 2021.

33 (3) This section expires June 30, 2022.

34 **Sec. 3.** RCW 28A.300.615 and 2016 c 233 s 8 are each amended to
35 read as follows:

36 (1) By October 1st of each year, a school district must report to
37 the office of the superintendent of public instruction:

38 (a) The number of substitute teachers hired per school year;

1 (b) The number of hours worked by each substitute teacher(~~s~~
2 ~~hired under RCW 28A.410.252 per school year~~);

3 (c) The number of substitute teachers that received benefits
4 under the school employees' benefits board;

5 (d) The full daily compensation rate per substitute teacher; and

6 (~~(d)~~) (e) The reason for hiring the substitute teacher.

7 (2) By January 1st of each year, the office of the superintendent
8 of public instruction must post on its web site the information
9 identified in subsection (1) of this section.

10 NEW SECTION. Sec. 4. A new section is added to chapter 41.05
11 RCW to read as follows:

12 Beginning with the 2022 plan year, individuals are limited to a
13 single enrollment in medical, dental, and vision plans among school
14 employees' benefits board and public employees' benefits board plans.
15 However, individuals may be enrolled in both public employees'
16 benefits board and school employees' benefits board plans as long as
17 those enrollments are across different types of plans, such as
18 medical, dental, and vision. The school employees' benefits board and
19 the public employees' benefits board shall adopt policies to reflect
20 this single enrollment requirement.

21 NEW SECTION. Sec. 5. A new section is added to chapter 41.05
22 RCW to read as follows:

23 (1) A school employee eligible as of February 29, 2020, for the
24 employer contribution towards benefits offered by the school
25 employees' benefits board shall maintain their eligibility for the
26 employer contribution under the following circumstances directly
27 related or in response to the governor's February 29, 2020,
28 proclamation of a state of emergency existing in all counties in the
29 state of Washington related to the novel coronavirus (COVID-19):

30 (a) During any school closures or changes in school operations
31 for the school employee;

32 (b) While the school employee is quarantined or required to care
33 for a family member, as defined by RCW 49.46.210(2), who is
34 quarantined; and

35 (c) In order to take care of a child as defined by RCW
36 49.46.210(2), when the child's:

37 (i) School is closed;

38 (ii) Regular day care facility is closed; or

1 (iii) Regular child care provider is unable to provide services.

2 (2) Requirements in subsection (1) of this section expires when
3 the governor's state of emergency related to the novel coronavirus
4 (COVID-19) ends.

5 (3) When regular school operations resume, school employees shall
6 continue to maintain their eligibility for the employer contribution
7 for the remainder of the school year so long as their work schedule
8 returns to the schedule in place before February 29, 2020, or, if
9 there is a change in schedule, so long as the new schedule, had it
10 been in effect at the start of the school year, would have resulted
11 in the employee being anticipated to work the minimum hours to meet
12 benefits eligibility.

13 (4) Quarantine, as used in subsection (1)(b) includes only
14 periods of isolation required by the federal government, a foreign
15 national government, a state or local public health official, a
16 health care provider, or an employer.

17 NEW SECTION. **Sec. 6.** This act is necessary for the immediate
18 preservation of the public peace, health, or safety, or support of
19 the state government and its existing public institutions, and takes
20 effect immediately.

Passed by the Senate March 10, 2020.

Passed by the House March 10, 2020.

Approved by the Governor March 17, 2020.

Filed in Office of Secretary of State March 17, 2020.

--- END ---

TAB 4



Eligibility & Enrollment Policy Development

Rob Parkman
Policy, Rules, and Compliance Section
Employees and Retirees Benefits Division
April 2, 2020

RCW 41.05.740(6)(d) & (e)

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

(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; [...]

(e) Establish terms and conditions for a school employees' benefits board organization to have the ability to locally negotiate eligibility criteria for a school employee who is anticipated to **work less than six hundred thirty hours in a school year**. A school employees' benefits board organization that elects to use a lower threshold of hours for benefits eligibility must use benefits authorized by the school employees' benefits board and shall do so as an enrichment to the state's definition of basic education;

Introduction of Proposed Resolutions

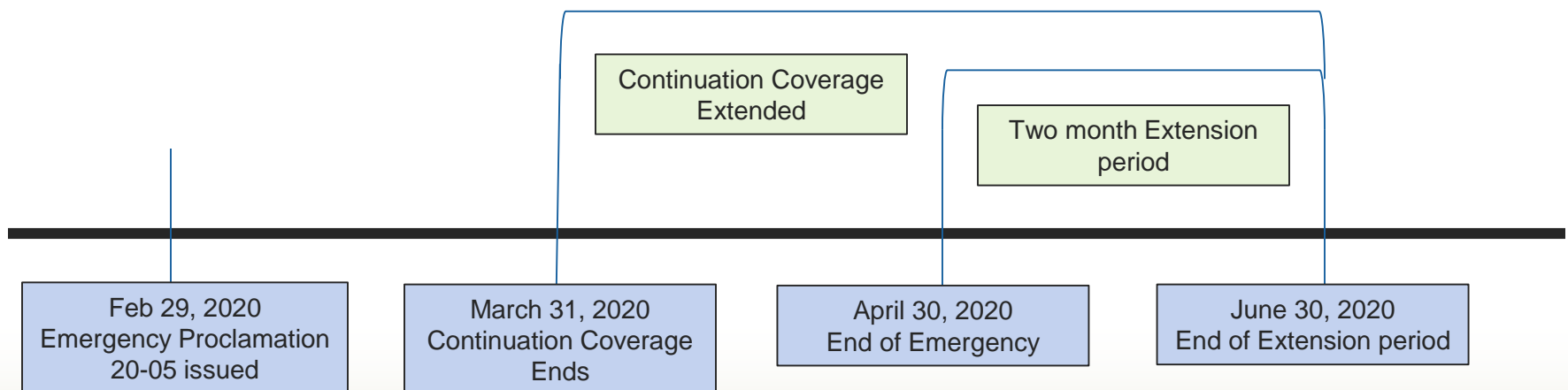
- SEBB 2020-07 COVID-19 Continuation Coverage Eligibility
- SEBB 2020-08 COVID-19 Enrollment Timelines
- SEBB 2020-04 Amending SEBB 2019-02
- SEBB 2020-05 Amending SEBB 2018-12
- SEBB 2020-06 Error Correction for Incorrect Information

Proposed Resolution SEBB 2020-07 COVID-19 Continuation Coverage Eligibility

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.

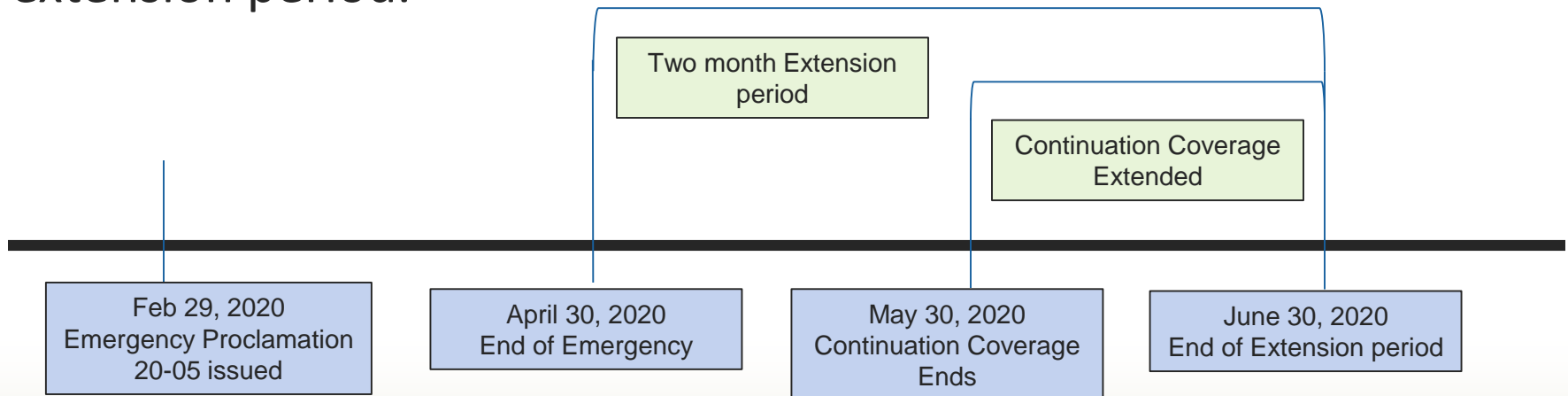
COVID-19 Continuation Coverage Eligibility Example #1

If (hypothetically) the emergency period ends April 30, 2020, and the subscriber's continuation coverage ends March 31, 2020, the subscriber's continuation coverage may be extended through the emergency period and the two month post emergency period to end June 30, 2020.



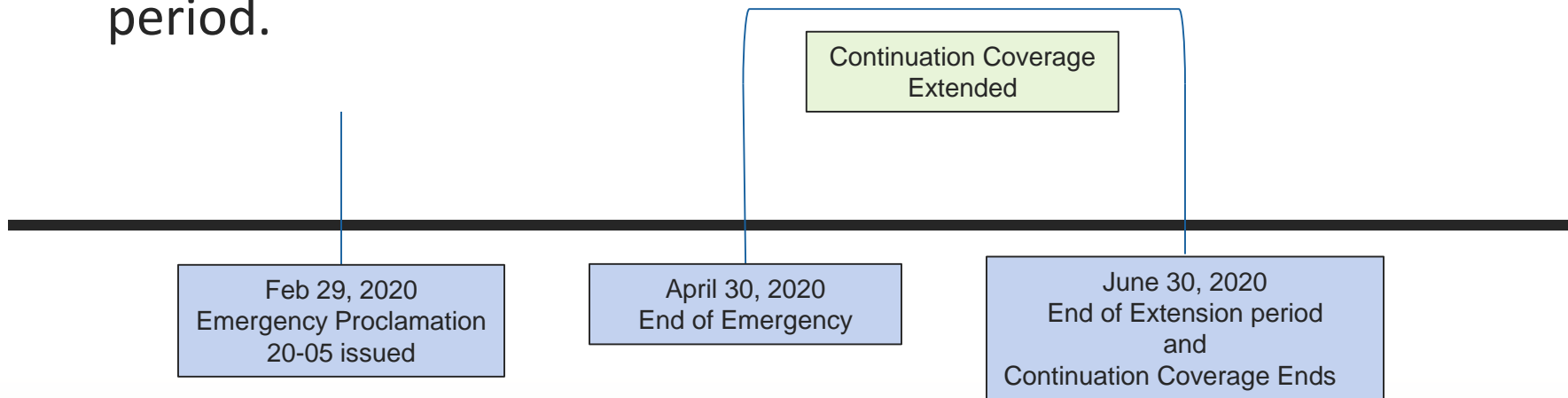
COVID-19 Continuation Coverage Eligibility Example #2

If (hypothetically) the emergency period ends April 30, 2020, and the subscriber's continuation coverage ends May 30, 2020, the subscriber's coverage may be extended to June 30, 2020 because the subscriber's continuation coverage ended following the end of the emergency period, and before the end of the two month extension period.



COVID-19 Continuation Coverage Eligibility Example #3

If (hypothetically) the emergency period ends April 30, 2020, and the subscriber's continuation coverage ends June 30, 2020, no extension will be given to the subscriber because the subscriber's continuation coverage ends the last day of the two month period following the end of the emergency period.



Resolution SEBB 2020-07 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.

Proposed Resolution SEBB 2020-08 COVID-19 and Enrollment Timelines

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 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 SEBB Program subscribers.

COVID-19 and Enrollment Timelines

Example #1

If (hypothetically) a school employee's last day to enroll in SEBB continuation coverage was April 30, 2020, and the state of emergency terminated on May 15, 2020, then the enrollment period for that subscriber will be increased to June 14, 2020.

COVID-19 and Enrollment Timelines

Example #2

If (hypothetically) a school employee's last day to enroll in SEBB continuation coverage was May 31, 2020, and the state of emergency terminated on May 15, 2020, then the enrollment period for that subscriber would not change and the deadline would remain as May 31, 2020.

Resolution SEBB 2020-08

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 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 SEBB Program subscribers.

Proposed Resolution SEBB 2020-04 Amending Resolution SEBB 2019-02 Anticipated Work Hours Eligibility Range Under RCW 41.05.740(6)(e)

SEBB 2019-02 is amended to strike the words "no more" and insert the word "less" in the second bullet, so SEBB 2019-02 now reads:

A SEBB Organization engaging in local negotiations regarding eligibility for school employees under RCW 41.05.740 (6)(e) shall negotiate within the range of anticipated to work hours described below:

- No less than 180 hours per school year; and
- **Less** than the threshold to meet the SEB Board's eligibility established pursuant to RCW 41.05.740 (6)(d).

Proposed Resolution SEBB 2020-05 Amending Resolution SEBB 2018-12 Effective Date of Coverage for School Employees Eligible for the Employer Contribution

SEBB 2018-12 is amended to add the following to the end of the resolution:

Except that, when a school employee establishes eligibility for the employer contribution towards SEBB benefits at any time in the month of August, SEBB benefits begin on September 1 only if the school employee is anticipated to work 630 hours in the coming school year.

SEBB 2018-12 now reads:

Proposed Resolution SEBB 2020-05 Amending Resolution SEBB 2018-12 Effective Date of Coverage for School Employees Eligible for the Employer Contribution (*Cont.*)

For September each year, a school employee who is establishing eligibility for the employer contribution towards SEBB benefits, and whose first day of work is on or after September 1 but not later than the first day of school for the current school year as established by the SEBB Organization, the effective date of coverage is the first day of work.

For a school employee who is establishing eligibility and whose first day of work is at any other time during the school year, the effective date of coverage is the first day of the month following the day the school employee establishes eligibility for the employer contribution toward SEBB benefits. **Except that, when a school employee establishes eligibility for the employer contribution towards SEBB benefits at any time in the month of August, SEBB benefits begin on September 1 only if the school employee is anticipated to work 630 hours in the coming school year.**

Effective Date of Coverage for School Employees Eligible for the Employer Contribution Example #1

A school employee has worked 630 hours as of August 21, 2020. Given this fact they have earned the employer contribution as of that day and their benefits will start on September 1, 2020 (start of the next school year) because their SEBB Organization has anticipated that this school employee will work 630 hours in the school year that is starting on September 1, 2020.

Is this school employee eligible for SEBB benefits in the next school year? **Yes**

When will their SEBB benefits start? **September 1, 2020**

Effective Date of Coverage for School Employees Eligible for the Employer Contribution Example #2

A school employee has worked 630 hours as of August 21, 2020. Their SEBB Organization has not anticipated that this school employee will work 630 hours in the next school year so they are not SEBB benefits eligible.

Is this school employee eligible for SEBB benefits in the next school year? **No**

Proposed Resolution SEBB 2020-06

Error correction for incorrect information

If a SEBB Organization or a contracted vendor provides incorrect advice regarding SEBB benefits to a school employee that they relied upon, the error will be corrected prospectively with enrollment in benefits effective the first day of the month following the date the error is identified. The Health Care Authority approves all error correction actions and determines if additional recourse is warranted.

Next Steps

- Incorporate Board feedback in the proposed policies
- Send the proposed policies to stakeholders (*after today's meeting*)
- Bring recommended policy resolutions to the Board to take action on at the May 7, 2020 Board Meeting

Questions?

Rob Parkman, Policy and Rules Coordinator
Policy, Rules, and Compliance Section
Employees and Retirees Benefits Division
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Appendix

Resolution SEBB 2019-02

Anticipated work hours eligibility range under
RCW 41.05.740(6)(e)
(As approved on March 7, 2019)

Resolved that, a SEBB Organization engaging in local negotiations regarding eligibility for school employees under RCW 41.05.740(6)(e) shall negotiate within the range of anticipated to work hours described below:

- No less than 180 hours per school year; and
- No more than the threshold to meet the SEB Board's eligibility established pursuant to RCW 41.05.740(6)(d).

Resolution SEBB 2018-12

Effective Date of Coverage for School Employees Eligible for the Employer Contribution (As approved on June 4, 2018)

Resolved that, for September each year, a school employee who is establishing eligibility for the employer contribution towards SEBB benefits, and whose first day of work is on or after September 1 but not later than the first day of school for the current school year as established by the SEBB organization, the effective date of coverage is the first day of work.

For a school employee who is establishing eligibility and whose first day of work is at any other time during the school year, the effective date of coverage is the first day of the month following the day the school employee establishes eligibility for the employer contribution toward SEBB benefits.

Resolution SEBB 2018-33

Returning school employees with uninterrupted coverage

(As approved on August 30, 2018)

Resolved that, a school employee returning to the same SEBB Organization who is anticipated to work at least 630 hours in the coming school year, and who was receiving the employer contribution in August of the prior school year, will receive uninterrupted coverage from one school year to the next.

Resolution SEBB 2018-34

Eligibility when moving between SEBB Organizations

(As approved on August 30, 2018)

Resolved that, a school employee will have uninterrupted coverage when moving from one SEBB Organization to another within the same month or a consecutive month if the following conditions are satisfied:

- The employee was eligible for the employer contribution toward SEBB benefits in the position they are leaving; and
- The employee is anticipated to be eligible for the employer contribution toward SEBB benefits in their new position.

Resolution SEBB 2018-36 Eligibility presumed based on hours worked the previous two school years (As approved on November 8, 2018)

Resolved that, a school employee is presumed eligible if they:

- worked at least 630 hours in each of previous two school years; and
- are returning to the same type of position (teacher, paraeducator, food service worker, custodian, etc.) or combination of positions with the same SEBB Organization.

A SEBB Organization rebuts this presumption by notifying the school employee, in writing, of the specific reasons why the employee is not anticipated to work at least 630 hours in the current school year and how to appeal the eligibility determination.

Resolution SEBB 2019-09 Error Correction Recourse (As approved on May 16, 2019)

Resolved that, if a SEBB Organization fails to provide notice of benefits eligibility or accurately enroll a school employee or their dependents in benefits, the error will be corrected prospectively with enrollment in benefits effective the first day of the month following the date the error is identified. The Health Care Authority approves all error correction actions and determines if additional recourse is warranted.

Resolution SEBB 2019-10

Error Correction Premium Responsibilities (As approved on May 16, 2019)

Resolved that, if a SEBB Organization errs and enrolls a school employee or their dependents in SEBB insurance coverage when they are not eligible and there was no fraud or intentional misrepresentation by the school employee involved, premiums and any applicable premium surcharges already paid by the school employee will be refunded by the SEBB Organization to the school employee. The error will be corrected prospectively with termination of benefits effective the first day of the month following the date the error is identified.