



Legislative Update

School Employees' Benefits Board Program

House Appropriations Committee
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EHB 2242 (2017)

- Creates the School Employees Benefits Board (SEBB) and SEBB Program
- Includes certificated and classified employees in school districts, educational service districts, and charter schools
- Benefits starting January 1, 2020

SEBB Program administrative funds

- 2017-2019 operating budget provided \$8M for initial implementation
- HCA's fiscal note on EHB 2242 projected ~\$21M needed in current biennium
- Governor's proposed supplemental budget included HCA's full funding request

SEB Board responsibilities

- Approve insurance benefit plan offerings
- Encourage cost efficient health care systems
- Establish eligibility criteria and enrollment policies
- Authorize employee premium contributions
- Establish penalties for employers not complying with eligibility criteria
- Leverage purchasing by coordinating with PEBB

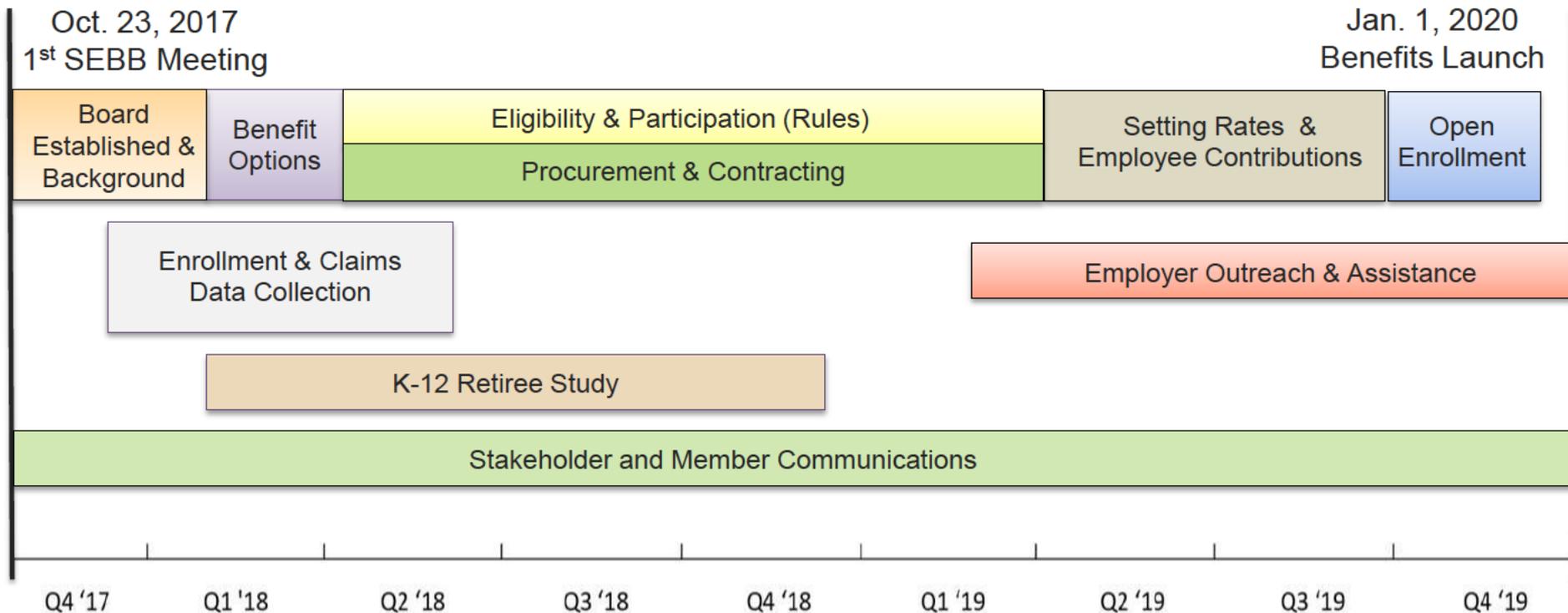
Who can be covered by SEBB benefits?

- Estimated 200,000-300,000 school employees and dependents in a single community-rated risk pool
 - Certificated and classified employees working at least 630 hours per year
 - Legal spouses and state-registered domestic partners
 - Children up to age 26
 - Children of any age with disabilities

What about retired school employees?

- HCA directed to conduct a study on the most appropriate risk pool for retired and disabled school employees
 - In consultation with SEB Board and PEB Board
 - Report due to Legislature December 2018
- Retired and disabled school employees remain in PEBB Program unless changed by the Legislature

SEBB Program key activities



SEBB Program accomplishments

- SEB Board established and met 3 times since October 2017
- HCA briefed the SEB Board on:
 - State processes for procuring benefits
 - Foundational insurance concepts
 - State's commitment to value-based purchasing
 - Bree Collaborative and Health Technology Assessment program
 - Examples of benefit structures

SEBB Program accomplishments

- HCA gathered, analyzed, and presented to the SEB Board data about:
 - Benefits currently offered to school employees
 - How school employers procure their benefits
- HCA outreach with WEA, public school employees, education associations, and other stakeholders

SEBB Program accomplishments

- HCA conducted focus groups with school employees around the state
- HCA submitted agency-request legislation to clarify and correct some portions of the initial legislation (HB 2438/SB 6241)
- Hired 12 SEBB Program staff

Next steps

- Board provides direction on benefit design
- HCA releases necessary procurements
- Board begins eligibility rules decision-making
- Obtain and analyze claims data
- Continue hiring staff
- Outreach to school employees
- Identify eligibility system of record for launch

Finance next steps

- Use current HCA actuarial contract for SEBB Program support
- Necessary enrollment and financial modeling is under development
- Immediately targeting having sufficient financial modeling completed to support collective bargaining (summer 2018)
- Too early to provide any financial estimates regarding SEBB benefits funding needs or funding rate

Questions?

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