

Public Employees Benefits Board Meeting

July 27, 2017

Public Employees Benefits Board

July 27, 2017

1:30 – 2:30

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

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TAB 1

AGENDA

Public Employees Benefits Board
July 27, 2017
1:30 p.m. – 2:30 p.m.

Health Care Authority
Cherry Street Plaza
Sue Crystal Rooms A & B
626 8th Avenue SE
Olympia, WA 98501

Call-in Number: 1-888-407-5039

Participant PIN Code: 95587891

1:30 p.m.*	Welcome and Introductions		Lou McDermott, Chair	
1:40 p.m.	Meeting Overview		Dave Iseminger, PEB	Information
1:45 p.m.	2018 Medicare Premiums Resolutions	TAB 3	Kim Wallace, Finance	Information / Action
2:05 p.m.	2018 PEB Board Meeting Schedule	TAB 4	Dave Iseminger, PEB	Information
2:10 p.m.	Public Comment			
2:30 p.m.	Adjourn			

***All Times Approximate**

The Public Employees Benefits Board will meet Wednesday, July 27, 2017, at the Washington State Health Care Authority, Sue Crystal Rooms A & B, 626 8th AVE SE, Olympia, WA. 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: board@hca.wa.gov.

Materials posted at: <http://www.pebb.hca.wa.gov/board/> no later than close of business on July 24, 2017.

PEB Board Members

Name	Representing
Lou McDermott, Acting Director Health Care Authority 626 8 th Ave SE PO Box 42713 Olympia WA 98504-2713 V 360-725-0891 louis.mcdermott@hca.wa.gov	Chair
Greg Devereux, Executive Director Washington Federation of State Employees 1212 Jefferson Street, Suite 300 Olympia WA 98501 V 360-352-7603 greg@wfse.org	State Employees
Myra Johnson* 6234 South Wapato Lake Drive Tacoma WA 98408 V 253-583-5353 mljohnso@cloverpark.k12.wa.us	K-12 Employees
Gwen Rench 3420 E Huron Seattle WA 98122 V 206-324-2786 gwenrench@covad.net	State Retirees
Mary Lindquist 4212 Eastern AVE N Seattle WA 98103-7631 C 425-591-5698 maryklindquist@comcast.net	K-12 Retirees

PEB Board Members

Name

Representing

Tim Barclay
7634 NE 170th ST
Kenmore WA 98028
V 206-819-5588
timbarclay51@gmail.com

Benefits Management/Cost Containment

Yvonne Tate
1407 169th PL NE
Bellevue WA 98008
V 425-417-4416
ytate@comcast.net

Benefits Management/Cost Containment

Marilyn Guthrie
1640 W Beaver Lake DR SE
Sammamish WA 98075
V 206-715-2760
maguthrie52@gmail.com

Benefits Management/Cost Containment

Harry Bossi*
19619 23rd DR SE
Bothell WA 98012
V 360-689-9275
udubfan93@yahoo.com

Benefits Management/Cost Containment

Legal Counsel

Katy Hatfield, Assistant Attorney General
7141 Cleanwater Dr SW
PO Box 40124
Olympia WA 98504-0124
V 360-586-6561
KatyK1@atg.wa.gov

*non-voting members

7/7/17



Washington State Health Care Authority
Public Employees Benefits Board

P.O. Box 42713 • Olympia, Washington 98504-2713
360-725-0856 • TTY 711 • FAX 360-586-9551 • www.pebb.hca.wa.gov

2017 Public Employees Benefits Board Meeting Schedule

The PEB Board meetings will be held at the Health Care Authority, Sue Crystal Center, Rooms A & B, 626 8th Avenue SE, Olympia, WA 98501. The meetings begin at 1:30 p.m., unless otherwise noted below.

January 17, 2017 (Board Retreat) 10:00 a.m. – 4:00 p.m.

March 16, 2017

April 12, 2017

May 18, 2017

June 21, 2017

July 12, 2017

July 19, 2017

July 27, 2017

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

OFFICE OF THE CODE REVISER
STATE OF WASHINGTON
FILED

DATE: August 11, 2016

TIME: 11:06 AM

WSR 16-17-045

TAB 2

PEB BOARD BY-LAWS

ARTICLE I

The Board and its Members

1. **Board Function**—The Public Employee Benefits Board (hereinafter “the PEBB” or “Board”) is created pursuant to RCW 41.05.055 within the Health Care Authority; the PEBB’s function is to design and approve insurance benefit plans for State employees and school district employees.
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 41.05.055. Board members shall serve two-year terms. A Member whose term has expired but whose successor has not been appointed by the Governor may continue to serve until replaced.
4. **Non-Voting Members**—Until there are no less than twelve thousand school district employee subscribers enrolled with the authority for health care coverage, there shall be two non-voting Members of the Board. One non-voting Member shall be the Member who is appointed to represent an association of school employees. The second non-voting Member shall be designated by the Chair from the four Members appointed because of experience in health benefit management and cost containment.
5. **Privileges of Non-Voting Members**—Non-voting Members shall enjoy all the privileges of Board membership, except voting, including the right to sit with the Board, participate in discussions, and make and second motions.
6. **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 Administrator shall serve as Chair of the Board and shall preside at all meetings of the Board and shall have all powers and duties conferred by law and the Board’s By-laws. If the Chair cannot attend a regular or special meeting, he or she shall designate a Chair Pro-Tem to preside during such meeting.
2. **Other Officers**—(*reserved*)

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, except executive sessions *as permitted by law*, shall be conducted in accordance with the Open Public Meetings Act, Chapter 42.30 RCW.
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 10 days 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. Minutes summarizing the significant action of the Board shall be taken by a member of the HCA staff during the Board meeting, and an audio recording (or other generally-accepted) electronic recording shall also be made. The audio recording shall be reduced to a verbatim transcript within 30 days of the meeting and shall be made available to the public. The audio tapes shall be retained for six (6) months. After six (6) months, the written record shall become the permanent record. Summary minutes shall be provided to the Board for review and adoption at the next 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 at the meeting for 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 Member may attend a meeting in person or, by special arrangement and advance notice to the Chair, A Member may attend a meeting 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 PEBB 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 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 Member of the Board 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.
8. 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 [RONR]. Board staff shall provide a copy of *Robert's Rules* at all Board meetings.
9. 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.
10. State Ethics Law—Board Members are subject to the requirements of the Ethics in Public Service Act, Chapter 42.52 RCW.

ARTICLE VI

Amendments to the By-Laws and Rules of Construction

1. Two-thirds majority required to amend—The PEBB 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



2018 Medicare Premium Resolutions

Kim Wallace
Deputy Section Manager
Medicaid Rates and PEB Finance
Financial Services Division
July 27, 2017

Purpose of Board Action

Vote on resolutions for Medicare premiums presented on July 19, 2017.

Medicare Premium Resolution 1

Resolved, that the PEB Board endorses the monthly Medicare Explicit Subsidy of \$150 or 50% of premium, whichever is less.

Medicare Premium Resolution 2

Resolved, that the PEB Board endorses the Kaiser Permanente of Washington Medicare premiums.

Medicare Premium Resolution 3

Resolved, that the PEB Board endorses the Kaiser Foundation Health Plan of the Northwest Medicare premiums.

Medicare Premium Resolution 4

Resolved, that the PEB Board endorses the Uniform Medical Plan Medicare premiums.

Medicare Premium Resolution 5

Resolved, that the PEB Board endorses the Premera Medicare premiums.

Questions?

Kim Wallace

Deputy Section Manager

Medicaid Rates and PEB Finance

Kim.Wallace@hca.wa.gov

Tel: 360-725-9817

2018 Medicare Premium Resolutions

1. **Resolved**, that the PEB Board endorses the monthly Medicare Explicit Subsidy of \$150 or 50% of premium, whichever is less.
2. **Resolved**, that the PEB Board endorses the Kaiser Permanente of Washington Medicare premiums.
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4. **Resolved**, that the PEB Board endorses the Uniform Medical Plan Medicare premiums.
5. **Resolved**, that the PEB Board endorses the Premera Medicare premiums.

Medicare Retiree Premiums

	2018 Premium	Explicit Subsidy	Composite
Kaiser WA Medicare Advantage & Classic	\$175.40	\$150.00	\$325.40
Kaiser NW Senior Advantage	\$173.07	\$150.00	\$323.07
UMP Classic Medicare	\$333.64	\$150.00	\$483.64
Premera Medicare Supplement Plan F Retired	\$111.21	\$106.19	\$217.40
Premera Medicare Supplement Plan F Disabled	\$216.05	\$150.00	\$366.05

Medicare Retiree Premiums

Single Subscriber after Explicit Subsidy

	2017	2018	2017 to 2018 Change in Subscriber Rate	
			%	\$
Kaiser WA Medicare Advantage & Classic	\$176.17	\$175.40	-0.4%	(\$0.77)
Kaiser NW Senior Advantage	\$163.63	\$173.07	5.8%	\$9.44
UMP Classic Medicare	\$278.13	\$333.64	20.0%	\$55.51
Premera Medicare Supplement Plan F Retired	\$109.59	\$111.21	1.5%	\$1.62
Premera Medicare Supplement Plan F Disabled	\$211.27	\$216.05	2.3%	\$4.78

TAB 4



Washington State Health Care Authority
Public Employees Benefits Board

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May 21, 2018

June 7, 2018

June 20, 2018

July 11, 2018

July 17, 2018

July 25, 2018

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Updated 7/21/17