Call to Order
Lou McDermott, Chair Pro-Tem, called the meeting to order at 1:00 p.m. Due to COVID-19 and the Governor’s Proclamation 20-28, today we’re meeting telephonically. This is a special meeting to address only those topics that need Board attention now due to the COVID-19 pandemic and its impact on the PEBB Program.

Chair Pro-Tem McDermott introduced our newest Board Member, Leanne Kunze, appointed to replace Greg Devereux, who retired earlier this year. Leanne is the Executive Director of the Washington Federation of State Employees.

Board self-introductions followed.

Meeting Overview
David Iseminger, Director, Employees and Retirees Benefits Division, provided an overview of today’s Special PEB Board Meeting. The purpose of today’s meeting is to take immediate action on three resolutions related to COVID-19. I also want to share
what the Health Care Authority and our carriers have been up to since the beginning of the COVID-19 pandemic.

HCA, using contacts with distributors and manufacturers, secured between 200 and 250 ventilators for distribution and use in our state. In our own storage of emergency equipment, we gave our personal protective equipment (PPE) to the Department of Health (DOH) to distribute as they saw fit.

HCA purchased and distributed over 900 Zoom licenses for use in rural areas, or areas where there is less infrastructure, to leverage and encourage telehealth to reduce physical appointment encounters.

After the Governor issued a proclamation suspending elective procedures in both medical and dental settings, HCA worked to release disaster relief funding to rural and community hospitals impacted by the sudden cancellation of elective procedures.

HCA’s call centers, particularly those that support the Medicaid portfolio, are supporting the Health Benefit Exchange with their extended special open enrollment related to COVID-19 allowing the uninsured access to enroll in coverage in the individual market on the exchange.

Due to the influx of unemployment claims, HCA is looking to see if our Call Center staff could assist our sister agency, the Employment Security Department, in processing and working through the influx of unemployment claims.

On the commercial side, HCA is coordinating with the Insurance Commissioner’s Office as they worked on emergency orders. HCA is lifting prescription “too soon” refills so members can get their prescriptions filled sooner.

HCA has been working with the carriers related to the cancellation of elective surgeries, and expanding telehealth and telemedicine.

HCA’s SmartHealth vendor, Limeade, is taking their platform and creating activity tiles for access by parts of the Medicaid population and those filing unemployment claims. Activity tiles could be behavioral health resources, mental health first aid, promoting virtual job fairs, information about food bank locations, how to access food, and directing people to online resources about COVID-19 for DOH and ESD. They removed tiles like, "Take a Walking Meeting with Your Colleagues" and “Visit a State Park” since many people are teleworking and state parks are closed. Instead, the shift is to promote telehealth, stress and anxiety, ways to exercise while home, mental health, first aid training, and a behavioral health focus given the nature of the pandemic.

HCA, as a whole, has been very committed to the Stay Home Stay Healthy campaign. Over 90% of our staff are teleworking. My Employees and Retirees Benefits Division went from 10% of our workforce having some aspects of telework, to nine calendar days later, 100% of our staff was teleworking 100%, with the exception of a few hours here and there for something that had to be done in the building. Even our Call Center is teleworking. A lot has changed in the last month.
HCA has been lobbying the IRS for various changes. The IRS did issue guidance after the Insurance Commissioner’s request to clarify that high deductible health plans can have first dollar coverage for COVID-19 testing and treatment.

We’ve asked the IRS about changing some Medical Flexible Spending Account and Dependent Care Assistance Program deadlines. Certain parts of those only the IRS can change. Flexibility that HCA can provide is changing the deadline for submitting reimbursement claims for 2019 elections. But only the IRS can change the incurred by date.

HCA has been working with state agencies on the maintenance eligibility rule if hours are cut. We’ve been working with higher education, in particular, about faculty regarding working part-time or quarter to quarter. The rules are complicated.

After non-emergency dental procedures were halted for two months, Delta Dental created a grant program and an advanced payment program for dentists to help ease the financial hardships they’re facing, as so many of their services are suddenly unavailable.

Kaiser Washington and Delta Dental have been working together with school districts to provide assistance with their lunch program, in particular, schools that have a high population of kids who are eligible for free lunches. They’re also providing toothbrushes, toothpaste, coloring books, and other items.

In the SEBB Program, we planned a special open enrollment opportunity with Standard Insurance for May 2020, much like we had in the PEBB Program last year. We have delayed that to align now with the Fall annual open enrollment.

**Eligibility & Enrollment Policy Development - COVID-19 Resolutions**

**Rob Parkman,** Policy and Rules Coordinator, Policy, Rules and Compliance Section, Employees and Retirees Benefits Division. Slide 2 – Introduction of Proposed Resolutions. I will introduce three proposed resolutions addressing issues with the current COVID-19 situation. Our goal today is to introduce and have you take action on these resolutions.

Proposed Resolution PEBB 2020-01 – COVID-19 Continuation Coverage Eligibility. This resolution will effectively add two months to eligibility for continuation coverage after the Governor’s state of emergency ends. The use of the term “continuation coverage” is purposeful, because it is a defined term within PEBB rules, and includes all the different provisions through which coverage can be continued.

**Dave Iseminger:** Shortly after the Governor issued the proclamation prohibiting elective and non-urgent services in medical and dental, we began hearing from both PEBB and SEBB Program members on continuation coverage, administered by HCA, indicating their COBRA coverage ends at the end of March and they had services planned they couldn’t get anymore. They didn’t want to go to the Exchange for coverage because they had already met their deductible for the year. The ask was for HCA to consider extending their maximum COBRA coverage time. Because this is coverage on a self-pay basis, this would give an option to those continuation coverage members, both COBRA, LWOP, and any other form of continuation coverage.
So members wouldn’t have to reboot their accumulators if they went to other coverage, we are recommending an extension of coverage up to two months after the emergency is over. Once that prohibition on elective procedures is lifted, we anticipate a high demand for services and recommend giving additional time rather than just through the emergency itself.

**Rob Parkman:** I will go through multiple hypothetical examples to help explain the resolutions.

Slide 4 – COVID-19 Continuation Coverage Eligibility – Example #1. If 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 for two months post the emergency period, ending June 30, 2020.

The time diagram at the bottom of Slide 4 explains when the proclamation begins and walks you through to the end of the extension period when the emergency ends.

In this example, our subscriber, instead of ending on March 31, would take advantage of the two months past the end of the emergency. Their end of eligibility would now be on June 30, 2020.

Slide 5 – COVID-19 Continuation Coverage Eligibility – Example #2. In this example, the emergency period ended April 30, 2020 and the subscriber’s continuation coverage ends May 30, 2020, but 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. The diagram at the bottom of the page walks you through the process. Because the timing is within that two-month window, they will get an additional month, with eligibility ending June 30, 2020, the end of the extension period.

Slide 6 – COVID-19 Continuation Coverage Eligibility – Example #3. If the emergency period ends April 30, 2020 and the subscriber’s continuation coverage ends June 30, 2020, no extension will be given because the subscriber’s continuation coverage ends the last day of the two-month period following the emergency period. The diagram at the bottom of the page walks you through the timing. The two-month extension and of the subscriber’s coverage will end on June 30, 2020.

**Lou McDermott:** Slide 7 - Resolution for vote.

**Resolution PEBB 2020-01 - COVID-19 Continuation Coverage Eligibility.**

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

Tom MacRobert moved and Leanne Kunze seconded a motion to adopt.

**John Comerford:** How do we stand financially? Are we able to support this with our existing budget?
Dave Iseminger: The nature of this is impacting continuation coverage, which is solely on a self-pay basis. There is a substantially higher premium contribution for the full cost of the coverage that’s associated. But in the aggregate for the system, there aren’t concerns from our Financial Services Division that the potential additional incremental months added to this would put us in a precarious or negative overall financial position.

John Comerford: We have legislative approval to do this, to take this action?

Dave Iseminger: Yes. We have been in consultation with at least one of our legislative staffers, as well as our OFM partners, about who has authority to do what, and the three resolutions that we brought to you today are within this Board’s authority.

Tim Barclay: The way this is written, if somebody’s coverage terminated on February 29, would they be eligible for this extension?

Rob Parkman: I would say yes.

Dave Iseminger: I agree with you.

Tim Barclay: That seems inconsistent with the intent and the purpose. It seems like this should read March 1, instead of February 29.

Dave Iseminger: Tim, can you share a little bit more about your concern related to February 29 versus March 1?

Tim Barclay: It seems like the reason we're doing this is because after the end of February, some people had things scheduled and had their treatments disrupted, which makes perfect sense. But for someone whose coverage is terminating February 29, it seems like if only people whose coverage would expire after February 29, where the logic makes any sense to extend the coverage.

Dave Iseminger: Tim, we did have conversations internally about the difference between the two days. Because there are so many actions by both the state agencies and state government, we've generally been trying to align things to the first day the Governor declared an emergency. The prevailing attitude was to try to align things to the exact day of the Governor's order. Though the scenario that prompted this originally was people concerned about losing coverage at the end of March.

Lou McDermott: Tim, there are a lot of other actions being taken by other agencies and within HCA. We’re trying to avoid the scenarios like 15 and a half, you get a learner’s permit; at 16 you get a driver’s license; at 18 you can watch rated R movies; at 21, you can buy a beer. We wanted to get away from all these separate dates. Keying everything back to the Governor's declaration is something we're all trying to do. We don't think there'll be a substantive difference between 29 and 30 on this policy.

Dave Iseminger: The other piece is the first COVID-19 death was on February 29, which is also the day the Governor declared an emergency. As we have learned more about the experience, it's widely believed that the COVID virus was spreading before February 29, the date of the first death. It’s possible there were individuals being
treated for COVID and would benefit from extended coverage that would reach into services they received in March as well.

**Tim Barclay:** Okay, good enough for me.

**Harry Bossi:** I agree with Tim. I think the answer to the question that was originally asked probably should have been no, but I don't disagree with the logic. It seems to me that if COBRA would have ended on February 29, it would have ended on February 29. Of course, I'm sympathetic and understanding of those who might have been diagnosed earlier, for example, with COVID-19 or any other diseased state. But their coverage would have ended on February 29 and not extending into March. So while I agree, I don't want to be a bad guy, so to speak. I'll certainly go along with the majority, but I do think the coverage should have ended on February 29, to be technically correct. Thanks.

**Elyette Weinstein:** I side with the staff for the following reasons. I know the following statement applies to the by-laws, but I think in general, this Board, as it's expressed in the by-laws, Article V, stands to construe our rules and write them in a way that preserves the health, safety, and welfare of the people affected by these rules. I think in the spirit of the by-laws, we need to construe this in the way the staff does.

**Dave Iseminger:** John Comerford, we note your support.

Voting to Approve: 6  
Voting No: 0

**Lou McDermott:** Resolution PEBB 2020-01 passes.

**Rob Parkman:** Slide 8 - Proposed Resolution PEBB 2020-02 - COVID-19 and Enrollment Timelines. This resolution will effectively add 30 days after the state of emergency has ended to enroll in continuation or retiree coverage. It further authorizes HCA to extend other enrollment deadlines, as needed, during the state of emergency.

Continuation coverage has the same meaning as the last resolution. I have two examples that support this resolution.

**Dave Iseminger:** As this Board is well aware, in all aspects of coverage, enrollment is currently paper-based. Both employers and individuals raised concerns because some people only had access to forms on the internet at the public library, which are now closed. In the middle of the month, our own agency, along with the Department of Retirement Systems (DRS) and many other parts of state agencies, closed lobby services for in-person services. If you were coming in to get a form, you couldn't get in the building. We realized there were implications of being paper-based and being able to submit documentation to enroll. That was the genesis for this particular resolution, to create some relief from the paper enrollment and enrollment deadlines. It is specific to retirees in COBRA continuation coverage because there's more flexibility there than the employee situation.
Employees have 31 days as a new hire to elect benefits. If we go beyond that 31-day period, it gets into IRS rules that would prevent premiums being taken as a pretax deduction on payroll checks. So unless, and until, the IRS does something about that, our recommendation is to limit this to the continuation coverage retiree self-pay type population.

The last piece is asking this Board to agree with the general premise that there are times where the paperwork deadlines and the enrollment deadlines are going to make sense to move given the evolving environment. The reality is things are changing so fast every day.

The concept for the third resolution coming up began less than 80 hours ago, and we are now before the Board with a resolution for you to take action. Things are moving so quickly there isn't enough time to wait a week, or to set up another meeting. We're asking the Board to have some trust in HCA during the state of emergency. If there is something HCA can do with some of the enrollment deadlines to be able to give some relief, we ask the Board to give the agency the authority to do that, in this particular instance.

Rob Parkman:  Slide 9 – COVID-19 and Enrollment Timelines - Example #1. If an employee’s last day to enroll in continuation coverage was April 30, 2020, and the state of emergency terminated on May 15, 2020, the enrollment period for that subscriber will be increased to June 14, 2020, taking advantage of the 30-day extension.

Slide 10 – COVID-19 and Enrollment Timelines - Example #2. If an employee’s last day to enroll in continuation coverage was May 31, 2020, and the state of emergency terminated on May 15, 2020, the enrollment period for that subscriber would not change. The deadline would remain May 30, 2020.

Lou McDermott:  Slide 11 – Resolution for vote.

Resolution PEBB 2020-02 - COVID-19 and Enrollment Timelines.

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

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

Leanne Kunze moved and Elyette Weinstein seconded a motion to adopt.

Voting to Approve:  6
Voting No:  0

Lou McDermott:  Resolution PEBB 2020-02 passes.
**Rob Parkman:** Slide 12 - Proposed Resolution PEBB 2020-03 - COVID-19 Related Eligibility for Newly Hired or Rehired State Employees. This resolution will support state agencies, which again is a defined term in rule that also includes higher education institutions. This resolution would support state agencies to hire or rehire employees into critical positions to respond to the COVID-19 emergency. It also authorizes HCA to include additional position types to the list, as needed, during the state of emergency. Once eligibility is gained under this policy, the other PEBB Program enrollment and eligibility rules will apply. No supplemental coverage is offered under this eligibility.

**Dave Iseminger:** I recognize there is a lot in this resolution. First, it is unusual to have a retro effective date, even of one day. But if we were to make a recommendation otherwise, then anybody hired yesterday would have challenges. In our opinion, it would be problematic to have a policy that leaves off the first day of the month when we're asking this Board to take action today, and everybody else hired in the month of April would be treated differently from those hired yesterday.

We considered going further back in time, but the genesis of this resolution on Monday was conversations with the Department of Retirement Systems (DRS) and the Office of Financial Management about the potential for lifting limitations on the retiree rehire restrictions. In the DRS context, for example, if you take the early retirement factors, you’re prohibited from coming back to work until after you’re 65. Or if you’re being rehired, you have to keep track of your hours and not go over 867, or a variety of different things change. DRS's retiree rehire restrictions were lifted by a Governor’s proclamation that was signed on March 31. We did not feel it was appropriate to go further back in time than April 1.

The next piece is the selection of the eight-hour rule and the recommendation to set eight-hours as the minimum hours of work to get eligibility. This would leverage the fact that our employers in the PEBB Program already have a familiarity with eligibility and eight hours. Eight hours is how someone maintains eligibility once they gain eligibility in the PEBB system. This resolution creates a temporary establishing of eligibility using a similar framework that employers are already familiar with.

In conversations with OFM, they were comfortable with this in this circumstance, narrowed to these types of positions that are important to incentivize into the workforce during this emergency, the low threshold of eligibility was sustainable, and the “right thing to do” in this particular instance. There is an appreciation that this comes with the employer contribution, but it is an important piece of the state’s overall response. There were conversations about the appropriate place for this action to take place, though it’s determined that within the statutory authority the Board could take this action, and it would be appreciated for HCA to work with the Board to take this action rather than take other possible avenues. This is a creation of a temporary eligibility prong.

HCA carved out the supplemental benefits from being included. There was a particular concern, especially in the LTD benefit, about the impact it could have to the long-term rates, the plan structure, and viability if we were to include supplemental LTD here. The concern about rate stability and plan viability long term were some of the reasons why the supplemental coverages are not included under this temporary eligibility prong.
Similar to the last resolution, second paragraph, we ask the Board to authorize the agency to be able to refine this list. We've already had questions in the last 12 hours about National Guard individuals, once they are activated. Their relationship with the PEBB Program is complicated. We need to evaluate that before we respond. As new positions are identified that are not on the list, HCA is asking for your support during this emergency that we can consult with OFM, as we do on many of these big issues, and then have the authority to expand this list as is minimally necessary to achieve the goals of responding to the COVID-19 emergency.

The Department of Health (DOH) and the University of Washington (UW) are asking for support in being able to incentivize and bring people back into the workforce at places like Harbor View, DOH for public health officials, and other parts of the UW system that have their employees accessing PEBB benefits. This is also drawing from specific employer areas of need.

**Rob Parkman:** Slide 13 – COVID-19 Related Eligibility for Newly Hired or Rehired State Employees – Example #1. If a state employee was rehired by a state agency as a nurse to respond to the COVID-19 emergency on April 27, 2020, and they work at least eight hours in that month, their PEBB benefits would start as of April 1, 2020.

Slide 14 – COVID-19 Related Eligibility for Newly Hired or Rehired State Employees – Example #2. If a state employee was hired by a state agency as a sanitation worker at a medical facility to respond to the COVID-19 emergency on May 16, 2020, and they work at least eight hours in that month, their PEBB benefits would start as of May 1, 2020.

**John Comerford:** Can the rehired employee waive PEBB coverage if they have other coverage?

**Dave Iseminger:** Yes. Anybody who gains eligibility for benefits always has, as part of their initial 31-day election period, the option of waiving benefits, so long as they are not waiving benefits to be uninsured. They have to meet the general qualification to waive benefits. Having other insurance would allow them to waive.

**John Comerford:** And that's an HCA mandated issue?

**Dave Iseminger:** It's part of the historical policies passed by the PEBB Board.

**Dave Iseminger:** I want to highlight the retro effective date issue. Typically, in all of PEBB rules, benefits are effective the first of the next month. This is an exception to that. The reason behind that is, the health care professionals and first responders directly interacting with individuals, may themselves then contract COVID-19. If they sign up for work and in their first shift of eight hours and end up getting infected and hospitalized, we wanted to make sure individuals that have instances of health care needs related to COVID incidents are able to get them covered in that month.

If someone works an eight-hour shift on April 2, and they themselves need to be taken care of in a hospital setting, having coverage begin May 1 would do no good in that instance. In this particular circumstance, the benefits would be retroactive to the first of the month. That's the policy reason for this recommendation.
Resolution PEBB 2020-03 – COVID-19 Related Eligibility for Newly Hired or Rehired State Employees

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

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

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

Tom MacRobert moved and Harry Bossi seconded a motion adopt.

**Tim Barclay:** What are the standard termination rules? So, hypothetically, we have somebody who comes in, they're a retired nurse. They come out of retirement to help with this crisis. They work into May, things start to get better. The Governor calls off the state of emergency May 30. They stop working. When does their coverage end?

**Dave Iseminger:** Tim, in your scenario, if the emergency ends on May 15, and the employee, a hypothetical nurse, has their last shift on May 15, the benefits would end on May 31. They end at the end of the month when eligibility ends. But that individual would be able to maintain eligibility under the standard maintenance eight-hour rule in June, July, and every other month, if they stayed on the payroll and worked eight hours. Otherwise, on May 31, their PEBB coverage would end, and they would be able to, if they're eligible for PEBB retiree insurance, enroll in PEBB retiree insurance, or come out of deferral status in PEBB retiree insurance, or they may even be eligible for COBRA at that point. But the standard window for their normal eligibility would end at the end of the month in which they cease being in pay status for fewer than eight hours.

**Tim Barclay:** I just want to be clear, that in my hypothetical, let's suppose this person's last day of work is May 29. The state of emergency ends May 30. They are diagnosed with COVID-19 on June 2. Do they have a coverage option for sure?
Dave Iseminger: Through the PEBB Program, at least as it stands now, they would at least have a COBRA option.

Tim Barclay: I just want to make sure they were not going to be left out cold with nothing, because that wouldn't be right. We'd want to extend this eligibility an extra month, if in fact that could happen, because that would be completely wrong.

Dave Iseminger: They would at least have COBRA. We can still evaluate if there are other pieces that might be an option.

Tim Barclay: It would be reasonable to me to extend this a month. I'm sure you don't want to change the motion now, but I would just throw that out there. It would seem very reasonable to me to extend coverage a month for people who are very much temporary and exposing themselves to this.

Dave Iseminger: The other thing to remember, Tim, is that the individual, to maintain benefits in the month of June, has to be in pay status for eight hours. They don't actually have to work eight hours. Under the maintenance rules, it's about pay status. There could be options where an employer learns that an individual who was pinch hitting, puts them on pay status to maintain benefits. That would also be within the employer's flexibility. That's two things off the top of my head. We can continue thinking about this as well. I appreciate that context.

Leanne Kunze: I am in full support of this. I think anything we can all be doing to demonstrate the collective action that needs to be taken for the public health, if we have folks in retirement who have the skill set that would be beneficial to flattening the curve, then we should be doing everything we can to incent that. I definitely support this.

Elyette Weinstein: I've seen situations where, if you leave it up to the employer to keep the employee in pay status, not all employers are created equal, nor are all managers. Certain managers favor certain employees and will put them in pay status. But an employee who may not be their favorite, they won't. To leave this up to the employer, I'm not very comfortable. I represent the Retired Public Employees Council (RPEC), so I would rather have it be a more neutral decision maker. Not all presidents and not all managers are created the same. The other thing I'm concerned about is the incubation period for this disease is a problem. That's why I also support setting them up.

Dave Iseminger: I appreciate that, Elyette. A couple of other pieces to remember. That eight hour piece, to try to respond to the question at hand about adding an extra month, we can certainly dig into this more. Another piece that comes to mind, it's very likely the individual in Tim's hypothetical would also potentially have a workers' compensation claim. There's the possibility of L&I, there's the possibility of COBRA, there's the possibility of employer flexibility with the eight-hour maintenance rule. HCA can certainly continue to evaluate this particular instance. But right now, these questions, totally valid, are about when the emergency ends. None of us have a crystal ball, but that's not soon. This gets the ball started on the front end, retro to yesterday, and we can continue talking about the end of the emergency, as well. I would hope the Board would be able to take action on this piece to get the ball rolling, retro to
yesterday, as we sort out and see if there’s anything else to bring to you, or within existing authorities, to potentially address the endpoint raised by Tim and Elyette.

Voting to Approve: 6
Voting No: 0

**Lou McDermott**: Resolution PEBB 2020-03 passes.

**Public Comment**
There was no public comment.

**Next Meeting**
April 15, 2020
12:00 p.m. – 3:30 p.m.

**Dave Iseminger** shared possible agenda items for the next Board Meeting.

Meeting adjourned at 2:04 p.m.