

Public Employees Benefits Board Retreat
Meeting Minutes

January 31, 2019
Health Care Authority
Sue Crystal Rooms A & B
Olympia, Washington
9:00 a.m. – 5:00 p.m.

Members Present:

Sue Birch
Tom MacRobert
Tim Barclay
Harry Bossi
Yvonne Tate

Members via Phone:

Greg Devereux
Myra Johnson (joined late)

Members Absent:

Carol Dotlich

PEB Board Counsel:

Michael Tunick, Assistant Attorney General
Katy Hatfield, Assistant Attorney General

Call to Order

Sue Birch, Chair, called the annual retreat to order at 9:04 a.m. Board and invited guests introductions followed.

Meeting Overview

Marcia Peterson, Manager, Benefits Strategy and Design Section, Employees and Retirees Benefits (ERB) Division, provided an overview of the agenda. The theme of the Retreat was Ensuring Affordability and Value for Members.

Addressing Health Care Affordability: Identifying and Addressing Waste

Mich'I Needham, Chief Policy Officer, Clinical Quality & Care Transformation Division, Health Care Authority and **Nancy Giunto**, Executive Director, Washington Health Alliance discussed affordability and waste in health care.

Panel Discussion: Pharmacy Challenges from the Physician Perspective

Panel Moderator – Emily Transue, MD, Assistant Medical Director HCA

Panel Members: Norris Kamo, MD, Virginia Mason Medical Center; **Matthew Mulder, MD**, Valley Medical Center; **Gurpreet Rawat, MD**, Kaiser Permanente of Washington; **Keith Bachman, MD**, Kaiser Permanente Northwest

Emily Transue, MD, led a panel discussion on pharmacy challenges from the physician perspective. There was a question and answer period.

There are a lot of generic/substitutable medications available. There was a discussion on a “step process” for dispensing drugs - you start with a generic and move to others if medically necessary. It can be difficult for a physician to keep up with all the steps and different formularies. The panel indicated they did not have issues with members insisting on using brand-name drugs and being willing to try generic drugs. There was a robust discussion on pharmacy.

UMP Pharmacy Update

Marcia Peterson provided an update on the Uniform Medical Plan pharmacy. Communication and client engagement is important in taking charge of your health care.

2019 Open Enrollment Summary

Renee Bourbeau, Manager, Benefits Accounts Section, shared the results of the 2019 open enrollment. Renee shared the engagement process for getting information to the subscribers, PEBB Program enrollment changes for 2019, and customer service strategies.

Disability Benefits

Cade Walker, Executive Special Assistant ERB Division, Health Care Authority Representative from the Department of Employment Security

Kisha Turner, National Senior Accounts Underwriter, The Standard

Jared Benedetti, Consulting Actuary, The Standard

Dave Tappan, Employee Benefits Manager, The Standard

Cade Walker led a panel discussion on disability benefits. Cade provided an overview of disability insurance. The new state Paid Family and Medical Leave Program was described. The Standard talked about trends in employer-sponsored disability benefits.

The Empowered Consumer & Personal Health Technology

Molly Christie, Strategic Planning Project Manager, ERB Division

Matthew Toney, Strategic Planning Project manager, ERB

Molly and **Matthew** gave a robust presentation on consumerism in health care, the personal health tech market of health, and wellness applications providing many examples. They shared trends in the personal health tech market and future considerations, and what the PEBB Program is currently doing.

Emerging Medications Update

Ryan Pistorosi, Assistant Chief Pharmacy Officer, Clinical Quality & Care Transformation Division presented an overview of new drugs that recently came onto coming on the market and the potential cost impact to the PEBB Program.

Medicare Retiree Health Benefits

Kim Wallace, SEBB Finance Manager provided an update on the report the agency submitted to the Legislature. The Health Care Authority is evaluating the PEBB Program Medicare retiree health benefits. Kim provided a progress report and identified next steps.

Medicare Supplement Plans

Betsy Cottle, Contract Manager, discussed the closing of Medicare Supplement Plan F, what that means for our subscribers, and details for the new Plan G.

Retired and Disabled School Employees Risk Pool Analysis Report to the Legislature

Kim Wallace, SEBB Finance Manager. The Legislature charged the Health Care Authority with analyzing the appropriate risk pool for the retired and disabled school employees. The report was submitted to the Legislature on January 17, 2019. Kim gave an update on the submitted report.

2019-2021 Governor's Budget Update

Tanya Deuel, PEBB Finance Manager shared an update on the Governor's 2019-2021 budget. Tanya discussed funding rates; the Medicare explicit subsidy; decision packets, both funded and partially funded; and other funding.

2021 Benefits Priorities

Marcia Peterson, led a Board discussion on their ideas on benefit priorities for 2021. **Greg Devereux**, is interested in disability, orthodontia, and vision. When were they changed last? **Harry Bossi**, is interested in the vision benefit. **Sue Birch** would like to see enhanced behavioral health and wellness. **Tom MacRobert's** number one concern is the rising cost of medical care, specifically prescription drugs.

Public Comment

Fred Yancey, would like the retreat to use microphones. Technology discussed was not a comfortable discussion. Interested in premiums and benefit design for retirees. Who makes those decisions? What is the timeline? Stakeholders should be involved. The value of the retiree drug subsidy has declined.

Legislative Update

Dave Iseminger, talked about the bills currently in the Legislature. There are three main bills that may impact the PEBB Program.

- HB 1085 – Medicare Retiree Subsidy
- HB 1220 / SB5275 – Add the Insurance Commissioner to the PEB Board as a non-voting member
- SB 5335 – LEOFF 2 Board – Ensure retiree pension payment made for the entire month in which the retiree dies

Bills that may impact both Boards.

- HB 1065 / SB 5031 / HB 1215 – Surprise Billing (balance billing)
- Tobacco / Vapor Products – Raising the age of access
- HB 1099 – Network Adequacy
- HB 1523 / SB 5526 - Public Option Bill
- HB 1145 – Dependent Care Assistance Program (DCAP) Employer Contribution Match Pilot Program

Sue Birch: The next PEB Board Meeting is March 20, 2019, starting at 1:30 p.m.

Meeting adjourned at 4:10 p.m.

Note: The PEBB January 2019 Briefing Book can be found on the PEB Board webpage: <https://www.hca.wa.gov/about-hca/public-employees-benefits-board-pebb-program/meetings-and-materials>