

School Employees Benefits Board Meeting

January 27, 2020

School Employees Benefits Board

January 27, 2020

9:00 a.m. – 4:00 p.m.

Health Care Authority

Sue Crystal A & B

626 8th Avenue SE

Olympia, Washington

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TAB 1

School Employees Benefits Board
January 27, 2020
9:00 a.m. – 4:00 p.m.
Sue Crystal Rooms A & B

Cherry Street Plaza
 626 8th Avenue SE
 Olympia, WA 98501

Call-in Number: 1-866-374-5136

Participant PIN Code: 60995706

8:30 a.m.	Coffee and Light Refreshments			
9:00 a.m.*	Welcome and Introductions		Lou McDermott, Chair	
9:05 a.m.	Meeting Overview		David Iseminger, Director Employees & Retirees Benefits (ERB) Division	Information
9:15 a.m.	SEBB's First Annual Open Enrollment - Preparation and Activities Summary	TAB 3	Scott Palafox, Deputy Director ERB Division Renee Bourbeau, Manager Benefits Accounts Section, ERB Division	Information/ Discussion
9:35 a.m.	SEBB Open Enrollment Results	TAB 4	David Iseminger, Director (ERB) Division John Bowden, Manager School Employees Benefits Section ERB Division	Information/ Discussion
10:45 a.m.	Break			
11:00 a.m.	<ul style="list-style-type: none"> • 2020 Supplemental Governor's Budget Update • Legislative Update 	TAB 5	Tanya Deuel, ERB Finance Manager Financial Services Division Cade Walker, Special Assistant ERB Division	Information/ Discussion
11:40 a.m.	Annual Benefits Planning Cycle	TAB 6	Marcia Peterson, Manager Benefits Strategy & Design Section ERB Division	Information/ Discussion
12:00 p.m.	<u>Working Lunch</u> <ul style="list-style-type: none"> • Dental Options for 2022 • Special Long-Term Disability (LTD) Open Enrollment 	TAB 7	Ellen Wolfhagen, Senior Account Manager, ERB Division Kimberly Gazard, Contract Manager ERB Division	Information/ Discussion

1:15 p.m.	School District Optional Benefits Reporting	TAB 8	Cade Walker, Special Assistant ERB Division	Information/ Discussion
1:45 p.m.	SEBB Medical Plan Update	TAB 9	Lauren Johnston, SEBB Senior Account Manager, ERB Division	Information/ Discussion
2:05 p.m.	Eligibility and Enrollment Policy Development	TAB 10	Barb Scott, Manager Policy, Rules, & Compliance Section ERB Division	Information/ Discussion/ Action
2:45 p.m.	Break			
3:00 p.m.	Annual Rate Process	TAB 11	Megan Atkinson, Chief Financial Officer	Information/ Discussion
3:20 p.m.	Educational Service District (ESD) Report Discussion	TAB 12	Cade Walker, Special Assistant ERB Division	Information/ Discussion
3:35 p.m.	Public Comment			Information/ Discussion
4:00 p.m.	Adjourn			

***All Times Approximate**

The School Employees Benefits Board will meet Monday, January 27, 2020, 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: 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 January 24, 2020.

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 101 Crimson Court SE Rainier, WA 98576 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

SEB Board Members

Name	Representing
Katy Henry Spokane Public Schools 200 North Bernard Spokane, WA 99201 V 509-325-4503 katy.henry@hca.wa.gov	Certificated Employees
Terri House Marysville School District 4220 80 th 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 19 th 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	

1/22/20



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



SEBB's First Annual Open Enrollment Preparation and Activities Summary

Scott Palafox, Deputy Director

Renee Bourbeau, Manager, Benefits Accounts Section

Employees and Retirees Benefits Division

January 27, 2020

Since the Last SEBB Board Meeting...

- We had a successful launch of the First Annual SEBB Program Open Enrollment.
- School employees took advantage of new tools and resources in helping them with their benefit elections.
- HCA learned a lot about our new members, as we met many of them face-to-face.

Pre-Open Enrollment Engagement with Benefits Administrators

- **SEBB Program Webinars**
 - SEBB My Account
 - Supplemental Payroll Set Up
 - Billing
 - COBRA/Continuation Coverage
 - General Q&A
- **In-person Two-Day Training**
 - The Outreach and Training (O&T) Unit conducted 19 training events for more than 600 Benefits Administrators regarding the following:
 - Eligibility and benefits
 - SEBB My Account
 - Websites for Benefits Administrators
 - Appeals processes
 - Continuation Coverage

In-Person Benefits Fairs

Outreach and Training also conducted 20 benefits fairs across the state for employees:

- Offered between 9/30 and 11/7
- Evening and extended hours offered
- Benefits providers available to answer questions
- Large number of attendees (over 10,000) resulted in additional staff deployed



Open Enrollment Tools

- Virtual Benefits Fair launched October 1, 2019:
 - Interactive online website
 - Available 24 hours a day/7 days a week
 - Direct link access to ALEX and SEBB My Account
 - Approximately 30,000 visits
- ALEX launched on October 2, 2019:
 - Interactive online decision support tool
 - Accessible 24 hours a day/7 days a week
 - Learn about SEBB benefits
 - Approximately 137,700 visits

Comments from SEBB Program Members Regarding ALEX

- *Fun and keeps you engaged! Great job.*
- *I believe that the Alex option helped inform me on different choices that I otherwise would have not known anything about.*
- *This Alex guy is GREAT!*
- *I would be uninsured if Alex hadn't walked me through my options! Can Alex help me stop procrastinating? That'd be great.*
- *Going to the benefits fair was the most helpful experience. I found out that the plan that ALEX recommended actually didn't cover one of the main hospital networks in Spokane. So that would be a helpful feature in the future - looking at the networks each plan covers.*
- *Wow! I could actually feel my shoulders relaxing and my teeth unclenching as I worked with this friendly voice. I loved that he added little explanations along the way, like explaining what a specialist covered.*

SEBB My Account Assistance

Contact Center:

- Offered technical support (new user registration in Secure Access Washington, SEBB My Account navigation, and uploading of Dependent Verification).
- Available to Benefits Administrators 9/23 and to employees starting 10/1.
- Offered expanded hours of operations during OE:
 - Monday through Friday, 7 a.m. – 9 p.m.
 - Saturday, 10 a.m. – 4 p.m.
- Received almost 13,700 calls.

Other Assistance

- Many external stakeholders contributed to this successful open enrollment. To name a few:
 - **SEB Board:** 23 meetings with over 100 hours in a two-year period.
 - **School Districts:** Instrumental with eligibility determinations and providing direct support to their school employees, many within their existing payroll and administrative resources.
 - **Washington Association of School Business Officials (WASBO):** Provided early and regular communications channels with business officials and allowed for significant training time at conferences. Provided rules/policy insight for the past two years.
 - **Labor Unions:** Promoted and explained the change to their members and pushed enrollment throughout open enrollment, especially at the end. Provided rules/policy insight for the past two years.

Other Assistance (*cont.*)

- **Educational School Districts (ESDs):** Provided space for benefits administrator trainings, supported HCA communications, and helped districts through the transition.
- **Washington School Information Processing Cooperative (WSIPC):** Made data system modifications so districts could use their platform to get eligibility to HCA in September.
- **Various State Entities:** Office of Financial Management and the Governor's Office, Department of Enterprise Services, Health Benefits Exchange, Office of Superintendent of Public Instruction, Office of Insurance Commissioner, Attorney General's Office, Washington Technology Solutions, and the Legislature.

Other Assistance (*cont.*)

- **Carriers and Vendors:** Staffing benefits fairs, targeted communications, training webinars.
- **HCA Staff**
- **All School Employees**

HCA Additional Readiness Activities

- Provided SEBB Organizations with copies of the *School Employee Initial Enrollment Guide*.
- Launched Enterprise Technology Services Command Center.
- Established email “hotline” box for School Superintendents and SEBB Program Leadership for urgent issue escalation.
- Created external-facing report to display status progress of SEBB Organizations in producing/uploading eligibility data to SEBB My Account.
- Managed FAQs for Benefits Administrators and employees.
- Made data-driven decisions regarding opportunities for targeted communications to SEBB Organizations and employees.

Targeted Communications

SEBB Program Updates (Twice Weekly):

- Descriptions of upcoming SEBB My Account (SMA) releases
- Updates on known issues
- General updates on number of accounts claimed and enrollment statistics

Benefits Administrator Reminder Emails:

- Importance of uploading eligibility data to SMA in a timely manner
- Template copies of mass mailing letters HCA sent to employees
- Guidance on usage of SEBB Program approved marketing material
- How to run reports in SEBB My Account

Targeted Communications (*cont.*)

- Targeted communication to SEBB Organizations to encourage uploading of their eligible employees to SEBB My Account (SMA) before 9/10.
- Follow-up with SEBB Organizations who had not provided a list of their COBRA participants.
- Targeted communication early in open enrollment to SEBB Organizations that had less than 20% of SEBB eligible employees claim SMA accounts.
- Four Facebook live events for school employee Q&A. (Over 8,000 views)

Dependent Verification (DV)

- Ensures that only eligible dependents are enrolled in the SEBB Program.
- Performed for spouses, state-registered domestic partners, and any children (including children with disability and extended dependents).
- The SEBB Program eligibility rules differed from the rules the districts were using previous to SEBB Program implementation.
- We initially contracted with a vendor to provide DV.
 - Early assessment indicated that it was in our best interest to use internally trained staff with their significant expertise in this area to have the best results.

Dependent Verification (DV) (*cont.*)

- Managed DV work with 24 staff from the Employees and Retirees Benefits (ERB) Division.
- Engaged 35 additional staff from within the agency in early October to support efforts and to reduce backlog.
- At the end of October, HCA mailed a letter to employees with pending and denied dependent verification status for approximately 25,000 dependents.
 - Asked employees to take additional action to confirm dependents' eligibility prior to end of open enrollment.
 - By doing so, reduced an estimated 20,000 dependents from being denied.

Some Takeaways

- **SEBB My Account (SMA) Downtime:**
 - SMA enrollment for making benefit elections was unavailable on Friday, November 15, between 12 midnight – 6 a.m.
 - Impacted subscribers were identified, Benefits Administrators and Superintendents were alerted, and subscribers with email addresses on file received targeted messaging
 - Open enrollment was not extended as a result of this issue
- **Enrollment Confusion: ALEX vs. SEBB My Account**
 - Reports received that subscribers believed viewing ALEX tool meant they had elected benefits in SMA
 - Forwardable messaging prepared for Benefits Administrators
 - Alerts added throughout ALEX tool

Some Takeaways (*cont.*)

- **Low Supplemental Long-Term Disability (LTD) enrollment:**
 - Implemented enhancements in SEBB My Account
 - Special Open Enrollment planned for May 2020
- **Approved DV before selecting a plan:**
 - Future enhancement in SEBB My Account requiring subscribers make their plan elections for their dependents prior to being able to upload their DV documents for approval

Lessons Learned

- Robo Calls
- Computer Lab
- Addresses
- Develop functionality in SEBB My Account that better informs subscribers when their enrollment is complete and other notifications
- In-person benefits fairs were very popular
- Communications integral (SEBB Program updates, targeted communications)
- Webinars very helpful

Next Steps

- Continue to work through and resolve remaining Open Enrollment issues.
- Learn from our lessons learned.
- Never lose sight of the goal to offer affordable and quality health care benefits to our members!!!

Questions?

Scott Palafox, Deputy Director

Employees and Retirees Benefits Division

Scott.Palafox@hca.wa.gov

Tel: (360) 725-1858

Renee Bourbeau, Manager, Benefits Accounts Section

Employees and Retirees Benefits Division

Renee.Bourbeau@hca.wa.gov

Tel: (360) 725-0823

TAB 4



SEBB Open Enrollment Results

David Iseminger, Director
Employees and Retirees Benefits (ERB) Division

John Bowden, Manager
School Employees Benefits Section
Employees and Retirees Benefits (ERB) Division

SEBB Program Open Enrollment Key Results

(approximate)	
146,000	Eligible employees
98%	Enrolled in or affirmatively waived a medical plan
2%	Automatically enrolled in benefits
183,000	Eligible dependents
21%	Employees selecting supplemental life insurance
18%	Employees selecting supplemental long-term disability insurance
13%	Employees who waived coverage

As of January 16, 2020

School Employees with Medical Coverage

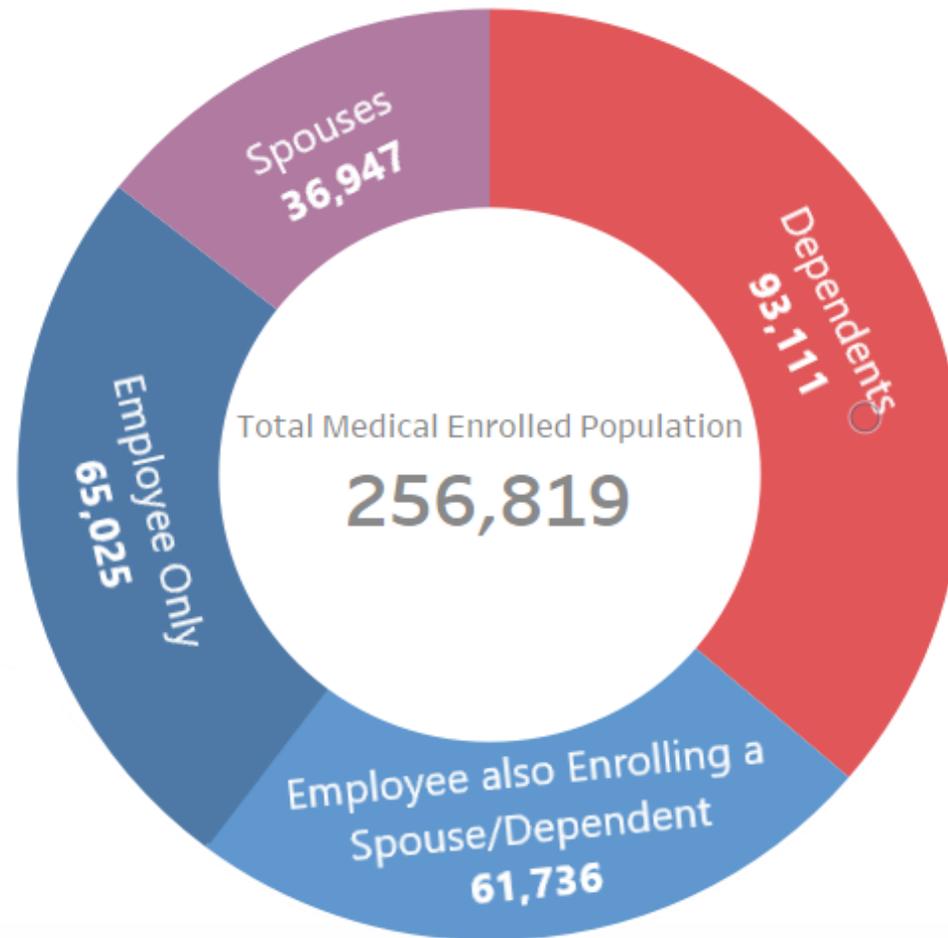
	Pre-SEBB Enrollment ¹	SEBB Enrollment ²	Difference
Subscribers	105,635	126,761	21,126
Dependents ³	93,372	130,058	36,686
Totals	199,007	256,819	57,812

¹ From OIC Report Year 4 Data (CY2015)

² As of 1/16/2020

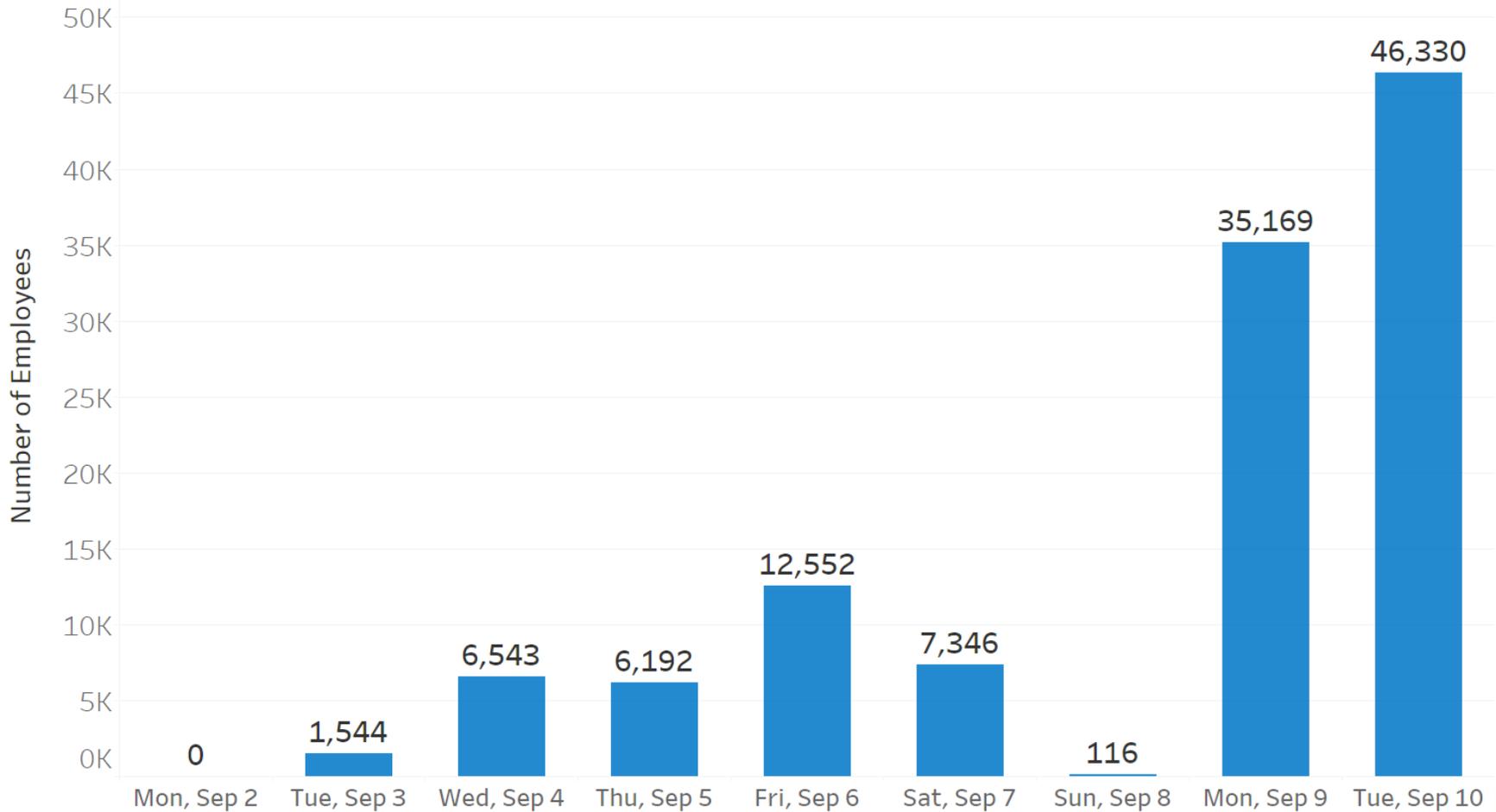
³ Dependents includes spouse/state-registered domestic partner and children

Medical Plan Enrollment by Member Type



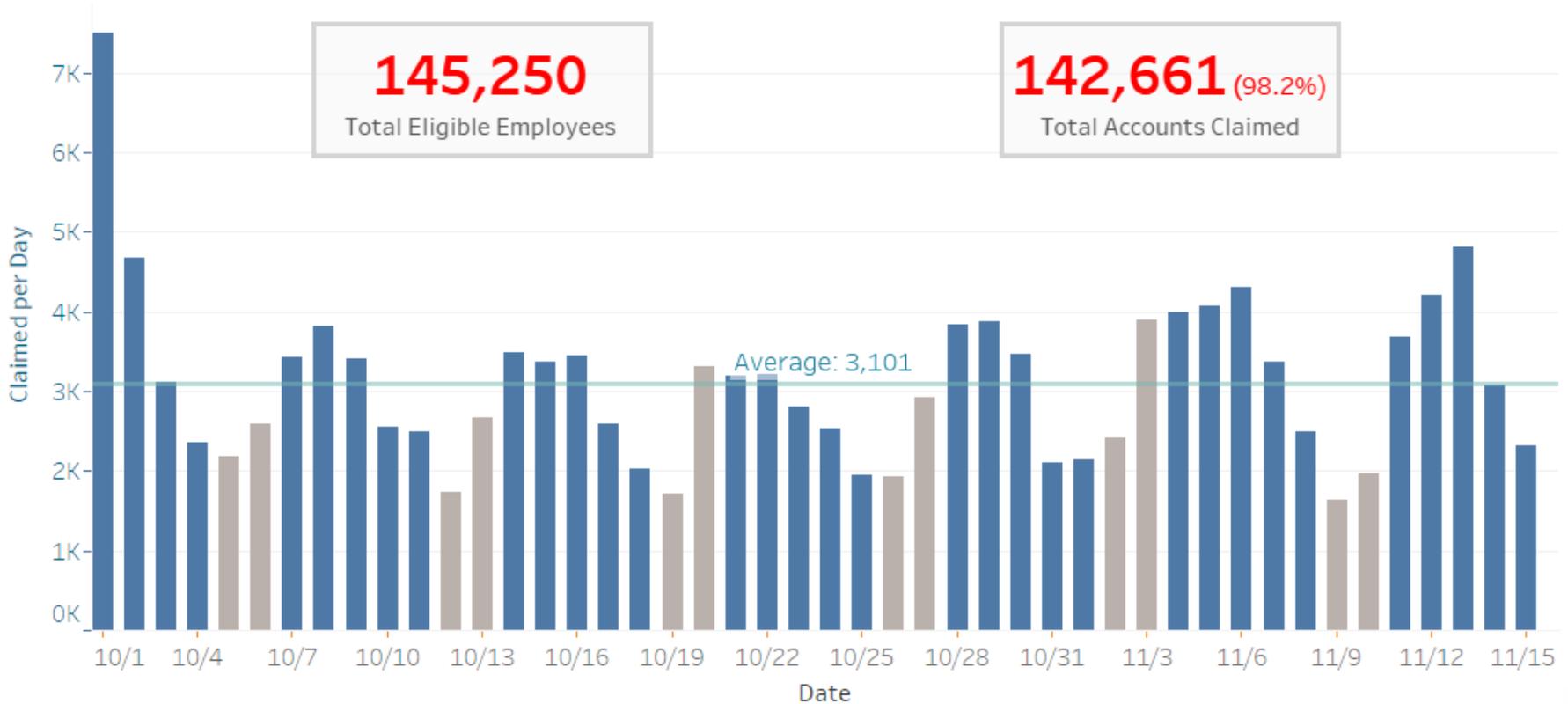
As of January 16, 2020

Eligible Employees Submitted per Day

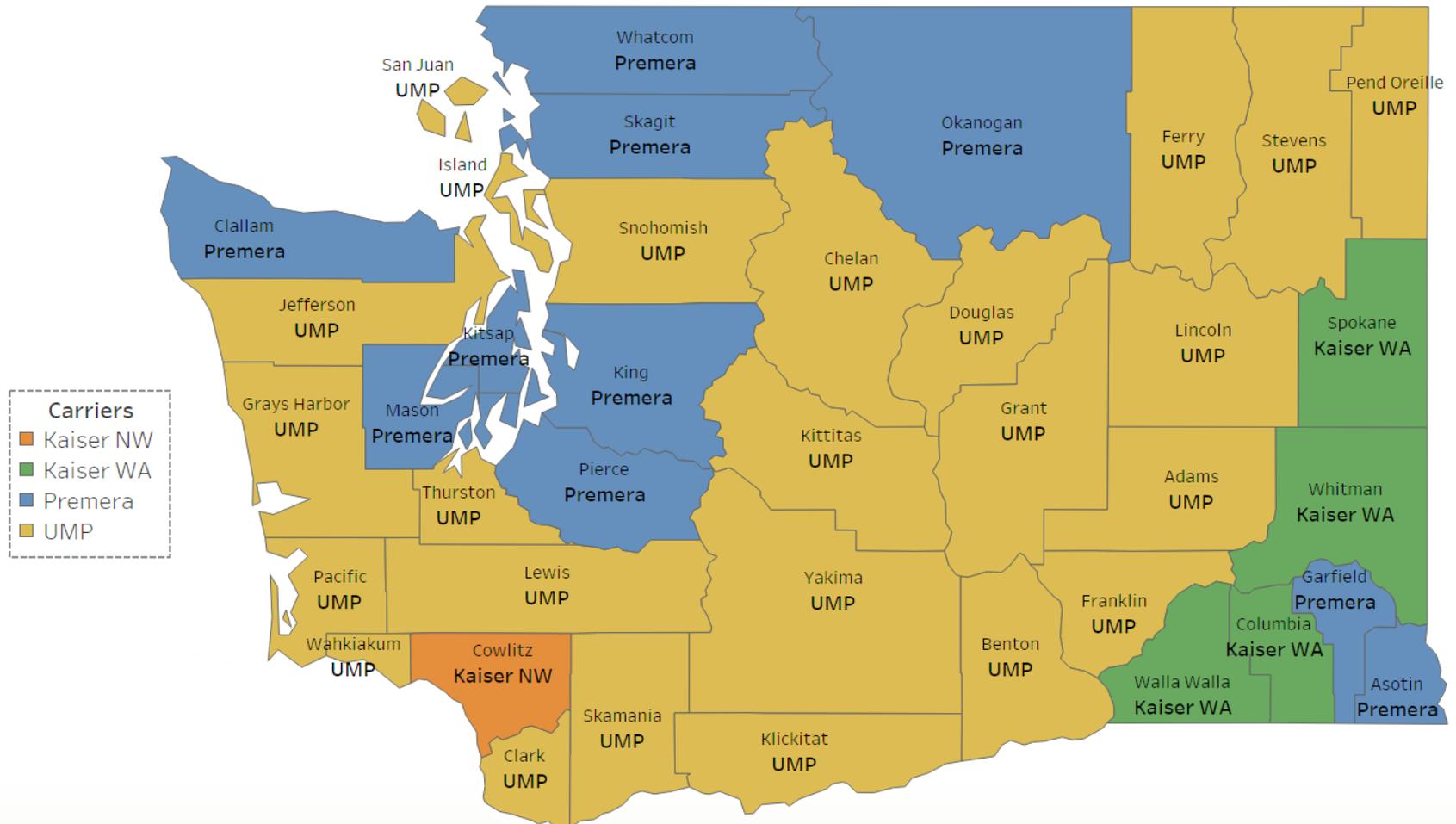


SEBB My Accounts Claimed per Day

Accounts Claimed per Day during Open Enrollment

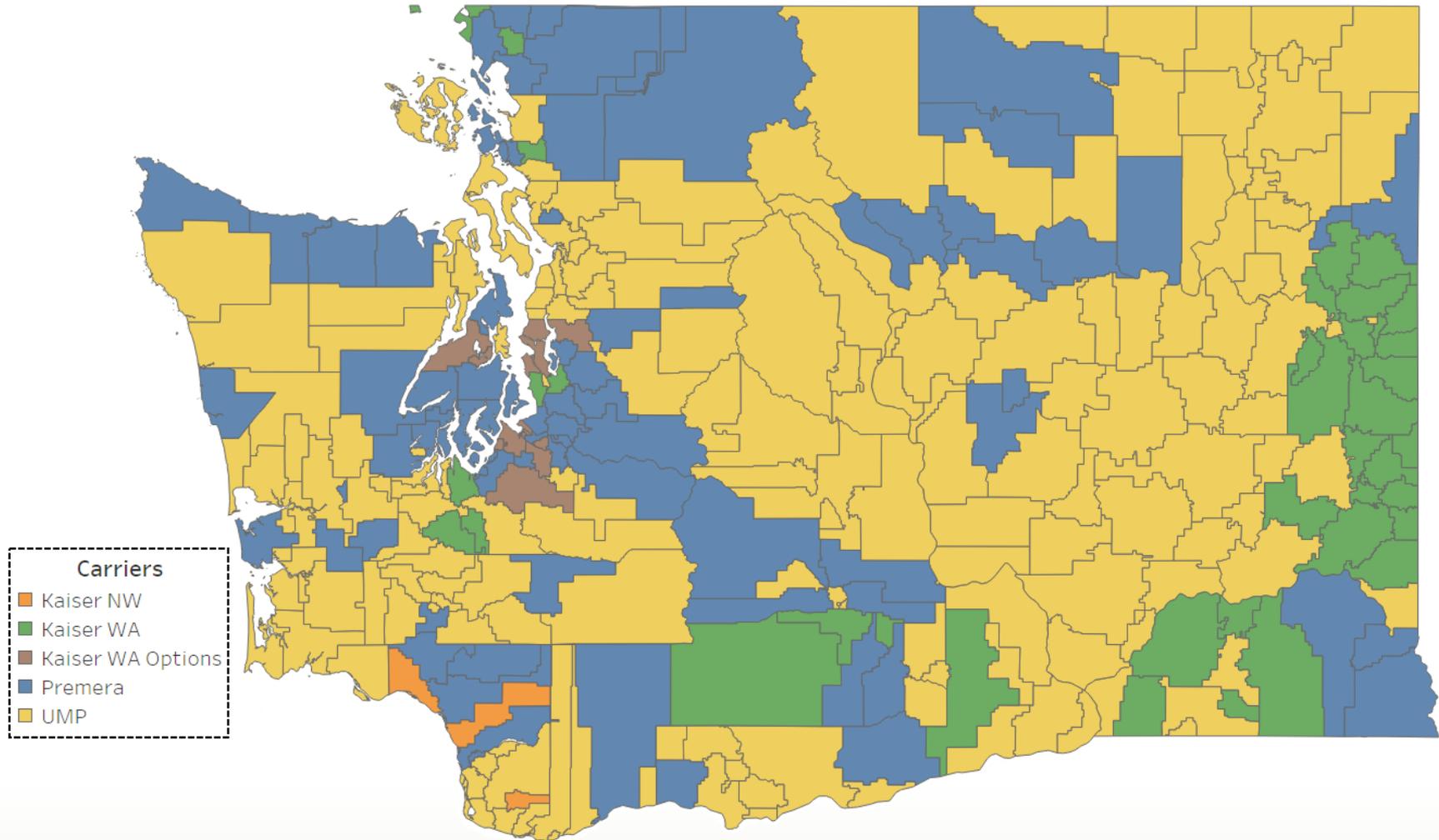


Top Medical Carrier by County (All Members)

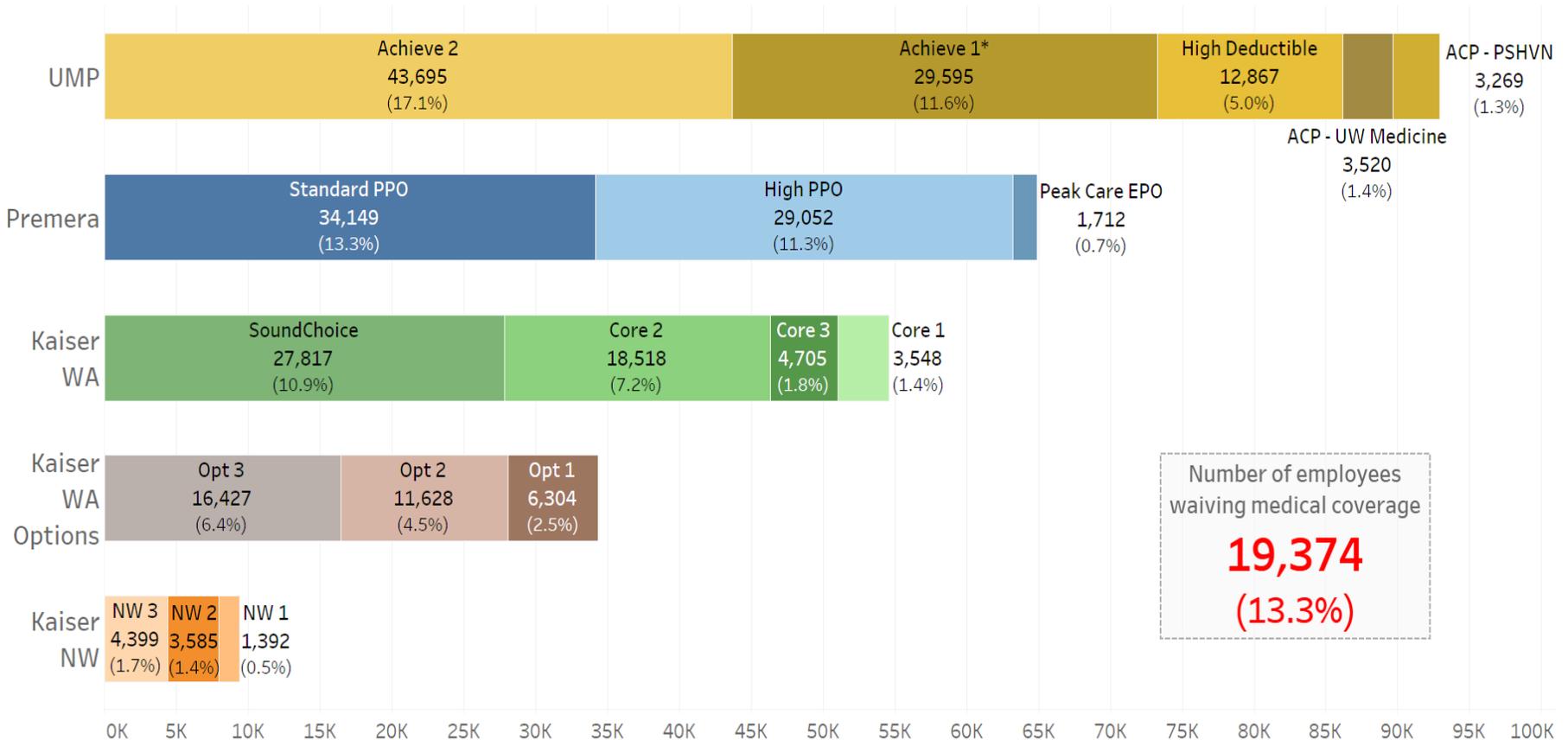


*Douglas, Klickitat, and San Juan County residents had only UMP options

Top Medical Carrier by District (All Members)

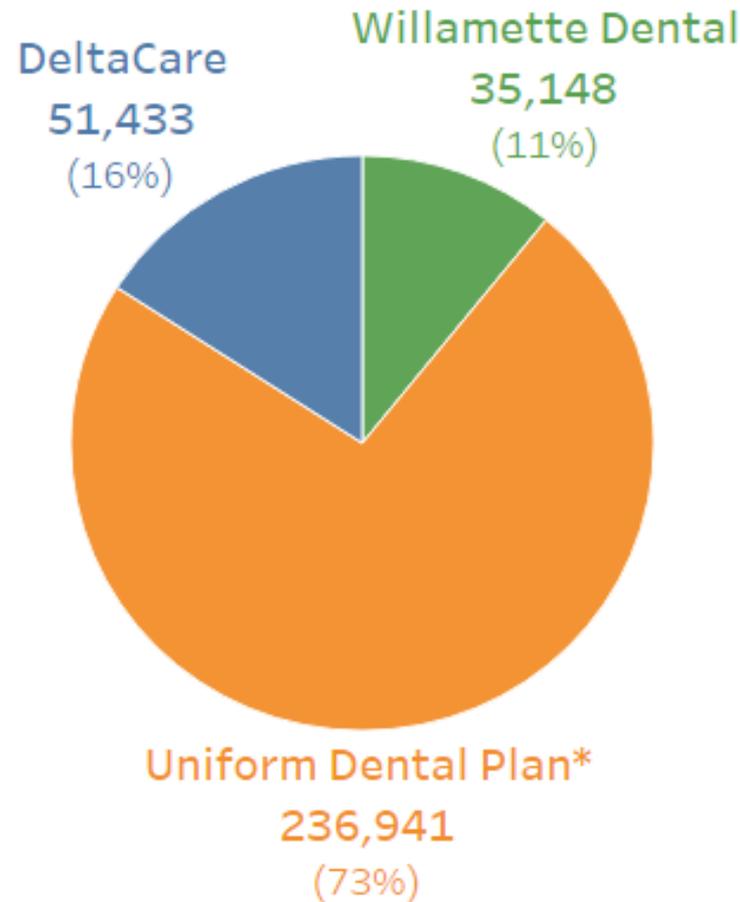


Member Enrollment by Medical Plan



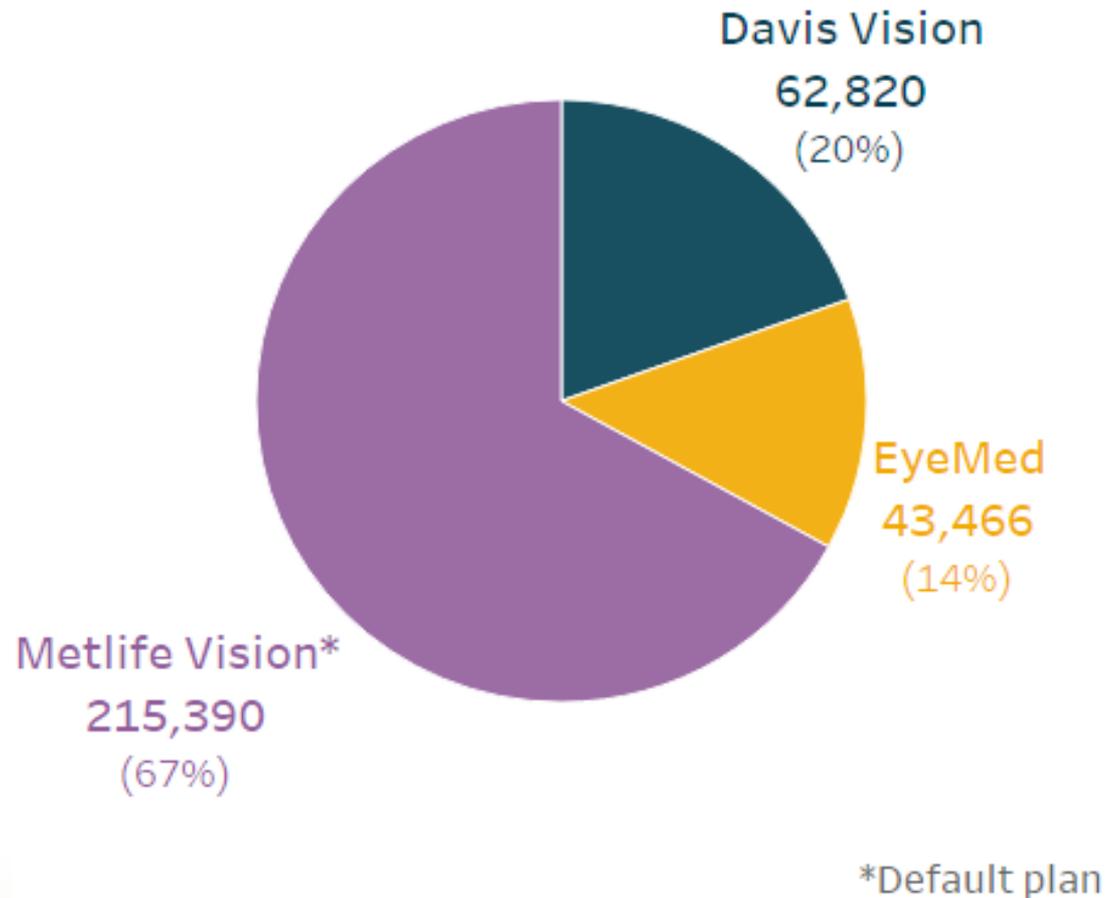
*Default plan

Member Dental Enrollment by Plan



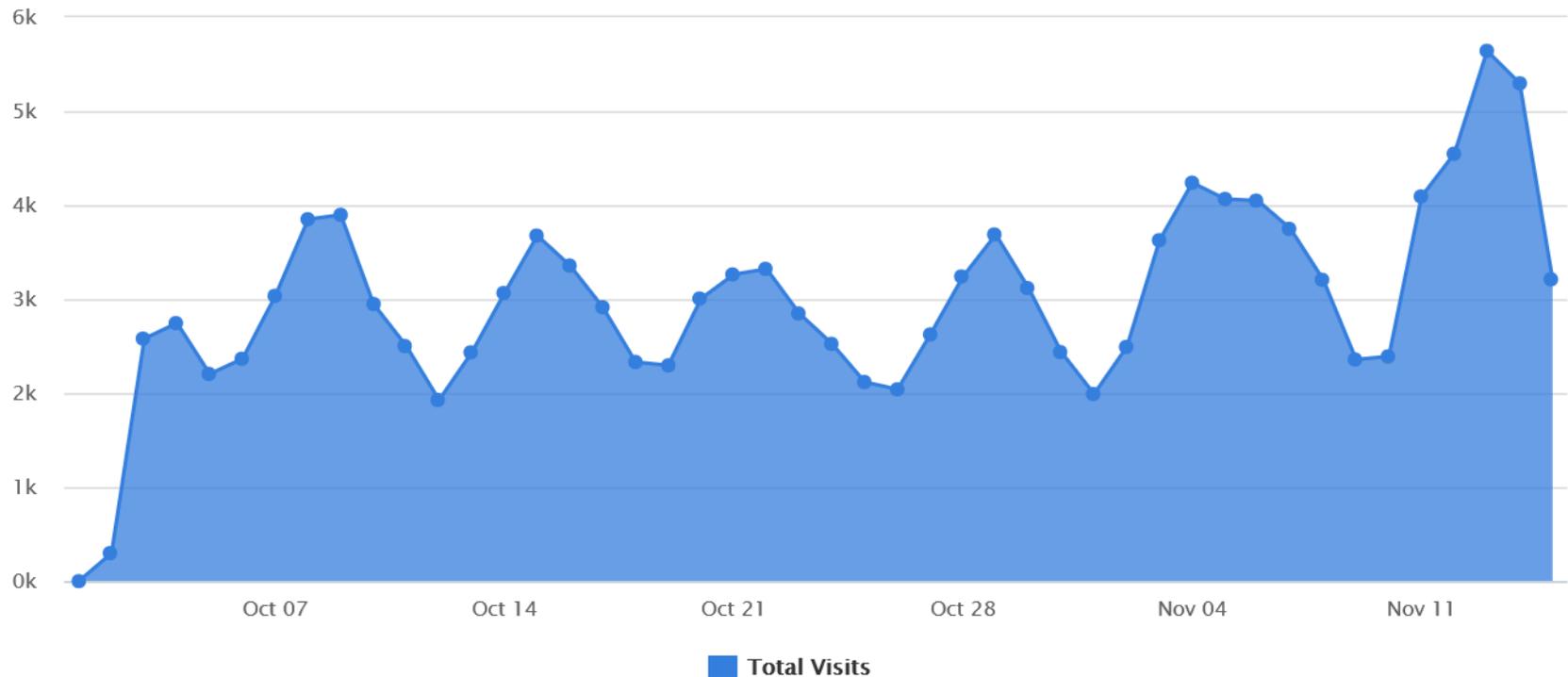
*Default plan

Member Vision Enrollment by Plan



ALEX Visits During Open Enrollment

Total Visits **137,648**



SEBB Program Appeals

- HCA has received approximately 5,200 appeals as of January 22
- Three primary types of appeals:
 - Dependent verification (about 37% of total received)
 - Dental plans (about 42% of total received)
 - Other plan enrollment corrections (about 21% of total received)
- Estimating that at a minimum, 40% of appeals have been fully adjudicated, keyed, and a member letter mailed

SmartHealth

16,369	Registered
14,013	Completed well-being assessment

Subscribers who completed their well-being assessment during the initial open enrollment are eligible for a \$50 reduction in their medical plan's deductible in 2020, or a \$50 deposit into their Health Savings Account.

Questions?

David Iseminger, Director
Employees and Retirees Benefits Division
dave.iseminger@hca.wa.gov

John Bowden, Manager
School Employees Benefits Section
john.bowden@hca.wa.gov

TAB 5



2020 Supplemental Governor's Budget Update - SEBB

Tanya Deuel
ERB Finance Manager
Financial Services Division
January 27, 2020

SEBB Funding Rate

- \$994 Funding Rate (January 2020 – June 2020)
 - Remained unchanged
- \$1,056 Funding Rate (July 2020 – August 2020)
 - Remained unchanged
- \$1,029 Funding Rate (2020-2021 School Year)
 - Reduced from \$1,056
 - Per employee per month
 - Adequate to maintain current level of benefits

Funded Decision Packages

Title	FTE	Dollar
<p>Audit Capabilities Staffing to support audit functionality.</p>	<p>4 FTE Total 2 PEBB 2 SEBB</p>	<p>\$234K (SEBB)</p>
<p>K-12 Non-Medicare Risk Pool Staffing to implement changes to the risk pool arrangement for retired and disabled school employees.</p>	<p>1.3 FTE</p>	<p>Funded \$15K Requested \$339K (SEBB)</p>

Other Items of Interest

Title	Dollar
<p>Diabetes Management Request For Information (RFI) – One-time administrative funding to complete an RFI related to diabetes management program.</p>	<p>\$150K Total (\$75K PEBB/\$75K SEBB)</p>
<p>Third Party Administrator Administrative Budgets – Spending Authority Only – Increased spending authority to align with the increased self-insured medical and dental enrollment.</p>	<p>\$18.2M</p>

Questions?

Tanya Deuel, ERB Finance Manager

Financial Services Division

Tanya.Deuel@hca.wa.gov

Tel: 360-725-0908



Legislative Update

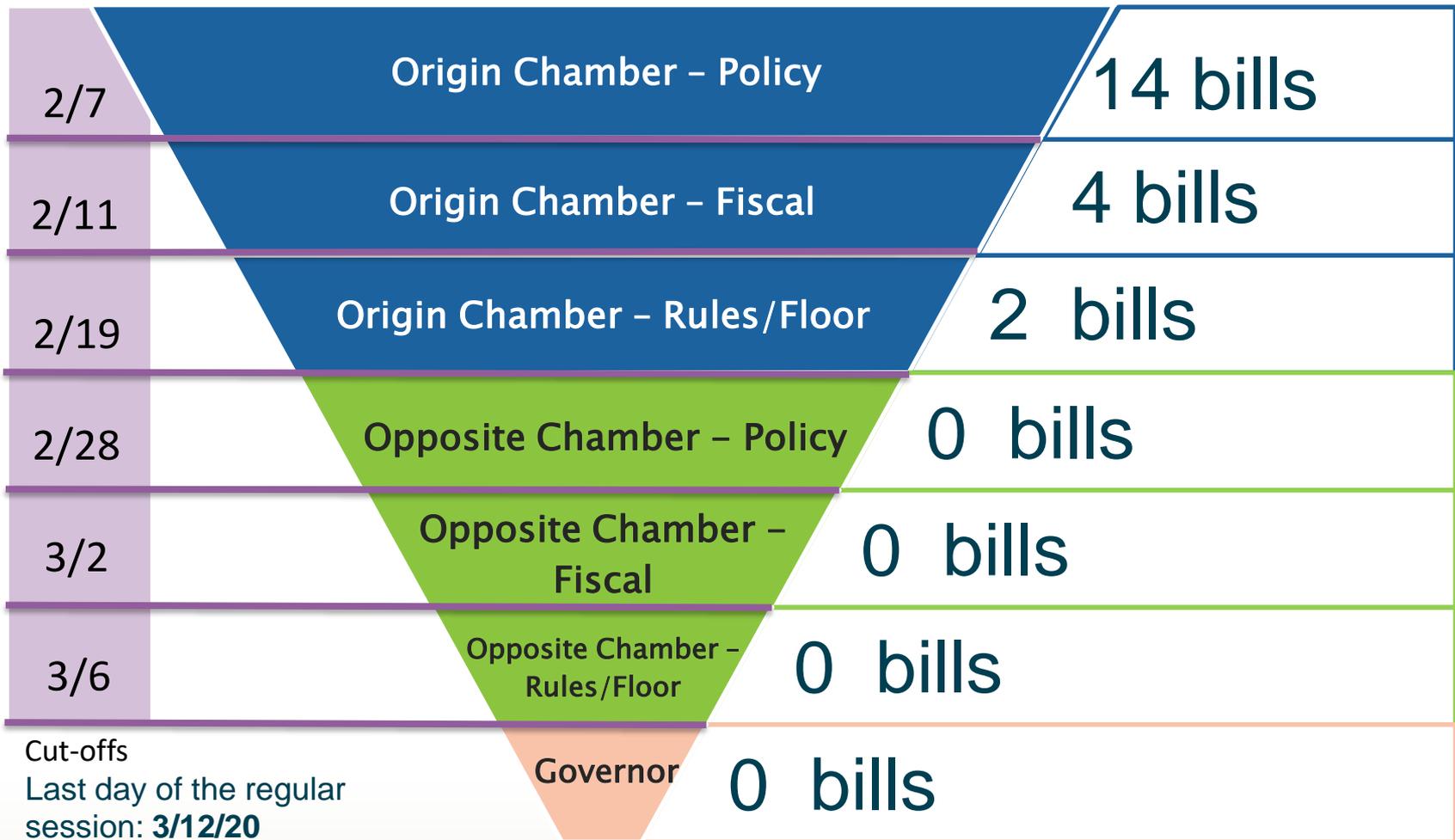
Cade Walker
Executive Special Assistant
Employees and Retirees Benefits (ERB) Division
January 27, 2020

Number of 2020 Bills Analyzed by ERB Division

	ERB Lead	ERB Support	Total
High Impact	14	13	27
Low Impact	40	52	92
	54	65	119

*As of January 21, 2020

Legislative Update – ERB High Lead Bills



*As of January 21, 2020



SEBB Program Impact Bills

- HB 2208 – Implementation credits and performance standards
- HB 2458/SB 6479 – Optional benefits offered by school districts



SEBB Program Impact Bills – Eligibility

- SB 6189 – Eligibility for school employees' benefits board coverage
- SB 6290 – Contribution to and eligibility for school employee benefit plans
- SB 6296 – Health care benefits for public school employees



Topical Areas of Introduced Legislation

- Provider/health carrier credentialing
- Pharmacy
 - Diabetes medication
 - Rx tourism
- Expanded DME coverage
 - Hearing aids
 - Prosthetics/orthotics



Questions?

Cade Walker, Executive Special Assistant
Employees and Retirees Benefits Division

cade.walker@hca.wa.gov

TAB 6

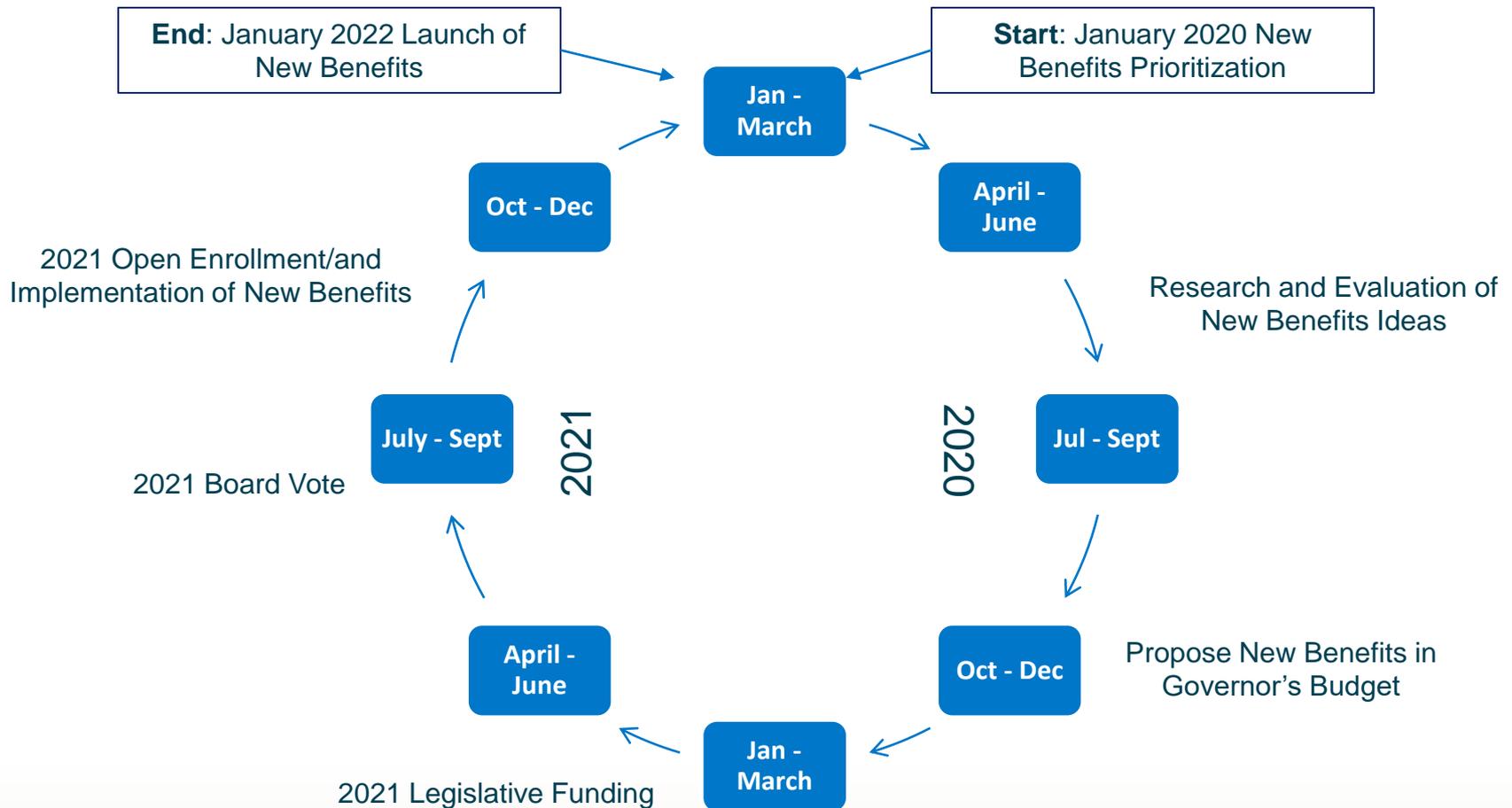


Annual Benefits Planning Cycle

Marcia Peterson, Manager
Benefit Strategy and Design Section
Employees and Retirees Benefits Division
January 27, 2020

SEBB Benefits Cycle

for Benefit Year 2022



Discussion

Are there new benefit ideas you would like to explore in the upcoming benefit cycle?

Questions?

Marcia Peterson, Manager
Benefit Strategy and Design Section
Employees and Retirees Benefits Division
office: 360.725.1327
marcia.peterson@hca.wa.gov

TAB 7



Dental Options for 2022

Ellen Wolfhagen
Senior Account Manager
Employees and Retirees Benefits Division
January 27, 2020

Recap

- Original dental procurement resolution called for looking at whether to do a new procurement
- Current contracts with Delta Dental of WA and Willamette can be renewed each year

Recap *(cont.)*

- New procurement not recommended – 90% of providers already under existing contracts
- Instead the Board could look at alternative benefit designs

Potential Benefit Options

- Change the orthodontia benefit level for children, adults, or both
- Provide an incentive that rewards use of preventive services (i.e., cleanings, x-rays)

Potential Benefit Options *(cont.)*

- Increase benefit level for posterior composite fillings (most common restorative option)
- Concerted education efforts aimed at increasing usage of preventive services for children

Benefit Design Considerations

- Some of these options may be possible in budget-neutral ways
- The plan with the most opportunity for changes is the Uniform Dental Plan (UDP) (PPO), because the (fully insured) managed care plans already have built-in incentives

Incentive Benefits – UDP only

- Similar, but not identical, to Delta Dental packages offered previously by WEA, Seattle Public Schools, and others
- Option to increase the percentage the plan pays for specific covered services OR the annual plan maximum

Discussion?

Confirm the Board wants the agency
to explore benefit design options

Questions?

Ellen Wolfhagen, Dental Account Manager
Employees and Retirees Benefits Division

ellen.wolfhagen@hca.wa.gov

Tel: 360-725-1039



Special Long-Term Disability (LTD) Open Enrollment

Kimberly Gazard, Contract Manager
Employees and Retirees Benefits (ERB) Division
January 27, 2020

Supplemental LTD Results

- Supplemental LTD initial open enrollment results

SEBB	Total eligible subscribers	Subscribers enrolled	Participation
Enrollment	145,139	26,856	18.5%

- Low Supplemental LTD enrollment during initial open enrollment
 - Subscribers appear to have focused on medical, dental, and vision plan choices
 - Employees often coming from a previously richer, employer-paid plan

Supplemental LTD for 2020 Plan Year

- HCA negotiated a 2020 plan provision with The Standard specific to Evidence of Insurability.
 - Evidence of Insurability is not required for the 2020 plan year.
- ***Note:** If a subscriber has previously enrolled for the 2020 plan year coverage and disenrolled, evidence of insurability will be required to re-enroll.
 - Evidence of insurability will be required beginning January 1, 2021 (except for newly eligible employees during their initial enrollment period). Evidence of insurability will be required during the 2020 plan year for subscribers dis-enrolling and re-enrolling.

2020 Supplemental LTD Enrollment Opportunity

- The PEBB Program had a successful special LTD enrollment opportunity last year.
 - March 2019 results showed a 19% increase in participation.

PEBB	Total eligible subscribers	Prior to OE	After OE	Increase
Enrollment	138,555	40,089	47,690*	19%

- The SEBB Program will rinse and reuse the PEBB Program’s special LTD work plan while utilizing an advantageous online enrollment platform via SEBB My Account.

2020 Supplemental LTD Enrollment Opportunity Details

- May 2020, eligible school employees will have a special opportunity to enroll in supplemental long-term disability (LTD) insurance coverage.
- For this May 2020 enrollment opportunity only, LTD coverage members who had coverage prior to January 1, 2020 will be credited toward any pre-existing condition exclusion.
- Supplemental LTD coverage elected during May 2020 will be effective June 1, 2020.

Planned Communications for 2020 Supplemental LTD Opportunity

- The Standard has agreed to hosting onsite presentations at the larger SEBB Organizations
- The ERB Outreach & Training Unit team will provide training to SEBB Program Benefits Administrators and forwardable email messages for communication to employees
- Ongoing information will be provided through our SEBB Update e-newsletter and GovDelivery emails
- Targeted letter mailed to SEBB Program subscribers who are not currently enrolled in supplemental LTD insurance
 - This letter will also be emailed to SEBB Program members who have subscribed to the SEBB GovDelivery
- The SEBB Program will provide an FAQ and Fact Sheet regarding the one-time opportunity
- HCA webpage(s) will be updated with information about the one-time opportunity

Questions?

More Information:

hca.wa.gov/sebb-ltd

Kimberly Gazard, Contract Manager
Employees and Retirees Benefits (ERB) Division

kimberly.gazard@hca.wa.gov

Tel: 360-725-1485

TAB 8



School District Optional Benefits Reporting

Cade Walker, Executive Special Assistant
Employees & Retirees Benefits (ERB) Division
January 27, 2020



Outline

- SEB Board Authority
- Additional Optional Benefits Authority
- Data Collection Methodology
- Data Results
- Key Takeaways
- Next Steps

Additional Optional Benefits - Authority

- *RCW 28A.400.280(2): Beginning December 1, 2019, and each December 1 thereafter, school district optional benefits must be reported to the school employees' benefits board and health care authority.*
- *Beginning January 1, 2020, school district optional benefits must be outside the school employees' benefits board's authority in RCW 41.05.740(6). The school employees benefits board shall review the optional benefits offered by districts and : (a) Determine if the optional benefits conflict with school employees' benefits board's plans offering authority and, if not (b) evaluate whether to seek additional benefit offerings authority from the legislature.*

Interim Guidance

- When a School Organization had an existing Collective Bargaining Agreement to offer cancer insurance, based on early 2019 HCA-issued guidance, the offering can continue only until the end of that Collective Bargaining Agreement.



SEBB Benefits

The SEBB Program is authorized to offer the following benefits:

- Health care coverage, including all forms of:
 - Medical
 - Dental
 - Vision
 - Prescription drug
- Life insurance (including whole and term)
- Accidental death and dismemberment
- Liability (including home and auto)
- Disability (including long- and short-term)
- Flexible Spending Arrangement (general- and limited-purpose)
- Dependent Care Assistance Program



Data Collection

- SEBB Program staff drafted and sent an online survey to all SEBB Organizations after open enrollment, with a December 20 deadline.
- Most SEBB Organizations responded and supporting documentation (such as policies or marketing materials) were e-mailed to HCA staff.



Data Reporting

- 267 SEBB Organizations responded
 - The remaining districts have been contacted about submitting their data
- 717 optional benefits reported
- 23 different benefit types (not including “other”)
- 85+ different carriers/insurers/vendors



General Categories of Benefits Offered by School Districts

- **Retirement/Financial** (Annuities, deferred compensation, VEBA, etc.)
- **Employee Assistance Programs**
- **General Liability** (home, auto, pet)
- **General Indemnity** (identity protection, legal, etc.)
- **Supplemental Health Indemnity** (accident, cancer, emergency transportation, etc.)



Conflicting Benefits

- 8 reported types of benefits are in conflict with SEB Board benefit authority:
 - Disability
 - Life Insurance
 - Accidental death & dismemberment
 - Cancer/intensive care
 - Accident
 - Critical illness
 - Hospital Indemnity
 - Emergency transportation
- 32 of the responsive SEBB Organizations had 1 or more of the above offerings



Top 5 Offerings

- Annuities – 194
- VEBA – 182
- Deferred Compensation – 95
- Employee Assistance Program – 59
- Legal Services – 24
- Gym Membership – 19



Other Key Observations

- There was minor variance in benefits offered to different bargaining units
 - i.e., different VEBA contributions
- Most districts appeared to have followed SEBB Program guidance regarding conflicting benefits
- There are several different insurance products the SEB Board could consider requesting legislative authority to offer



Next Steps

- Conflicting benefits
 - Notify SEBB Organizations of their conflicting benefits
- Non-conflicting benefits
 - Are there benefits the SEB Board would like more information on?



Questions?

Cade Walker, Executive Special Assistant
Employees and Retirees Benefits Division

cade.walker@hca.wa.gov

TAB 9



SEBB Medical Plan Update

Lauren Johnston
Procurement Manager
Employees and Retirees Benefits Division
January 27, 2020

Objective

- Potential 2021 changes to the medical plans
- Medical plan enrollment data
- CHIP updates

2020 Medical Plan Service Area Criteria

- All school employees may select from medical plans based on the county they live in
- Additional plan options may be available if an employee works in a district that
 - straddles county lines, or
 - is in a county that borders Idaho or Oregon

Service Areas

We heard some concerns from school employees throughout open enrollment:

- School employees comparing plan options with other school employees based on where they live and/or work
- No longer having access to their current (previous) medical carrier based on the live and work criteria

Some things we are looking at to address the concerns:

- Potential for some carriers to expand into other counties
- Expanding the number of district-based plan offering exception.

Medical Plan Options

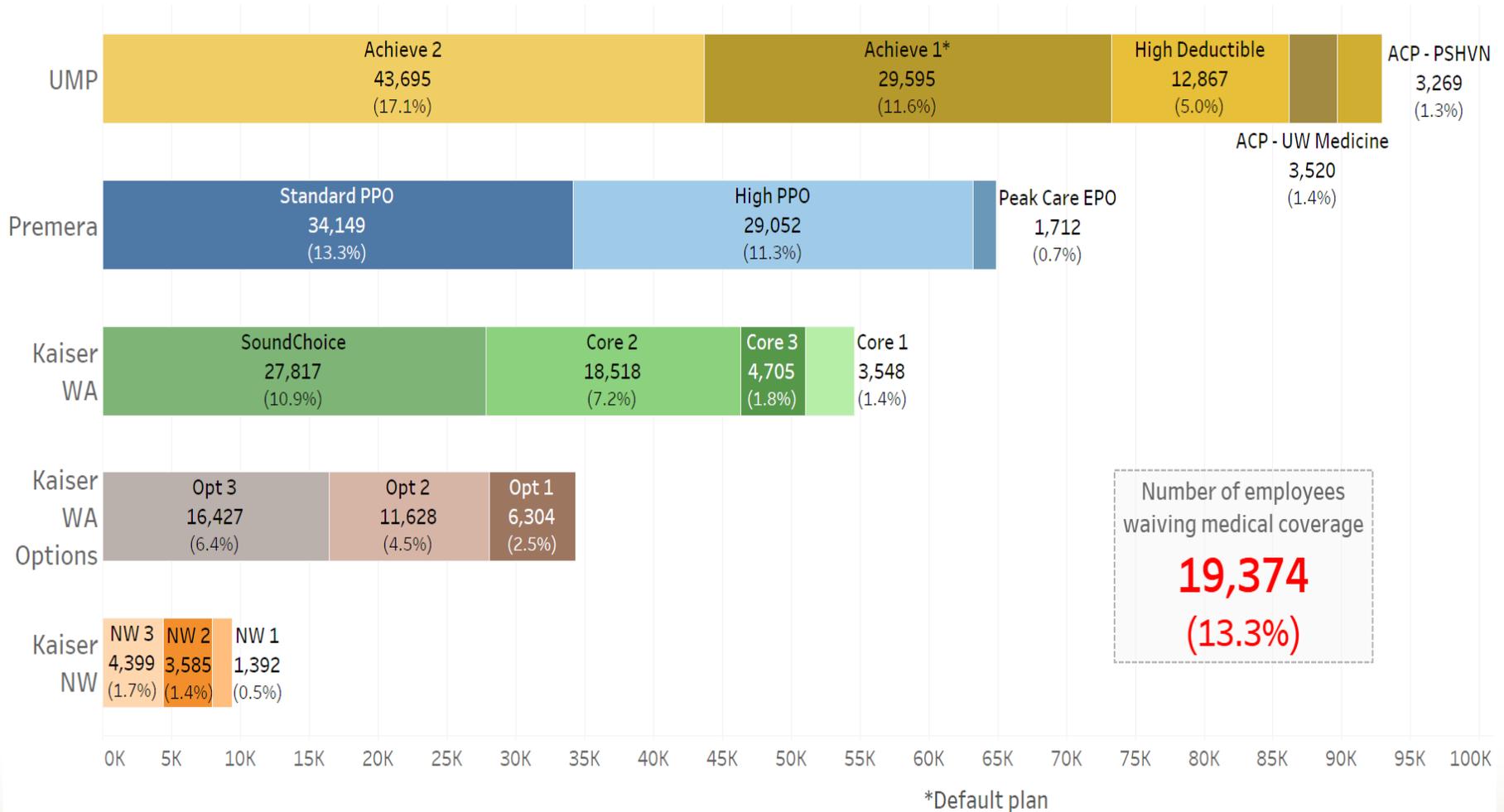
Other questions or comments we heard from school employees while attending benefits fairs include:

- What do all these deductible levels mean?
- How does the deductible level relate to the premium?
- How do I choose between plans?
- Does a higher deductible level mean more services are covered?

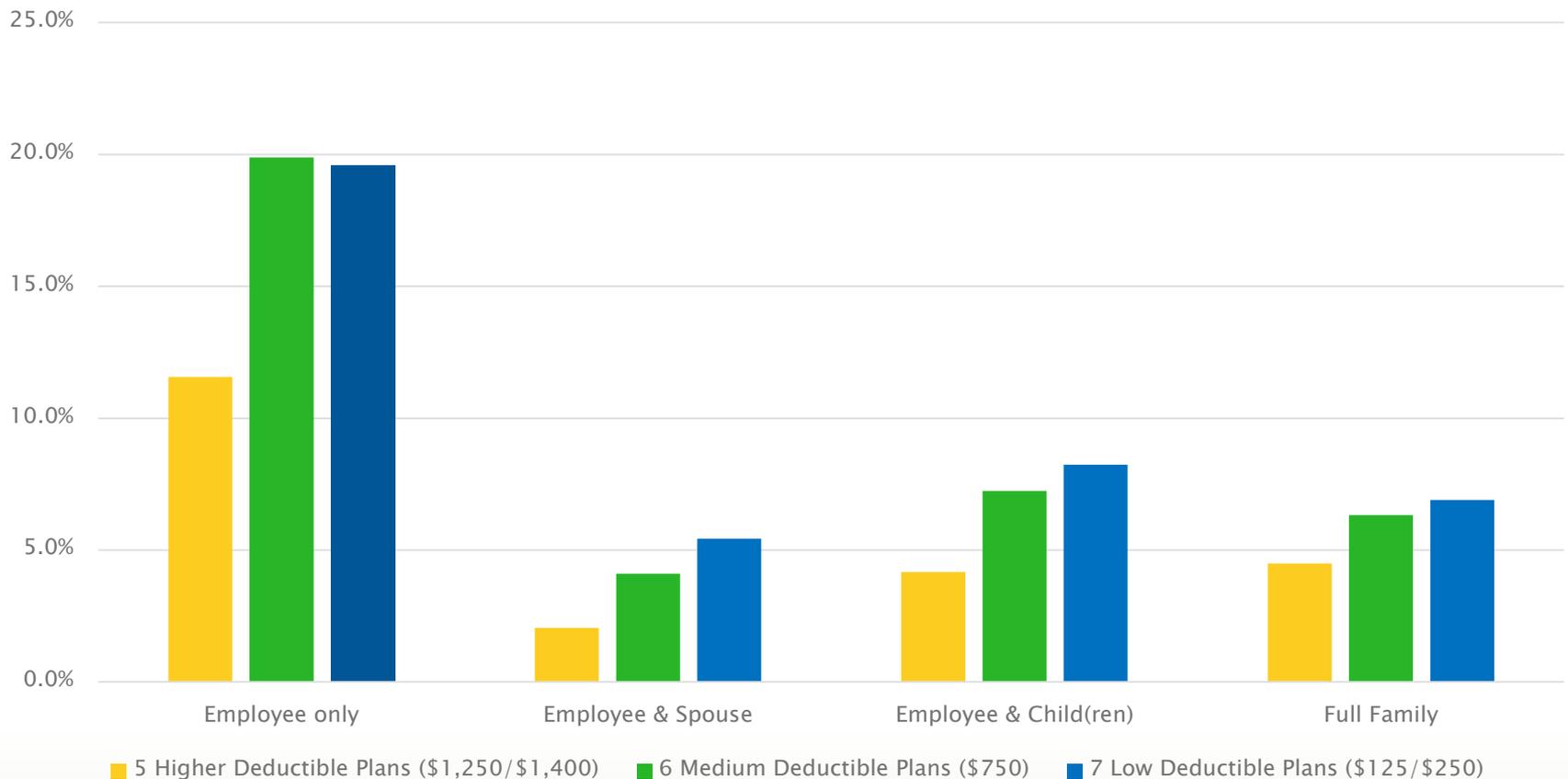
Things we can do to address their questions:

- Increase consumer health education
- The Board could reduce the number of medical plan offerings

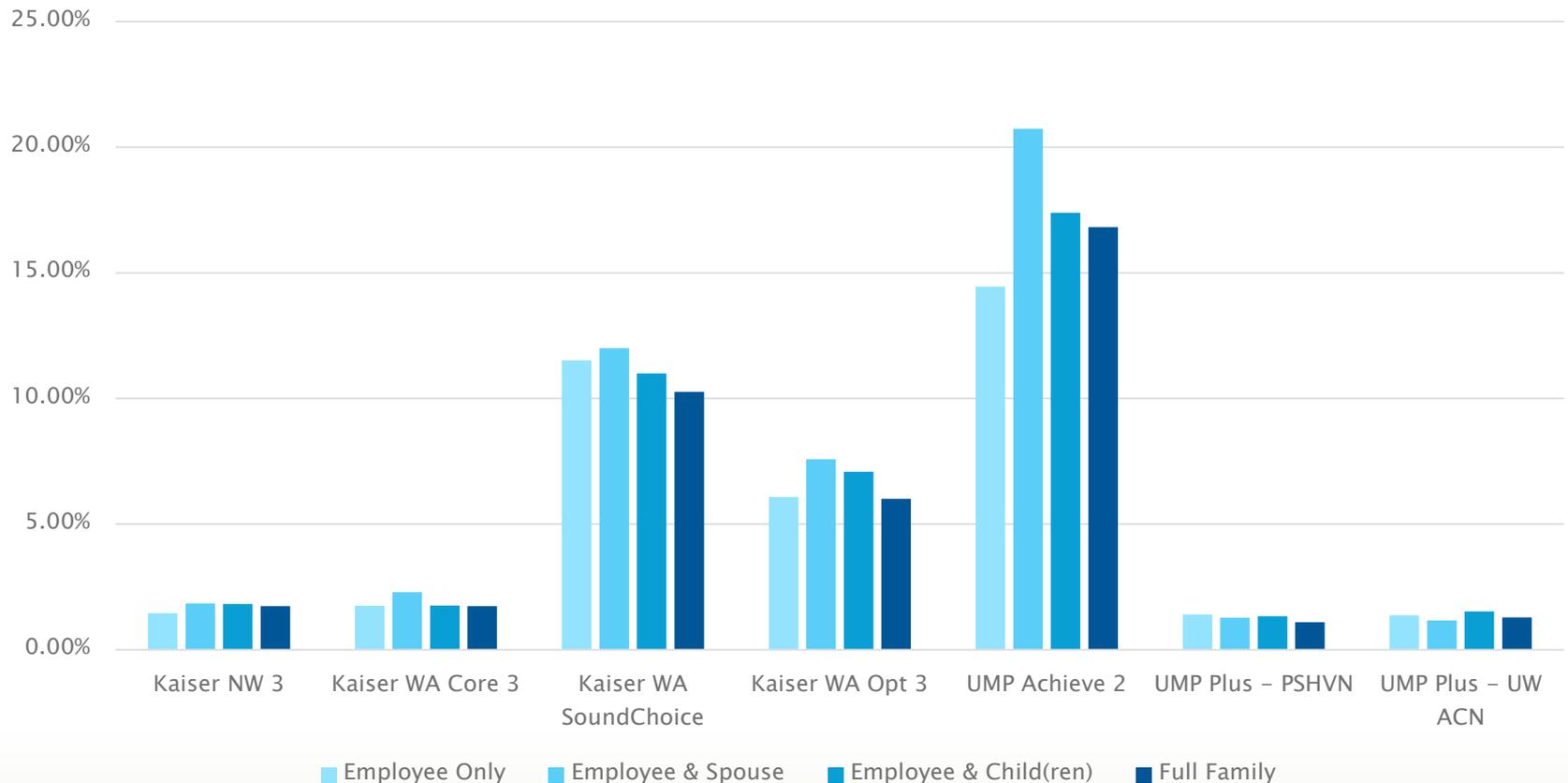
Member Medical Enrollment by Plan



Employee Medical Plan Selection by Deductible Level



Employee Medical Plan Selection Based on Lowest Deductible Level (\$125 or \$250)



SEBB Program and Apple Health/CHIP

What is the issue?

- Under federal law, if a child is enrolled or eligible for a state-organized employee health plan in which the state pays a portion of the premium, then the child is not eligible for CHIP.

SEBB Program and Apple Health/CHIP *(cont.)*

What's being done?

- The Governor's 2020 budget includes funding to pursue maintaining access to CHIP for children of public and school employees, and also increasing access to CHIP.
- HCA program and Finance staff are working together to compile a list of options and correlated impacts to continue coverage of services in the future.
- Awaiting further Legislative direction before finalizing any long-term plan.

High Deductible Health Plan Changes

- UMP's High Deductible plan deductible will likely need to increase in 2021 in order to maintain qualified plan status for Health Savings Account (HSA) contributions.
- Changes to the maximum allowed HSA annual contributions are typically made after open enrollment materials are finalized, and therefore, changes may lag by one plan year.
- Any changes to the deductible and HSA contributions will be made through the annual "Request for Renewal" (RFR) process.

Anecdotal Stories

Questions?

Lauren Johnston, SEBB Senior Account and
Procurement Manager

Employees and Retirees Benefits Division

Lauren.johnston@hca.wa.gov

Tel: 360-725-1117

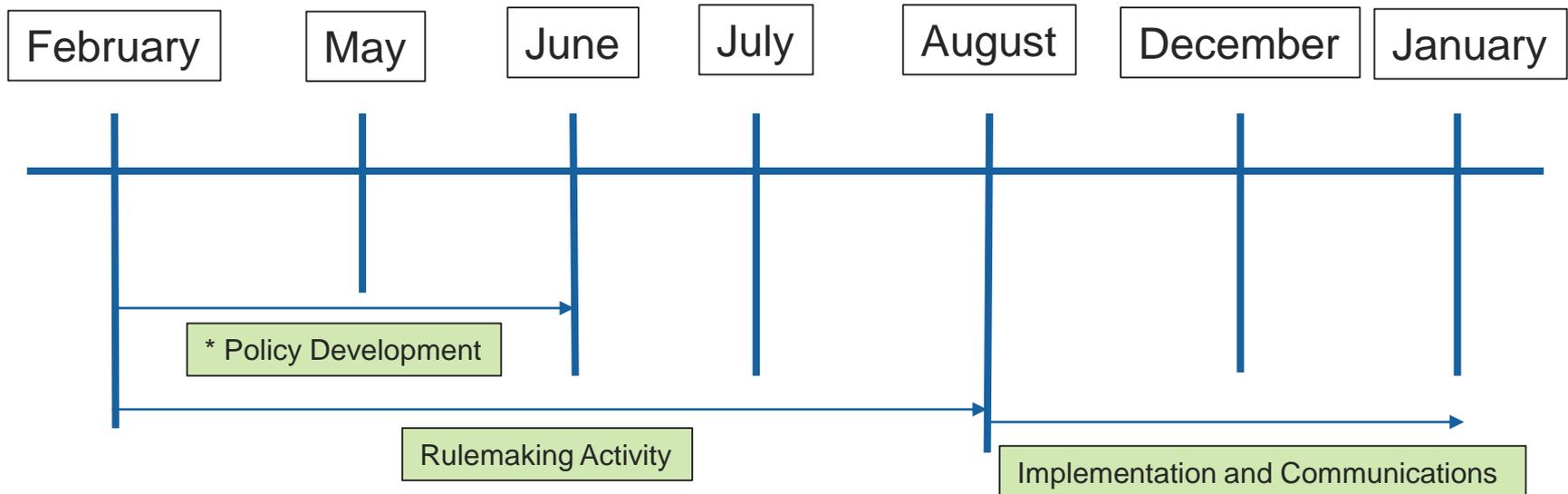
TAB 10



Eligibility & Enrollment Policy Development

Barb Scott, Manager
Policy, Rules, and Compliance Section
Employees and Retirees Benefits Division
January 27, 2020

Annual Policy & Rule Development Timeline



* Typically Board action will be needed by the May or June meeting

RCW 41.05.740(6)(c) & (d)

(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; [...]

(f) Establish penalties to be imposed when a school employees' benefits board organization fails to comply with established participation criteria; and

Interim Guidance Regarding Inclusion of paid hours

- During implementation, HCA received a variety of questions regarding including or excluding paid leave hours in the determination of eligibility.
- HCA issued interim guidance in September 2019 instructing SEBB Organizations to include paid leave hours, except holiday hours, when determining if a school employee will be anticipated to work at least 630 hours within a school year.

Proposed Policy Resolution SEBB 2020-01 Inclusion of Paid Hours

Effective January 1, 2020, all hours for which a school employee receives compensation from a SEBB Organization during an approved leave (e.g., sick leave, personal leave, bereavement leave) or a paid holiday must be included when determining how many hours a school employee is anticipated to work, or did work, in the school year.

Inclusion of Paid Hours Example #1

Example: A school employee is anticipated at the start of the school year to work exactly 630 hours. The school employee ends up taking one day of sick leave (which would reduce their number of hours worked to under 630). If this resolution is approved, the hours compensated for the sick leave are included as part of the 630 hours.

Proposed Policy Resolution SEBB 2020-01 Stakeholder Outreach

HCA solicited feedback in order to prepare the proposed policy to bring to the Board. Our outreach included the same standard stakeholder process used in 2018 and 2019:

- GovDelivery emails
- Regular stakeholder meetings were conducted during the implementation phase

Proposed Policy Resolution SEBB 2020-02 Benefits Eligibility After Returning to Work

Effective January 1, 2020, school employees who return from approved leave without pay will maintain or establish eligibility for the employer contribution if their work schedule, had it been in effect at the start of the school year, would have resulted in the employee being anticipated to work the minimum hours to meet SEBB eligibility in the school year. A school employee who regains eligibility under this policy establishes eligibility for the employer contribution towards SEBB benefits as of the date they returned from approved leave, and coverage will become effective the first day of the month following the employee's return to employment.

Benefits Eligibility After Returning to Work

Example #1

Example: A bus driver went on unpaid maternity leave on September 1. She returned to work in November prior to the end of her FMLA leave. She is not expected to work 630 hours in the remaining months of the school year, but would have worked more than 630 hours but for the unpaid maternity leave.

- Can the SEBB Organization terminate SEBB benefits upon return from FMLA leave? **No, her SEBB benefits are maintained uninterrupted.**

Benefits Eligibility After Returning to Work

Example #2

Example: A full time school teacher went on unpaid maternity leave on August 1, 2020. She communicated to her district that she will not return from maternity leave until March 2021. Given this information, she is not anticipated to work 630 hours in the current school year. She loses the employer contribution when her protected leave runs out. She returns to her regular work schedule on March 3, 2021.

- When is she eligible for the employer contribution towards SEBB benefits?
March 3, 2021
- When will her coverage begin? **April 1, 2021**

Next Steps

- Incorporate Board feedback in the proposed policies
- Recommend the Board take action on Proposed Policy Resolution SEBB 2020-01 today
- Ask the Board for direction on how to proceed with Proposed Policy Resolution SEBB 2020-02

Questions?

Barb Scott, Manager
Policy, Rules, and Compliance Section
Employees and Retirees Benefits
Division

Barbara.Scott@hca.wa.gov

Tel: 360-725-0830

Appendix

Policy Resolution SEBB 2020-01 Inclusion of Paid Hours

Resolved that, effective January 1, 2020, all hours for which a school employee receives compensation from a SEBB Organization during an approved leave (e.g., sick leave, personal leave, bereavement leave) or a paid holiday must be included when determining how many hours a school employee is anticipated to work, or did work, in the school year.

Policy Resolution SEBB 2020-02

Benefits Eligibility After Returning to Work

Resolved that, effective January 1, 2020, school employees who return from approved leave without pay will maintain or establish eligibility for the employer contribution if their work schedule, had it been in effect at the start of the school year, would have resulted in the employee being anticipated to work the minimum hours to meet SEBB eligibility in the school year. A school employee who regains eligibility under this policy establishes eligibility for the employer contribution towards SEBB benefits as of the date they returned from approved leave, and coverage will become effective the first day of the month following the employee's return to employment.

Interim Guidance Issued by HCA in September 2019

Revised Eligibility Guidance

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Revised Eligibility Guidance

Washington State Health Care Authority sent this bulletin at 09/30/2019 01:34 PM PDT

Having trouble viewing this email? [View it as a Web page](#)



HCA has received a variety of questions in recent weeks, especially during and after HCA's benefits administrator training, related to including (or not including) the use (or anticipated use) of paid leave hours in a SEBB Organization's determination that a school employee is "anticipated to work at least six hundred thirty hours per school year." Since the completion of trainings, HCA has reviewed and revised guidance on this topic.

HCA does not believe it was the legislative or SEB Board's intent to deny benefits to employees who are on paid leave. We intend to seek SEB Board policy clarification in 2020 and anticipate providing clarity ahead of the 2020-2021 school year. In the meantime, SEBB Organizations should interpret "hours worked" to include leave hours compensated by the SEBB Organization when making benefit eligibility determinations for the 2019-2020 school year. However, this guidance does not change the requirement to exclude holiday hours from eligibility determinations.

HCA believes this revised guidance also aligns with the majority of current (pre-SEBB Program) practices by SEBB organizations on how they consider paid leave when determining benefits eligibility. As HCA works on a policy resolution for the SEB Board's consideration this winter, we are interested in gathering your feedback and insight on this topic for consideration as we work to develop the clearest policy going forward starting with the 2020-2021 school year. Any initial insight should be sent by November 6, 2019 to Rob Parkman at Rob.Parkman@hca.wa.gov.

Thank you for subscribing to SEBB Outreach and Training

Questions?

Contact SEBB Outreach and Training through [FUZE](#) or at 1-800-700-1555.

About the Health Care Authority (HCA)

TAB 11



Annual Rate Process

Megan Atkinson
Chief Financial Officer
Financial Services Division
January 27, 2020

SEB Board Authority

- RCW 41.05.740 (School Employees' Benefits Board) – the board has the final authority on authorizing employee premium contributions
- Until the board takes action, the rate development and premium setting process is not complete
- The board can clarify what information it will consider in setting premiums

SEBB 2019 Rate Development Process Recap

- July 18, 2019 - SEB Board Meeting, rates and draft premium resolutions presented (published publically on July 15, 2019)
- July 17, 2019 - Carrier submits revised rates
- July 25, 2019 - HCA presents the revised premiums at board meeting
- Ultimately the board accepted the revised rates, but expressed process and transparency concerns

Proposed Resolution SEBB 2020-03

Rate Development Procedure

Beginning with the rate development process in 2020 (to set employee premium contributions for plan year 2021) and annual rate development processes thereafter, the SEB Board will not review or consider unsolicited revised rates after proposed employee premium contributions are published publicly by the Health Care Authority on its website.

Next Steps

- Incorporate Board feedback in the proposed policy
- Send the proposed policy to stakeholders
- Bring a recommended policy resolution to the Board to take action at the March 5, 2020 Board Meeting

SEBB Plan Year 2021 RFR Process

- Updating RFR language regarding the process and timeline for final premiums and Board adoption
- Standardizing the bid rate process between the PEBB and SEBB Programs to provide for better comparative insight

Questions?

Megan Atkinson, Chief Financial Officer

Financial Services Division

Megan.Atkinson@hca.wa.gov

TAB 12



Educational Service District (ESD) Report Discussion

Cade Walker
Executive Special Assistant
Employees and Retirees Benefits (ERB) Division
January 27, 2020

ESHB 2140: HCA ESD Report Legislative Charge

ESHB 2140, Sec. 7 (1): The Washington State Health Care Authority in consultation with OSPI, ESDs, and OFM, shall study employee health benefits in ESDs and the impact of participation in the SEBB Program on ESDs and their employees. The study will include an analysis of:

- ESD health benefit plans and their costs
- Health benefit comparisons between ESDs and the SEBB Program
- Estimated costs of ESD participation in the SEBB Program
- ESD funding mechanisms

HCA must report findings from the study to the fiscal committees of the Legislature by **December 31, 2020**

HCA ESD Report Data Sets

HCA anticipates that the following data sets will be needed for producing the ESD Report:

- ESD Employee Demographic Information
- ESD Eligibility Criteria (Current/SEBB)
- ESD Benefit Plan Information (Cost Shares/Tiers/Benefit Design)
- ESD Financial Information (Revenue/Expenditures/Funding Structure)

Data sources: ESDs, WSIPC, PEBB Program, OSPI

ESD Report Working Timeline



HCA ESD Report Next Steps

- Draft Data Specifications were sent to Association of Educational Service Districts (AESD) leadership for review and comments in November
- Data from ESDs due to HCA by the end of February
- Once data is received, HCA Finance will begin analyzing data and report drafting will begin



Questions?

Cade Walker, Executive Special Assistant
Employees and Retirees Benefits Division

cade.walker@hca.wa.gov