

School Employees Benefits Board Meeting

June 23, 2022

School Employees Benefits Board

June 23, 2022

9:00 a.m. – 11:30 a.m.

Attendance by Zoom Only

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

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TAB 1

School Employees Benefits Board
June 23, 2022
9:00 a.m. – 11:30 p.m.

Subject to Section 5 of the Laws of 2022, Chapter 115, also known as HB 1329, the Board has agreed this meeting will be held via Zoom without a physical location.

TO JOIN ZOOM MEETING – SEE INFORMATION BELOW

9:00 a.m.*	Welcome and Introductions		Lou McDermott, Chair	
9:05 a.m.	Meeting Overview		Dave Iseminger, Director Employees & Retirees Benefits (ERB) Division	Information
9:10 a.m.	Follow Up from June 2, 2022 Meeting	TAB 3	Dave Iseminger, Director ERB Division	Information/ Discussion
9:20 a.m.	Uniform Medical Plan (UMP) RFR 2022 for Benefit Year 2023	TAB 4	Jenny Switzer, Senior Account Manager Portfolio Management & Monitoring Section, ERB Division	Action/ Information/ Discussion
9:35 a.m.	Kaiser Foundation Health Plan of Washington Options, Inc. – Proposal of Summit PPO Plans	TAB 5	Lauren Johnston, SEBB Procurement Manager, Portfolio Management & Monitoring Section, ERB Division	Information/ Discussion
9:55 a.m.	Public Comment			
10:10 a.m.	Closing			
10:15 a.m.	Transition to Executive Session			
10:20 a.m.	Executive Session			
11:30 a.m.	Adjourn		Lou McDermott, Chair	

*All Times Approximate

The School Employees Benefits Board will meet Thursday, June 23, 2022. All Board Members and attendees will attend this meeting virtually.

The Board will consider all matters on the agenda plus any items that may normally come before them.

Pursuant to RCW 42.30.110(1)(l), the Board will meet in in Executive Session to consider proprietary or confidential nonpublished information related to the development, acquisition, or implementation of state purchased health care services as provided in RCW 41.05.026. The Executive Session will begin at 10:20 a.m. and conclude no later than .

No “final action,” as defined in RCW 42.30.020(3), will be taken at the Executive Session.

This notice is pursuant to the requirements of the Open Public Meeting Act, Chapter 42.30 RCW.

To provide public comment by email, direct e-mail to: board@hca.wa.gov.

Materials posted at: <https://www.hca.wa.gov/about-hca/school-employees-benefits-board-sebb-program/meetings-and-materials> by close of business on June 21, 2022.

[Join Zoom Meeting](#)

Join Zoom Meeting

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Meeting ID: 848 2291 2248

Passcode: 478916

One tap mobile

+12532158782,,84822912248#,,,,*478916# US (Tacoma)

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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
Kerry Schaefer 1405 N 10 th ST Tacoma, WA 98403 C 253-227-3439 SEBBoard@hca.wa.gov	Employee Health Benefits Policy and Administration
Pete Cutler 7605 Ostrich DR SE Olympia, WA 98513 C 360-789-2787 SEBBoard@hca.wa.gov	Employee Health Benefits Policy and Administration
Dawna Hansen-Murray 9932 Jackson ST Yelm, WA 98597 C 360-790-4961 SEBBoard@hca.wa.gov	Classified Employees
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SEB Board Members

Name

Representing

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Certificated Employees

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Employee Health Benefits Policy
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Employee Health Benefits Policy
and Administration

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4/1/22



STATE OF WASHINGTON
HEALTH CARE AUTHORITY

626 8th Avenue SE • PO Box 45502 • Olympia, Washington 98504-5502

SEB BOARD MEETING SCHEDULE

2022 School Employees Benefits (SEB) Board 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, 2022 - 9:00 a.m. – 4:00 p.m.

March 3, 2022 - 9:00 a.m. – 2:00 p.m.

April 7, 2022 - 9:00 p.m. – 2:00 – p.m.

May 5, 2022 - 9:00 a.m. – 2:00 p.m.

June 2, 2022 - 9:00 a.m. – 2:00 p.m.

June 23, 2022 - 9:00 a.m. – 2:00 p.m.

July 7, 2022 - 9:00 a.m. – 2:00 p.m.

July 21 2022 - 9:00 a.m. – 2:00 p.m.

July 28, 2022 - 9:00 a.m. – 2:00 p.m.

*Meeting times are tentative

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

7/16/21

OFFICE OF THE CODE REVISER
STATE OF WASHINGTON
FILED

DATE: July 16, 2021

TIME: 2:29 PM

WSR 21-15-080

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



Follow up from the June 2, 2022 Board Meeting

Dave Iseminger, Director
Employees and Retirees Benefits Division
June 23, 2022

Kaiser Foundation Health Plan of WA

First Fill Program:

- For maintenance drugs only
- First prescription may be filled at any in-network pharmacy
- Subsequent refills must be filled via mail order or at a Kaiser Permanente retail pharmacy*
- Safety: pharmacists can ensure members avoid negative drug interactions and other risks
- More cost effective to members
 - Use of generics when medically appropriate
 - Can negotiate better drug prices

*Does not apply to medications for sudden conditions or drugs that cannot be mailed.

TAB 4



Uniform Medical Plan (UMP) RFR 2022 Benefit Year 2023

Jenny Switzer, Senior Account Manager
Portfolio Management & Monitoring Section
Employees and Retirees Benefits Division
June 23, 2022

Resolutions for Board Action

- Resolution SEBB 2022-02 IRS Minimum Deductible for High Deductible Health Plan
- Resolution SEBB 2022-03 UMP High Deductible Pharmacy Preventive Care

HSA Qualified High Deductible Plan

These minimum deductible amounts were derived from IRS Procedure 2022-24, which was published on April 29, 2022.

	2012-2022	2023
Single Subscriber	\$1,400	\$1,500
All Other Tiers	\$2,800	\$3,000

Resolution SEBB 2022-02

IRS Minimum Deductible for High Deductible Health Plan

Resolved that, beginning January 1, 2023, the deductible in the UMP High Deductible plan will be increased to \$1,500 for single subscribers and \$3,000 for all other tiers.

IRS Notice 2019-45

- Internal Revenue Service Notice 2019-45 expands the list of preventive care benefits the Uniform Medical Plan High Deductible can cover before a member meets their deductible. Although these services and items are classified as preventive care for purposes of section 223(c)(2)(C), these services and items can still be subject to cost sharing (coinsurance, copayment, etc.).
- Board voted on medical components of the notice last year (SEBB 2021-15), included in the Appendix.

IRS Notice 2019-45 (*cont.*)

- HCA recommends the UMP High Deductible plan provide pre-deductible coverage (15% cost share) for certain high value drugs within each drug class specified in IRS Notice 2019-45.
- Specific recommended drugs presented at the June 2, 2022 meeting included in the Appendix.

Resolution SEBB 2022-03

UMP High Deductible Preventive Care

Resolved that, beginning January 1, 2023, the UMP High Deductible plan will cover the drug list presented to the Board on June 2, 2022 prior to meeting the plan deductible. Thereafter, HCA may alter this drug list to allow for pre-deductible coverage based on clinical evaluation and in accordance with IRS guidance.

Proposed Resolution

- Proposed Resolution SEBB 2022-04 UMP Accumulators
- No action required for this meeting, scheduled for action on July 7, 2022

UMP Accumulators

- For Plan Year 2023, an option to transfer medical and pharmacy cost-share accumulators (deductibles and out-of-pocket maximums only) when subscribers move between the PEBB and SEBB Programs during a Plan Year.
- This will only apply when a subscriber changes between the SEBB & PEBB Programs but stays with the same carrier.
- This change would need to be passed by both the PEB Board and SEB Board for UMP.

Proposed Resolution SEBB 2022-04 UMP Accumulators

Beginning January 1, 2023, when a subscriber enrolled in a PEBB Program Uniform Medical Plan changes their enrollment to a SEBB Program Uniform Medical Plan during the plan year (excluding Open Enrollment), accumulated deductibles and out-of-pocket maximum expenses (both medical and pharmacy) will transfer.

Questions?

Jenny Switzer, Senior Account Manager
Portfolio Management & Monitoring
Jenny.Switzer@hca.wa.gov

Appendix

SEBB Resolution 2021-15

7/15/21	UMP High Deductible Preventive Care	Beginning January 1, 2022, the UMP High Deductible plan will allow coverage to treat certain chronic conditions, those presented at the July 15, 2021 SEB Board Meeting, before having to meet the plan deductible.	2021-15
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IRS Allowed Changes to UMP High Deductible

Chronic Condition:	Preventive Care Covered:	Coverage Available Under:	If Approved, 2022 UMP Coverage Would Be:
Asthma	Peak flow meter	Medical	<ul style="list-style-type: none"> • Deductible is waived • Member only pays coinsurance until their out-of-pocket limit is met
Diabetes	Glucometer	<p>Medical* or Pharmacy</p> <p><i>*some specific continuous glucose monitors will be grandfathered</i></p>	
Diabetes	Hemoglobin A1c testing	Medical	
Diabetes	Retinopathy screening	Medical	

IRS Allowed Changes to UMP High Deductible (*cont.*)

Chronic Condition:	Preventive Care Covered:	Coverage Available Under:	If Approved, 2022 UMP Coverage Would Be:
Heart Disease	Low-density Lipoprotein (LDL) testing	Medical	<ul style="list-style-type: none"> • Deductible is waived • Member only pays coinsurance until their out-of-pocket limit is met
Hypertension	Blood pressure monitor	Medical	
Liver Disease and/or Bleeding Disorders	International Normalized Ratio (INR) testing	Medical	

Resolution SEBB 2022-03 “Drug List presented to the Board on June 2, 2022”

Preventive care for specified conditions (Pharmacy)	For individuals diagnosed with	Drugs UMP CDHP/HDHP will cover before deductible in 2023 (15% cost share)
Angiotensin Converting Enzyme (ACE) inhibitors	Heart failure, diabetes, and/or coronary artery disease	Enalapril/hydrochlorothiazide, enalapril, lisinopril, lisinopril/hydrochlorothiazide
Anti-resorptive therapy	Osteoporosis or osteopenia	alendronate
Beta-blockers	Heart failure, coronary artery disease	Atenolol, bisoprolol/hydrochlorothiazide, carvedilol, metoprolol succinate, metoprolol tartrate

Preventive care for specified conditions (Pharmacy)	For individuals diagnosed with	Drugs UMP CDHP/HDHP will cover before deductible in 2023 (15% cost share)
Inhaled corticosteroids	Asthma	Budesonide suspension, Flovent Diskus, Flovent HFA
Insulin and other glucose lowering agents	Diabetes	Insulin: all insulin Non-insulin: Glimepiride, glipizide, glyburide, glyburide/metformin, metformin

Preventive care for specified conditions (Pharmacy)	For individuals diagnosed with	Drugs UMP CDHP/HDHP will cover before deductible in 2023 (15% cost share)
Selective Serotonin Reuptake Inhibitors (SSRIs)	Depression	Citalopram, escitalopram, fluoxetine, sertraline
Statins	Heart disease, diabetes	Deductible is already waived and covered as Preventive for members aged 40 and above.

TAB 5



Kaiser Foundation Health Plan of Washington Options, Inc. *Proposal of Summit PPO Plans*

Lauren Johnston, SEBB Procurement Manager
Employees and Retirees Benefits Division
June 23, 2022

Objectives

- Introduce the KPWA Options, Inc. Summit Preferred Provider Organizations (PPO) plans and answer the following questions:
 - Why Kaiser is proposing this change
 - Why HCA recommends making the change
 - What members can expect
 - How many members are impacted
 - Transition support that will be provided to members

Why Kaiser is Proposing This Change

- To continue their goal and mission to provide high quality, affordable health care to members
- It is assumed subscribers will see a reduction in premium and cost shares
- A team approach to care, coordinated with the member's personal physician and all connected to the member's electronic health records
- Evidence-based care
- Care Management – with focus on helping to reduce the need for hospital stays and readmissions. Onsite providers at preferred facilities help direct members to more effective care at lower costs.

Why HCA Recommends the Change

- Supporting Kaiser's goal and mission in providing high quality, affordable health care
- Continues to meet the aims of better health, better care, at lower costs
- The Summit Plans are affordable to both the members and the State
- The benefits are value based and understandable to members

What Members Can Expect

- The same savings (i.e., Enhanced benefit) when members seek care from Kaiser Permanente's care teams
- An expanded list of specialists covered as in-network
- Similar pharmacy savings as well as the "First Fill Program" (see Appendix)
- Tier 1 hospitals: members pay 10% coinsurance instead of the current 20%, but still have full access to Tier 2 hospitals where members will pay 30% coinsurance
- Customized First Choice Health Network in Alaska, Idaho, Montana, Oregon, and Washington
- Same access to the First Health network throughout the United States

Tiered Provider Structure

- Member cost shares are lowest for Tier 1 providers and highest for Tier 3 providers.
- Only Kaiser Permanente Providers are Tier 1 for primary care. All other primary care providers are Tier 2.

Access PPO vs. Summit PPO

What You Pay	Preferred Provider Organization (PPO) Plans					
	Kaiser Foundation Health Plan of Washington Options, Inc.			Kaiser Foundation Health Plan of Washington Options, Inc.		
	Access PPO 1	Access PPO 2	Access PPO 3	<u>Summit PPO 1</u>	<u>Summit PPO 2</u>	<u>Summit PPO 3</u>
Annual Costs						
Medical Deductible	\$1,250/person \$3,750/family	\$750/person \$2,250/family	\$250/person \$750/family	<u><i>Tier 1 & 2:</i></u> <u><i>\$1,250/person</i></u> <u><i>\$2,500/family</i></u> <u><i>Tier 3:</i></u> <u><i>\$3,750/person</i></u> <u><i>\$7,500/family</i></u>	<u><i>Tier 1 & 2:</i></u> <u><i>\$750/person</i></u> <u><i>\$1,500/family</i></u> <u><i>Tier 3:</i></u> <u><i>\$2,250/person</i></u> <u><i>\$4,500/family</i></u>	<u><i>Tier 1 & 2:</i></u> <u><i>\$250/person</i></u> <u><i>\$500/family</i></u> <u><i>Tier 3:</i></u> <u><i>\$750/person</i></u> <u><i>\$1,500/family</i></u>
Medical Out-of-pocket Limit	\$4,500/person \$9,000/family	\$3,500/person \$7,000/family	\$2,500/person \$5,000/family	<u><i>Tier 1 & 2:</i></u> <u><i>\$4,500/person</i></u> <u><i>\$9,000/family</i></u> <u><i>Tier 3: No Limit</i></u> <u><i>out-of-network</i></u>	<u><i>Tier 1 & 2:</i></u> <u><i>\$3,500/person</i></u> <u><i>\$7,000/family</i></u> <u><i>Tier 3: No Limit</i></u> <u><i>out-of-network</i></u>	<u><i>Tier 1 & 2:</i></u> <u><i>\$2,500/person</i></u> <u><i>\$5,000/family</i></u> <u><i>Tier 3: No Limit</i></u> <u><i>out-of-network</i></u>

Underlined/italicized means a benefit change

Access PPO vs. Summit PPO (*cont.*)

What You Pay	Preferred Provider Organization (PPO) Plans					
	Kaiser Foundation Health Plan of Washington Options, Inc.			Kaiser Foundation Health Plan of Washington Options, Inc.		
	Access PPO 1	Access PPO 2	Access PPO 3	<u>Summit PPO 1</u>	<u>Summit PPO 2</u>	<u>Summit PPO 3</u>
Annual Costs						
Pharmacy Deductible	None	None	None	<u>None</u>	<u>None</u>	<u>None</u>
Pharmacy Out-of-pocket Limit	Combined with medical	Combined with medical	Combined with medical	<u>Combined with medical</u>	<u>Combined with medical</u>	<u>Combined with medical</u>

Underlined/italicized means a benefit change

Access PPO vs. Summit PPO (*cont.*)

What You Pay	Preferred Provider Organization (PPO) Plans					
	Kaiser Foundation Health Plan of Washington Options, Inc.			Kaiser Foundation Health Plan of Washington Options, Inc.		
	Access PPO 1	Access PPO 2	Access PPO 3	<u>Summit PPO 1</u>	<u>Summit PPO 2</u>	<u>Summit PPO 3</u>
Pharmacy Tiers (Retail 30-days Supply)						
Preferred Generic:	\$10 (\$5 E*)	\$10 (\$5 E*)	\$10 (\$5 E*)	<u>\$20 (\$10 E*)</u>	<u>\$15 (\$5 E*)</u>	<u>\$15 (\$5 E*)</u>
Preferred Brand:	\$50 (\$40 E*)	\$50 (\$40 E*)	\$50 (\$40 E*)	<u>\$40 (\$20 E*)</u>	<u>\$50 (\$30 E*)</u>	<u>\$50 (\$30 E*)</u>
Non-Preferred:	50% up to \$125	50% up to \$125	50% up to \$125	<u>\$60 (\$30 E*)</u>	<u>\$95 (\$65 E*)</u>	<u>\$95 (\$65 E*)</u>
Preferred Specialty	50% up to \$150 maximum	50% up to \$150 maximum	50% up to \$150 maximum	<u>\$150 copay</u>	<u>\$150 copay</u>	<u>\$150 copay</u>
Non-Preferred Specialty:	Not available	Not available	Not available	<u>30%</u>	<u>30%</u>	<u>30%</u>

(E*) Enhanced benefit: Enhanced in-network cost shares apply when a member uses designated integrated providers and pharmacies (KP medical centers and providers, or other designated providers as identified in the provider directory.)

Underlined/italicized means a benefit change

Access PPO vs. Summit PPO (*cont.*)

What You Pay	Preferred Provider Organization (PPO) Plans					
	Kaiser Foundation Health Plan of Washington Options, Inc.			Kaiser Foundation Health Plan of Washington Options, Inc.		
	Access PPO 1	Access PPO 2	Access PPO 3	<u>Summit PPO 1</u>	<u>Summit PPO 2</u>	<u>Summit PPO 3</u>
Annual Limits and Per Visit Copays - Primary Care Copays Shown Are For Ages 18+; Primary Care For Ages 0-17 is \$0						
Office and Clinic Visits	Primary care: \$30 (\$20 E*) Specialist: \$40 (\$30 E*)	Primary care: \$25 (\$15 E*) Specialist: \$35 (\$25 E*)	Primary care: \$20 (\$10 E*) Specialist: \$30 (\$20 E*)	<u>Tier 1:</u> <u>Primary care: \$20</u> <u>Specialist: \$40</u> <u>Tier 2:</u> <u>Primary care: \$40</u> <u>Specialist: \$80</u>	<u>Tier 1:</u> <u>Primary care: \$10</u> <u>Specialist: \$20</u> <u>Tier 2:</u> <u>Primary care: \$20</u> <u>Specialist: \$40</u>	<u>Tier 1:</u> <u>Primary care: \$10</u> <u>Specialist: \$20</u> <u>Tier 2:</u> <u>Primary care: \$20</u> <u>Specialist: \$40</u>
Mental Health Office and Clinic Visits	Primary care: \$30 (\$20 E*)	Primary care: \$25 (\$15 E*)	Primary care: \$20 (\$10 E*)	<u>Tier 1:</u> <u>Primary care: \$20</u> <u>Specialist: \$40</u> <u>Tier 2:</u> <u>Primary care: \$40</u> <u>Specialist: \$80</u>	<u>Tier 1:</u> <u>Primary care: \$10</u> <u>Specialist: \$20</u> <u>Tier 2:</u> <u>Primary care: \$20</u> <u>Specialist: \$40</u>	<u>Tier 1:</u> <u>Primary care: \$10</u> <u>Specialist: \$20</u> <u>Tier 2:</u> <u>Primary care: \$20</u> <u>Specialist: \$40</u>
Telemedicine & Virtual Care	Covered in full	Covered in full	Covered in full	<u>Covered in full</u>	<u>Covered in full</u>	<u>Covered in full</u>

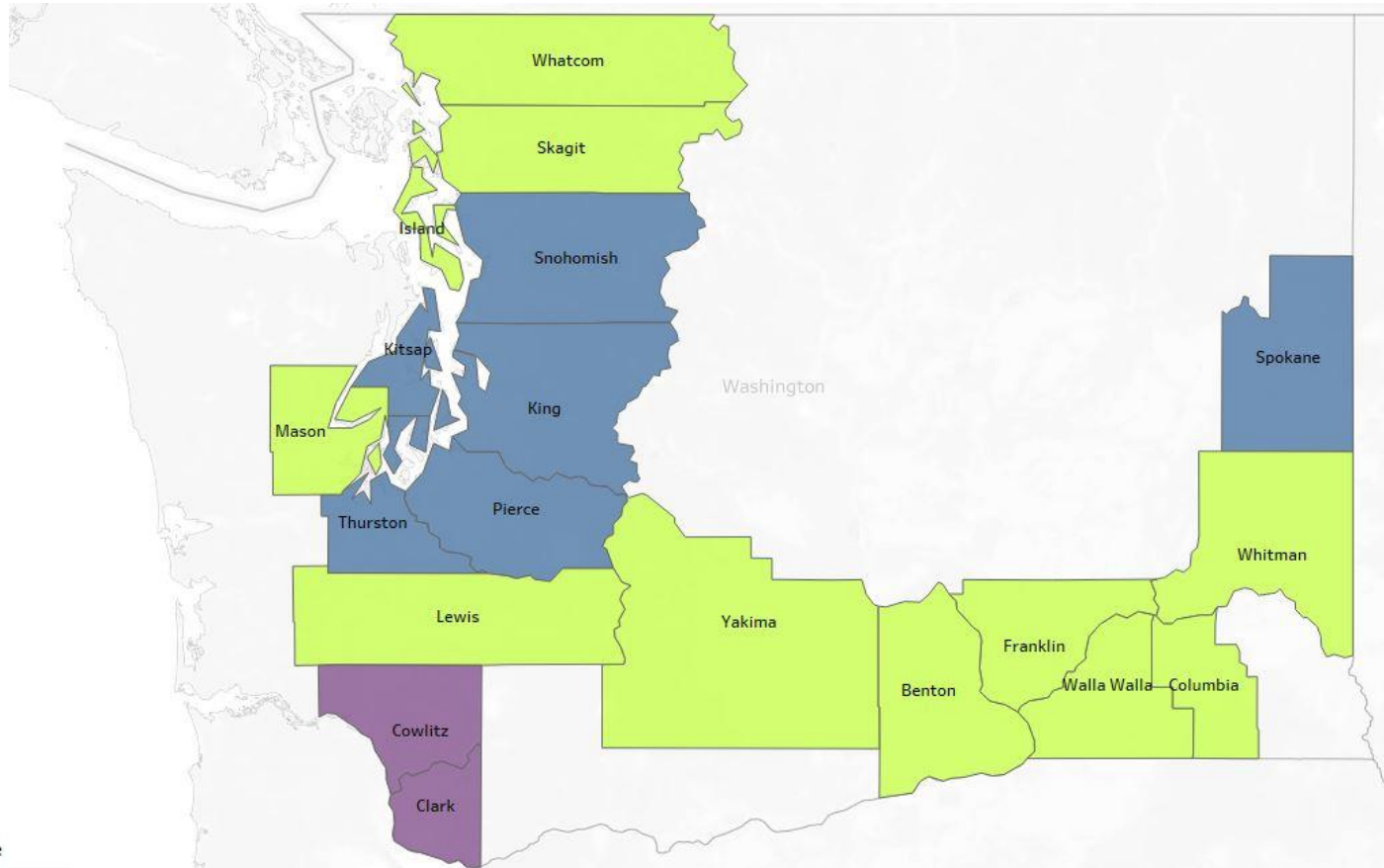
Underlined/italicized means a benefit change

Access PPO vs. Summit PPO (*cont.*)

What You Pay	Preferred Provider Organization (PPO) Plans					
	Kaiser Foundation Health Plan of Washington Options, Inc.			Kaiser Foundation Health Plan of Washington Options, Inc.		
	Access PPO 1	Access PPO 2	Access PPO 3	<u>Summit PPO 1</u>	<u>Summit PPO 2</u>	<u>Summit PPO 3</u>
Annual Limits and Per Visit Copays - Primary Care Copays Shown Are For Ages 18+; Primary Care For Ages 0-17 is \$0						
Rehab Therapy (OT/PT/ST/NDT) Visit Limits	Outpatient: 60 combined visits per calendar year Inpatient: 60 combined visits per calendar year			<u>Outpatient: 60 combined visits per calendar year</u> <u>Inpatient: 60 combined visits per calendar year</u>		
Outpatient Costs Shares (billed as an office visit in an office setting)	\$40 copay (\$30 E*)	\$35 copay (\$25 E*)	\$30 copay (\$20 E*)	<u>Tier 1:</u> <u>Primary care: \$20</u> <u>Specialist: \$40</u> <u>Tier 2:</u> <u>Primary care: \$40</u> <u>Specialist: \$80</u>	<u>Tier 1:</u> <u>Primary care: \$10</u> <u>Specialist: \$20</u> <u>Tier 2:</u> <u>Primary care: \$20</u> <u>Specialist: \$40</u>	<u>Tier 1:</u> <u>Primary care: \$10</u> <u>Specialist: \$20</u> <u>Tier 2:</u> <u>Primary care: \$20</u> <u>Specialist: \$40</u>
Inpatient Cost Shares	20%	20%	20%	<u>Tier 1: 10%</u> <u>Tier 2: 30%</u>	<u>Tier 1: 10%</u> <u>Tier 2: 30%</u>	<u>Tier 1: 10%</u> <u>Tier 2: 30%</u>

Underlined/italicized means a benefit change

Kaiser Proposed 2023 Service Area



Plans Available

- KPNW 1,2,3
- KPWA Core 1, Core 2, Core 3
- KPWA Core 1, Core 2, Options Summit PPO 1, 2, 3, Sound Choice

Plan Year 2023: SEBB Plans by County



Plan Choices for Current Access PPO Members Outside the Summit PPO Service Area

County	6 Plans Available	8 Plans Available	9 Plans Available	% Members paneled with KPWA Core HMO Providers*
Island	340			34%
Lewis		55		25%
Mason		161		38%
Skagit			309	58%
Whatcom		484		40%

*% of members who currently see Kaiser Permanente providers; and therefore, could continue to see these providers if enrolled in KPWA Core 1, Core 2, or Core 3.

2022 Available Plans Within the Five Counties

SEBB			
SEBB Plan	2022 Subscriber Only Employee Contribution	Deductible (Single)	Out-of-Pocket Maximum (Single)
UMP High Deductible	\$25	\$1,400	\$4,200
Kaiser WA Core 1	\$39	\$1,250	\$4,000
Premera Blue Cross Standard PPO*	\$37	\$1,250	\$5,000
Kaiser WA Core 2	\$44	\$750	\$3,000
Premera Blue Cross High PPO*	\$87	\$750	\$3,500
UMP Achieve 1	\$37	\$750	\$3,500
Kaiser WA Core 3	\$119	\$250	\$2,000
UMP Achieve 2	\$101	\$250	\$2,000
UMP Plus (Skagit County only)	\$77	\$125	\$2,000

* Not in Island County

Transition Support

- Notifications sent to subscribers from HCA and Kaiser of Washington
- Kaiser will provide a customized letter/email to subscribers
- Additional outreach as needed

Corrected Slide

From June 2, 2022 Presentation

Corrected Slide (from June 2, 2022 Presentation)

Premera 2023 Proposed Benefit Changes

Acupuncture, Chiropractic, Massage, and Therapies

Service	Visit Limitations	<u>Premera HMO</u>	Premera High PPO	Premera Standard PPO
Acupuncture	12 to <u>24</u>	<u>\$10*</u>	25% to <u>\$25*</u>	25% 20% to <u>\$25*</u>
Chiropractic (spinal manipulations)	12 to <u>24</u>	<u>\$10*</u>	25% to <u>\$25*</u>	25% 20% to <u>\$25*</u>
Massage Therapy	12 to <u>24</u>	<u>\$10*</u>	25% to <u>\$25*</u>	25% 20% to <u>\$25*</u>
Rehab Therapies (NDT, PT, OT, ST)	No change	<u>\$40</u>	\$40 to <u>\$50</u>	\$40 to <u>\$50</u>

*With this change, CAM services will no longer apply to deductible.
Italics/Underline indicates a change from 2022

Questions?

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Appendix

KPWA and KPWA Options

First Fill Program:

- For maintenance drugs only
- First prescription can be filled at any in-network pharmacy
- Subsequent refills must be filled via mail order **or** at a Kaiser Permanente retail pharmacy¹
- Safety: pharmacists can ensure members avoid negative drug interactions and other risks
- More cost effective to members
 - Use of generics when medically appropriate
 - Can negotiate better drug prices

¹Does not apply to medications for sudden conditions or to drugs Kaiser cannot mail.

Summit PPO Tier 1 Specialty Provider Examples

Providence Medical Group – including Spokane	NW Ortho and Ob in Spokane
Western Washington Medical Group	Olympia Ortho
Seattle Children’s Medical Group	Olympia Multispecialty Clinic
Clarus Eye	Pace Dermatology Tacoma,
Columbia Surgical Associates	Pacific Cataract and Laser,
Dermatology Skin and Allergy Olympia	Pac Med Clinics,
DHS, WAGI Tacoma–Silverdale	Plastic Surgery NW,
Franciscan Health and Medical Group	Providence Health Systems,
Gastro Associates Olympia	Public Hospital Skagit (Skagit Hospital and Medical Group),
Harrison Medical Center	Sea Mar Community Clinics,
KPWA medical center inventory	Seattle Children’s (Cardiology, MF, Hospital MDs),
Kitsap Eye, Surgery, Ob/gyn	Spokane Digestive, Eye, Urology, ENT,
Lake WA Vascular	Swedish Facilities, CT and Colorectal surgeons, nephrology, GYN Oncology,
Mt. Spokane Pediatrics	Tacoma Radiology Oncology,
MultiCare Health System (Mary Bridge Endo, Neuro, GI, Oncology, Orthopedic, PMR, Surgery, Rheum, Orthopedics, ENT, Neuro, Genetics)	Tacoma Radiology Associates,
NW medical specialties Tacoma	UW Autism, MFM, Oral Surgery

Summit PPO Tier 1 Hospital Examples

Cascade Valley Hospital (Snohomish County)	Seattle Children's Hospital (King County)
Kaiser Permanente Central Hospital Capitol Hill (King County)	St. Anthony's Hospital (Pierce County)
Mary Bridge Children's Hospital & Health Center (Pierce County)	St. Elizabeth Hospital (King County)
Overlake Hospital Medical Center (King County)	St. Michael's Medical Center (Kitsap County)
Providence Holy Family Hospital (Spokane County)	St. Joseph Medical Center (Pierce County)
Providence Regional Medical Center Everett-Pacific campus (Snohomish County)	Swedish Medical Center- Issaquah (King County)
Providence Sacred Heart Medical Center and Children Hospital (Spokane County)	Swedish Medical Center – Cherry Hill (King County)
Providence St. Peter Hospital (Thurston County)	Swedish Medical Center – First Hill (King County)