

School Employees Benefits Board Meeting

July 10, 2024

School Employees Benefits Board

July 10, 2024

9:00 a.m. – 11:30 a.m.

Attendance In-person or by Zoom

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

Table of Contents

Meeting Agenda	1-1
Member List.....	1-2
2024 Meeting Schedule	1-3
SEB Board By-Laws	2-1
Approval of Meeting Minutes	3-1
2025 SEBB Premiums.....	4-1
Open Enrollment Preview	5-1
Legislative PEBB/SEBB Consolidation Report Update.....	6-1
Medicare Update	7-1
2025 Board Meeting Schedule	8-1

TAB 1

School Employees Benefits Board
July 10, 2024
9:00 a.m. – 11:30 a.m.

This meeting will be hybrid with attendance options either in person or via Zoom. Masks are optional.

TO JOIN ZOOM MEETING – SEE INFORMATION BELOW

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/ Discussion
9:10 a.m.	Approval of Meeting Minutes • June 20, 2024	TAB 3	Lou McDermott, Chair	Action
9:20 a.m.	2025 SEBB Premiums	TAB 4	Tanya Deuel, ERB Finance Manager Financial Services Division (FSD)	Action
9:40 a.m.	Open Enrollment Preview	TAB 5	Alisa Richards, Section Manager Employees & Retirees Benefits (ERB) Division	Information/ Discussion
10:05 a.m.	Break			
10:15 a.m.	Legislative PEBB/SEBB Consolidation Report Update	TAB 6	Cade Walker, Section Manager Employees & Retirees Benefits (ERB) Division	Information/ Discussion
10:40 a.m.	Medicare Update	TAB 7	Ellen Wolfhagen, Retiree Benefits Manager Employees & Retirees Benefits (ERB) Division	Information/ Discussion
10:55 a.m.	2025 Board Meeting Schedule	TAB 8	David Iseminger, Director Employees & Retirees Benefits (ERB) Division	Information/ Discussion
11:00 a.m.	General Public Comment			
11:25 a.m.	Closing			
11:30 a.m.	Adjourn		Lou McDermott, Chair	

***All Times Approximate**

The School Employees Benefits Board will meet Wednesday, July 10, 2024 at the Washington State Health Care Authority, Sue Crystal Rooms A & B, 626 8th Avenue SE, Olympia, WA. Attendance for this meeting can be in person or via Zoom. Masks are optional.

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.

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

Materials are posted at <https://www.hca.wa.gov/about-hca/school-employees-benefits-board-sebb-program/meetings-and-materials> by close of business on Monday, July 8, 2024.

Join Zoom Meeting

<https://us02web.zoom.us/j/83903086829?pwd=NZvQ7fV9vGb9tI771CUmZqiyp7Wyzm.1>

Meeting ID: 839 0308 6829

Passcode: 427435

One tap mobile

+13017158592,,83903086829#,,, *427435# US (Washington DC)

+13092053325,,83903086829#,,, *427435# US

Meeting ID: 839 0308 6829

Passcode: 427435

Find your local number: <https://us02web.zoom.us/j/83903086829?pwd=NZvQ7fV9vGb9tI771CUmZqiyp7Wyzm.1>

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
Omeid Heidari Box 357262 1959 NE Pacific St. Seattle, WA 98195 SEBBoard@hca.wa.gov	Employee Health Benefits Policy and Administration
Dawna Hansen-Murray 15535 104 th Place SE Yelm, WA 98597 C 360-790-4961 SEBBoard@hca.wa.gov	Classified Employees
Myra Johnson Park Lodge Elementary School 6300 100 th St SW Lakewood, WA 98499 V 253-583-5353 SEBBoard@hca.wa.gov	Certificated Employees

SEB Board Members

Name	Representing
<p>Pamela Kruse 6440 Lake Saint Clair Dr SE Olympia, WA 98513 V 360-790-0995 SEBBoard@hca.wa.gov</p>	Certificated Employees
<p>Terri House Shoreline School District 18560 1st AVE NE Shoreline, WA 98155 V 206-393-3387 SEBBoard@hca.wa.gov</p>	Classified Employees
<p>Amy Griffin Knox 111 Administrative Center 111 Bethel Street NE Olympia, WA 98506 V 360-596-6187 SEBBoard@hca.wa.gov</p>	Employee Health Benefits Policy and Administration (WASBO)
<p>Alison Poulsen 12515 South Hangman Valley Rd Valleyford, WA 99036 C 509-499-0482 SEBBoard@hca.wa.gov</p>	Employee Health Benefits Policy and Administration
<p>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</p>	

1/18/2024



STATE OF WASHINGTON
HEALTH CARE AUTHORITY

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

SEB BOARD MEETING SCHEDULE

2024 School Employees Benefits (SEB) Board Meeting Schedule

The SEB Board meetings will be held at the Health Care Authority, Sue Crystal Rooms A & B, 626 8th Avenue SE, Olympia, WA 98501.

January 25, 2024 (Board Retreat) - starting at 9:00 a.m.*

March 14, 2024 - starting at 9:00 a.m.

April 4, 2024 - starting at 9:00 a.m.

May 2, 2024 - starting at 9:00 a.m.

June 6, 2024 - starting at 9:00 a.m.

June 20, 2024 - starting at 9:00 a.m.

July 10, 2024 - starting at 9:00 a.m.

July 17, 2024 - starting at 9:00 a.m.

July 24, 2024 - starting at 9:00 a.m.

July 31, 2024 - starting at 9:00 a.m.

*Meeting times are tentative

If you are a person with a disability and need a special accommodation, please contact the Employees and Retirees Benefits (ERB) Board Operations Manager at 360-725-9400.

06/06/2023

OFFICE OF THE CODE REVISER
STATE OF WASHINGTON
FILED

DATE: June 07, 2023

TIME: 8:15 AM

WSR 23-12-098

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. Opportunity for public testimony at Board meetings shall also be made available immediately before the Board’s vote on a resolution. At the direction of the Chair, opportunities for public testimony may also be made available at other times during Board meetings. 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

Draft
School Employees Benefits Board
Meeting Minutes

June 20, 2024
Health Care Authority
Sue Crystal Rooms A & B
Olympia, Washington
9:00 a.m. – 11:30 a.m.

The Briefing Book with the complete presentations and an audio recording of the meeting can be found at:
<https://www.hca.wa.gov/about-hca/programs-and-initiatives/school-employees-benefits-board-sebb-program/meetings-and-materials>

Members Present in Olympia

Lou McDermott
Pamela Kruse
Dawna Hansen-Murray
Kerry Schaefer
Myra Johnson

Members Present via Zoom

Alison Poulsen
Amy Griffin
Terri House
Omeid Heidari

Members Absent

None

SEB Board Counsel

Dana Gigler, AAG (via Zoom – filling in for Katy Hatfield)

Call to Order

Lou McDermott, Chair, called the meeting to order at 9:00 a.m. Sufficient members were present to allow a quorum. Board members and the public were able to attend either in person or virtually via Zoom.

Meeting Overview

David Iseminger, Director of the Employees and Retirees Benefits (ERB) Division provided an overview of the agenda.

Approval of Meeting Minutes

Myra Johnson moved, and Pamela Kruse seconded a motion to approve the June 6, 2024 meeting minutes. Minutes were approved as written by unanimous vote.

Executive Session

Pursuant to RCW 42.30.110(1)(L), the Board met 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 began at 9:06 a.m. and concluded at 9:16 a.m.

Annual Procurement Update for 2025 Plan Year

Christine Davis, Procurement Manager in the Employees and Retirees Benefits (ERB) Division provided an update on the annual procurement work that helps inform the yearly plan rates. The update included the annual renewal timeline, an IRS high deductible plan update, and benefit changes for Kaiser Foundation Health Plan of the Northwest (KPNW), Kaiser Health Plan of Washington (KPWA), Premera, and Uniform Medical Plan.

2025 SEBB Premiums

Tanya Deuel, ERB Finance Manager in the Financial Services Division (FSD) introduced premium resolutions for the 2025 plan year.

- *SEBB 2024-09: Kaiser Foundation Plan of the Northwest (KPNW) 2025 Medical Premiums.*
- *SEBB 2024-10: Kaiser Foundation Health Plan of WA (KPWA) 2025 Medical Premiums.*
- *SEBB 2024-11: Kaiser Foundation Health Plan of WA Options (KPWA-O) 2025 Medical Premiums.*
- *SEBB 2024-12: Premera 2025 Medical Premiums.*
- *SEBB 2024-13: Uniform Medical Plan 2025 Medical Premiums.*

Voting on the resolutions is scheduled for the July 10, 2024 Board meeting.

Retrospective Enrollment Review

Jean Bui, Deputy Director of the Employees and Retirees Benefits (ERB) Division filled in for John Partin, Benefit Strategy and Design Section Manager in the Employees and Retirees Benefits (ERB) Division and presented a look back at some enrollment trends and insights over the years since the program's launch in 2020. The presentation included SEBB Program enrollment trends, membership by carrier, plan and deductible selections, and new retiree data.

2025 Board Meeting Schedule

David Iseminger, Director of the Employees and Retirees Benefits (ERB) Division introduced the 2025 Board meeting schedule. There were no concerns with dates and the schedule will be filed with the code reviser for final presentation at the July 10, 2024 Board meeting.

General Public Comment

No members of the public provided comments.

An audio recording for the June 20, 2024 SEB Board meeting can be found at:
<https://www.hca.wa.gov/about-hca/programs-and-initiatives/school-employees-benefits-board-sebb-program/meetings-and-materials>

Next Meeting

July 10, 2024

Starting time 9:00 a.m.

Preview of July 10, 2024 SEB Board Meeting

Dave Iseminger, Director, Employees and Retirees Benefits (ERB) Division, provided an overview of potential agenda topics for the July 10, 2024 meeting.

The meeting adjourned at 10:01 a.m.

TAB 4

2025 SEBB Premiums

Tanya Deuel
ERB Finance Manager
Financial Services Division
July 10, 2024

Kaiser Permanente Book of Business Change

- ▶ **myStrength (now known as "Teladoc Health"), a self-care app, will end on July 31, 2024**
 - ▶ As of August 1, 2024, the app will no longer be available for new registrations
 - ▶ Members currently using myStrength will be informed via email about these changes and can continue to access the app until December 31, 2024
 - ▶ Kaiser strongly encourages their members to explore alternative self-care apps such as Calm and Headspace Care, available to members (Calm is available to 13+ and Headspace Care is available to 18+)* with a kp.org account
- ▶ **This change is for both Kaiser Foundation Health Plan of Washington (KPWA) and Kaiser Foundation Health Plan of the Northwest (KPNW)**

*Please note that additional exclusions to these apps may apply.

Employee Premiums

		Subscriber only		Year-over-year change		Enrollment as of April 2024	
		2024	Proposed 2025	\$	%	Members	% of Total
KPNW	KPNW 1	\$67	\$63	(\$4)	-6%	2,414	0.9%
	KPNW 2	\$105	\$98	(\$7)	-7%	3,683	1.3%
	KPNW 3	\$196	\$265	\$69	35%	3,015	1.1%
KPWA	SoundChoice	\$115	\$122	\$7	6%	23,564	8.4%
	Core 1	\$48	\$23	(\$25)	-52%	7,897	2.8%
	Core 2	\$98	\$55	(\$43)	-44%	11,700	4.2%
	Core 3	\$149	\$208	\$59	40%	3,327	1.2%
KPWAO	Summit 1	\$100	\$40	(\$60)	-60%	5,470	2.0%
	Summit 2	\$143	\$114	(\$29)	-20%	10,258	3.7%
	Summit 3	\$237	\$270	\$33	14%	6,590	2.4%
Premera	High	\$115	\$135	\$20	17%	28,532	10.2%
	HMO	\$20	\$17	(\$3)	-15%	3,985	1.4%
	Standard	\$64	\$79	\$15	23%	38,244	13.7%
UMP	Achieve 1	\$44	\$40	(\$4)	-9%	43,505	15.6%
	Achieve 2	\$113	\$125	\$12	11%	57,640	20.6%
	Plus	\$86	\$104	\$18	21%	14,364	5.1%
	HDHP	\$21	\$21	\$0	0%	15,477	5.5%

Employee contributions are rounded to the nearest whole dollar.

Resolution SEBB 2024-09

Kaiser Foundation Plan of the Northwest (KPNW) 2025 Medical Premiums

Resolved that, the SEB Board authorizes the Kaiser Foundation Health Plan of the Northwest 2025 employee premiums.

Resolution SEBB 2024-10

Kaiser Foundation Health Plan of Washington (KPWA) 2025 Medical Premiums

Resolved that, the SEB Board authorizes the Kaiser Foundation Health Plan of Washington 2025 employee premiums.

Resolution SEBB 2024-11

Kaiser Foundation Health Plan of Washington Options (KPWA-O) 2025 Medical Premiums

Resolved that, the SEB Board authorizes the Kaiser Foundation Health Plan of Washington Options, Inc. 2025 employee premiums.

Resolution SEBB 2024-12

Premera 2025 Medical Premiums

Resolved that, the SEB Board authorizes the Premera 2025 employee premiums.

Resolution SEBB 2024-13

Uniform Medical Plan (UMP) 2025 Medical Premiums

Resolved that, the SEB Board authorizes the Uniform Medical Plan (UMP) 2025 employee premiums.

Questions?

Tanya Deuel, ERB Finance Manager
Financial Services Division
Tanya.Deuel@hca.wa.gov

Appendix

Employer Premiums & Employee Contribution

		Proposed 2025		
		Bid Rate	Employer Contribution	Employee Contribution
KPNW	KPNW 1	\$772.99	\$710	\$63
	KPNW 2	\$808.01	\$710	\$98
	KPNW 3	\$974.11	\$710	\$265
KPWA	SoundChoice	\$831.92	\$710	\$122
	Core 1	\$733.00	\$710	\$23
	Core 2	\$764.74	\$710	\$55
	Core 3	\$917.64	\$710	\$208
KPWAO	Summit 1	\$749.38	\$710	\$40
	Summit 2	\$823.24	\$710	\$114
	Summit 3	\$979.95	\$710	\$270
Premera	High	\$844.66	\$710	\$135
	HMO	\$726.48	\$710	\$17
	Standard	\$788.40	\$710	\$79
UMP	Achieve 1	\$749.09	\$710	\$40
	Achieve 2	\$834.29	\$710	\$125
	Plus	\$813.41	\$710	\$104
	HDHP	\$730.70	\$710	\$21

EMC (Employer Medical Contribution) is on a Per Adult Unit Per Month (PAUPM) basis. Employee contributions and EMC are rounded to the nearest whole dollar.



2025 Employee Premiums by Tier

		Subscriber	Subscriber & spouse/SRDP*	Subscriber & Child(ren)	Subscriber, spouse/SRDP*, & child(ren)
KPNW	KPNW 1	\$63	\$126	\$110	\$189
	KPNW 2	\$98	\$196	\$172	\$294
	KPNW 3	\$265	\$530	\$464	\$795
KPWA	SoundChoice	\$122	\$244	\$214	\$366
	Core 1	\$23	\$46	\$40	\$69
	Core 2	\$55	\$110	\$96	\$165
	Core 3	\$208	\$416	\$364	\$624
KPWAO	Summit 1	\$40	\$80	\$70	\$120
	Summit 2	\$114	\$228	\$200	\$342
	Summit 3	\$270	\$540	\$473	\$810
Premera	High	\$135	\$270	\$236	\$405
	HMO	\$17	\$34	\$30	\$51
	Standard	\$79	\$158	\$138	\$237
UMP	Achieve 1	\$40	\$80	\$70	\$120
	Achieve 2	\$125	\$250	\$219	\$375
	Plus	\$104	\$208	\$182	\$312
	HDHP	\$21	\$42	\$37	\$63

Employee contributions are rounded to the nearest whole dollar.
 SRDP = State registered domestic partner.

Life, AD&D, and Long-Term Disability (LTD) Premiums

- ▶ Basic Life and AD&D, and Employer-Paid LTD:
 - ▶ Employer funded
 - ▶ No rate change for 2025
- ▶ Supplemental Life and AD&D, and Employee-Paid LTD:
 - ▶ Employee funded
 - ▶ No rate change for 2025

TAB 5

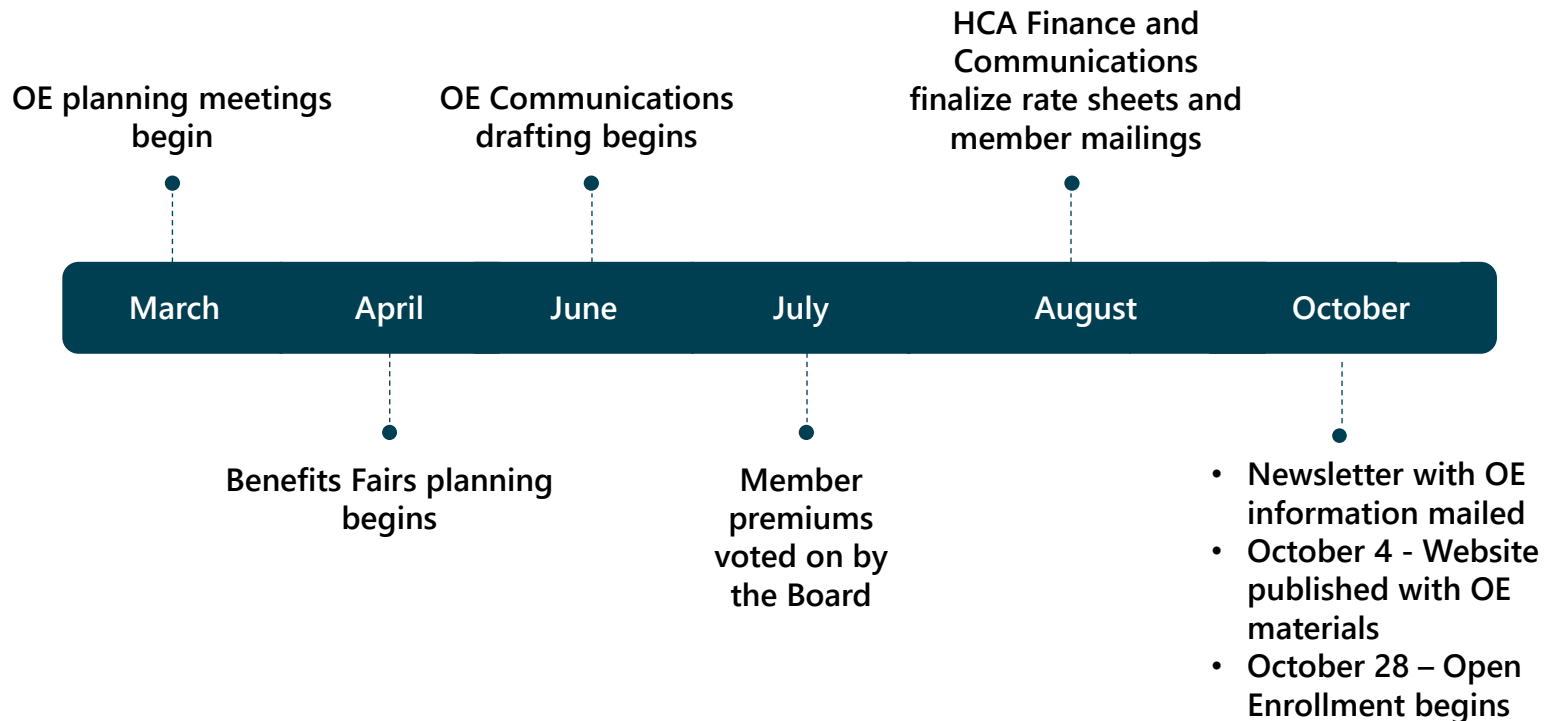
Open Enrollment Preview

Alisa Richards
Benefits Accounts Section Manager
Employees and Retirees Benefits Division
July 10, 2024

Open Enrollment Preparation Timeline

SEBB Program Open Enrollment

10/28/2024-11/25/2024



Outreach and Training

- ▶ Supports over 700 SEBB organizations and PEBB Program agencies
- ▶ Provides training to organizations regarding program plan options, covered benefits, eligibility, rules, and enrollment processes
 - ▶ In turn, organizations act as the first line of customer services for their employees
- ▶ Assists benefits administrators when they reach out to the Outreach and Training unit for support
- ▶ Works on open enrollment year-round for strategies and process improvements

Customer Service

- ▶ Customer Service unit is the first line of contact for retirees and continuation coverage enrollees
- ▶ Staff performs three primary functions:
 - ▶ Answers calls via a toll-free line and responds to electronic HCA Support inquiries
 - ▶ Provides in-person lobby services for walk-in members
 - ▶ Reviews members' retiree or continuation of coverage eligibility as they process enrollment forms
- ▶ 27 filled Medical Assistant Specialist (MAS) 3 positions
 - ▶ All staff will be fully trained by the start of open enrollment

Benefits Administrator Readiness

- ▶ Webinars
- ▶ Forwardable email messages with important information
- ▶ HCA Support external portal
- ▶ Open enrollment Training

Benefits Fairs

- ▶ Changes based on member feedback
 - ▶ More dates and locations
 - ▶ Printed materials available at earliest fair
 - ▶ Increased staffing
 - ▶ Open time for all

- ▶ Virtual Benefits Fair (VBF)
 - ▶ Available 24/7
 - ▶ Virtual booths with information from all plans

2024 Benefits Fairs Schedule

Date	City	Time
10/28/2024	Lynwood	10:00-6:00
10/29/2024	Bellingham	10:00-6:00
10/29/2024	Spokane	10:00-6:00
10/30/2024	Seattle	10:00-6:00
10/30/2024	Cheney	10:00-6:00
10/31/2024	Wenatchee	10:00-6:00
10/31/2024	Tacoma	10:00-6:00
11/1/2024	Renton	10:00-6:00
11/4/2024	Vancouver	10:00-6:00
11/5/2024	Olympia/Tumwater	10:00-6:00
11/5/2024	Pullman	10:00-6:00
11/6/2024	Port Angeles	10:00-6:00
11/6/2024	Pasco	10:00-6:00
11/7/2024	Bremerton	10:00-6:00
11/7/2024	Yakima	10:00-6:00

Communications Strategy

- ▶ Social media posts
- ▶ Forwardable email messages to benefits administrators
- ▶ Banners in Benefits 24/7
- ▶ Open enrollment webpage
- ▶ Website alerts
- ▶ The October newsletter will provide essential information
 - ▶ Front page will describe the steps to make enrollment changes and include information about premium and benefit changes

Benefits 24/7 Readiness

- ▶ Performance testing
- ▶ PEBB Program Vision and UMP Classic Medicare with Part D testing
- ▶ Interface testing
- ▶ Carrier file testing
- ▶ Regular language updates

Open Enrollment Member Checklist

- ▶ Log in to Benefits 24/7 to ensure account information is current, such as home address
- ▶ Consider signing up for email communications
- ▶ Prepare a list of questions to ask plans
- ▶ Review the changes such as premiums and benefits
- ▶ Make a list of prescriptions to research coverage for potential plan changes
- ▶ Read open enrollment materials (newsletters and website)

Open Enrollment Member Checklist (*cont.*)

- ▶ Change plans if applicable
- ▶ Waive coverage if applicable
- ▶ Add or drop dependents
- ▶ Attest to surcharges
- ▶ Elect Flexible Spending Account (FSA) or Limited Purpose FSA/Dependent Care Assistance Program (DCAP)
- ▶ Complete SmartHealth incentive
- ▶ Review Life and Long-Term Disability (LTD) coverage
- ▶ Designate beneficiaries

Questions?

Alisa Richards, Benefits Accounts Section Manager
Employees and Retirees Benefits Division

Alisa.Richards@hca.wa.gov

TAB 6

Legislative PEBB/SEBB Consolidation Report Update

Cade Walker
Policy, Rules, and Compliance Section Manager
Employees and Retirees Benefits Division
July 10, 2024

Legislative Consolidation Report

In the 2024 supplemental operating budget, the Legislature tasked the Health Care Authority (HCA) with writing a legislative report about the potential future consolidation of the PEBB and SEBB Programs

History of Consolidation Reports

- ▶ 2020: the Consolidation of PEBB and SEBB Programs report to the Legislature
- ▶ 2019: Engrossed Substitute House Bill (ESHB) 2140
- ▶ 2018: Engrossed Substitute Senate Bill (ESSB) 6241
- ▶ 2017: Engrossed House Bill (EHB) 2242
- ▶ 2012: Engrossed Substitute Senate Bill (ESSB) 5940
- ▶ 2011: The State Auditor's Office
- ▶ 2004: the Office of Financial Management, (OFM)
- ▶ Additional reports dating back to the 1980s

2024 Legislative Report Requirements

ESSB 5950 (2024)- Section 212*

- ▶ Single governing Board structures
- ▶ Single risk pool for active and non-Medicare retirees
- ▶ Maintain current eligibility for all active employees
- ▶ A single portfolio of benefits

Report due December 1, 2024

- ▶ This report's requirements ask for insights and analysis, but no recommendations

*<https://lawfilesexternal.wa.gov/biennium/2023-24/Pdf/Bills/Session Laws/Senate/5950-S.SL.pdf?q=20240614100833>

2024 Legislative Report Requirements (*cont.*)

Additional considerations

- ▶ Engage with impacted participants
- ▶ Maintain benefit eligibility for current participants
- ▶ Ensure equity
- ▶ Previous consolidation reports

Single Governing Board Structures

Current Board Structures

PEB BOARD		SEB BOARD
1	Director of HCA (Chair)	
2	Benefits management and cost containment	Health benefits policy and administration
3	Benefits management and cost containment	Health benefits policy and administration
4	Benefits management and cost containment	Health benefits policy and administration
5	Benefits management and cost containment (<i>non-voting</i>)	Health benefits policy and administration (WASBO)
6	State employees	Certificated employees
7	State retirees	Certificated employees
8	School district retirees	Classified employees
9		Classified employees

Current Structure Statutes & Insights

- ▶ Statutes describing the board composition
 - ▶ PEB Board: RCW 41.05.055
 - ▶ SEB Board: RCW 41.05.740
- ▶ Insights
 - ▶ Boards balance equal representation of covered populations and health policy representatives
 - ▶ The HCA director (or designee) is an additional voting member

Single Governing Board Options

Three potential Board structure options for the number of representatives of covered populations:

▶ Proportional

- ▶ Representation based on proportion of covered lives

▶ Equal

- ▶ Two representatives each for state employees, school employees, and retirees

▶ Combined

- ▶ Combine boards and maintain current board representation levels

Medical Plan Enrollment as of May 2024

	Subscribers	Total Members
PEBB	128,883 (37%)	287,670 (42%)
SEBB	133,484 (39%)	279,987 (41%)
Retirees	82,603 (24%)	115,662 (17%)
Total	344,970 (100%)	683,319 (100%)

Single Governing Board Options (*cont.*)

Proportional Representation (11 members)	Equal Representation (13 members)	Combined Representation (15 members)
HCA Director	HCA Director	HCA Director
Benefits policy and cost containment (x5)	Benefits policy and cost containment (x6)	Benefits policy and cost containment (x7)
State employees	State employees	State employees
State employees	State employees	Retirees (state)
School employees	School employees	Retirees (K-12)
School employees	School employees	School employees (certificated)
Retirees	Retirees	School employees (certificated)
	Retirees	School employees (classified)
		School employees (classified)

Single Risk Pool for Active and Non-Medicare Retirees

Current Risk Pools

RCW 41.05.022(2)

PEBB Program Non-Medicare Risk Pool

State & Other*
Employees

State & Other* Non-Medicare Retirees

Non-Medicare School Retirees

RCW 41.05.022(3)

PEBB Program Medicare Risk Pool

State & Other*
Medicare Retirees

Medicare School Retirees

RCW 41.05.080(3)

SEBB Program Risk Pool

School Employees

*Other includes political subdivisions, non-represented ESDs, COBRA, LWOP, etc. employees or retirees and their dependents

Single Risk Pool for Active and Non-Medicare Retirees

- ▶ Consolidation of the current risk pools described in RCW 41.05.022(2) & (3)
 - ▶ Results in:
 - One non-Medicare risk pool created
 - One Medicare risk pool maintained

Note: There are no report requirements for any changes to the existing Medicare risk pool (RCW 41.05.080(3))

Risk Pools After Consolidation

Non-Medicare Risk Pool

State & Other Employees

School Employees

State & Other non-Medicare
Retirees

Non-Medicare School Retirees

Medicare Risk Pool

State & Other
Medicare Retirees

Medicare School
Retirees

Maintain Current Eligibility for All Active Employees

Current Eligibility

Eligibility can be largely grouped into three categories:

- ▶ **PEBB Program employees**

- ▶ All employees of the state, elected and appointed officials of the executive branch, justices of the supreme court and judges of the court of appeals and superior courts, members of the state legislature, and employees of employer groups (*see RCW 41.05.011(6)(a)*)

- ▶ **SEBB Program employees**

- ▶ All employees of school districts, educational service districts, charter schools, and employees of SEBB Program employer groups (*see RCW 41.05.011(6)(b)*)

- ▶ **Retired, disabled, and separated employees** (*see RCW 41.05.080*)

Current Eligibility (*cont.*)

Statutory eligibility requirements and rules:

▶ **PEBB Program employees**

- ▶ RCW 41.05.065(4)(a)–(k)
- ▶ WAC 182-12

▶ **SEBB Program employees**

- ▶ RCW 41.05.740(6)(d) & (e)
- ▶ WAC 182-31

▶ **Retired, disabled, and separated employees**

- ▶ RCW 41.05.080
- ▶ WAC 182-12

Consolidated Eligibility

Eligibility statutes and rules would be combined and continue to differentiate into three categories based on the existing population structure:

▶ **State employees**

- ▶ All employees of the state, elected and appointed officials of the executive branch, justices of the supreme court and judges of the court of appeals and superior courts, and members of the state legislature

▶ **School employees**

- ▶ All employees of school districts, educational service districts, and charter schools

Consolidated Eligibility (*cont.*)

▶ **Other eligible subscribers (optional participation)**

- ▶ Separated employees (as currently defined by RCW 41.05.011(25))
- ▶ Retired or disabled public and school employees, and their dependents
- ▶ Surviving dependents of public and school employees
- ▶ Surviving dependents of emergency personnel killed in the line of duty
- ▶ Formerly elected or appointed officials and legislators
- ▶ School board members
- ▶ Employer groups (as currently defined by RCW 41.05.011(6)(a) & (b)(iv))
- ▶ Retired employees from formerly participating employer groups

What Would Not Change?

- ▶ Current eligibility specific to state or school employees would continue to apply to those specific employee categories under the consolidation

Examples include:

- ▶ Hour requirements unique to an employee category type
- ▶ Eligibility determinations occurring at the start of each school year would continue to apply only to school employees
- ▶ The 8-hour maintenance rule for benefits would continue to apply only to a subset of state employees
- ▶ Faculty averaging would continue to apply only to higher education institutions
- ▶ Seasonal worker eligibility would continue to apply only to a subset of state employees

A Single Portfolio of Benefits

Current Benefits Portfolios

	PEBB Program (non-Medicare)	SEBB Program
Medical*	3 Carriers (Kaiser Northwest, Kaiser WA, UMP); 10 plans	5 Carriers (Kaiser Northwest, Kaiser WA, Kaiser WA Options, Premera, and UMP); 17 plans
Dental	3 Networks/Plans (DeltaCare, Uniform Dental, Willamette)	3 Networks/Plans (DeltaCare, Uniform Dental, Willamette)
Vision**	3 Networks/Plans (Davis, EyeMed, MetLife)	3 Networks/Plans (Davis, EyeMed, MetLife)
Life/AD&D	MetLife; basic and supplemental option	MetLife; basic and supplemental option
LTD	The Standard; basic and supplemental option	The Standard; basic and supplemental option

* Not all medical carriers or plans are available in all counties.

** PEBB Program standalone vision plans will be available for the 2025 plan year.
Current PEBB Program vision benefits are embedded in the medical plans.

Current Benefits Portfolios (*cont.*)

Medical Plans

	PEBB Program (non-Medicare)	SEBB Program
Employee Premium	\$26/72 to \$331/\$910 (individual/full family)	\$21/\$63 to \$237/\$711 (individual/full family)
Deductible	\$125/\$375 to \$1,600/\$3,200	\$125/\$375 to \$1,600/\$3,200
Out-of-Pocket Max	\$2,000/\$4,000 to \$5,100/\$10,200	\$2,000/\$4,000 to \$5,000/\$10,000
Coinsurance	10% to 20%	10% to 30%

Current Benefits Portfolios (*cont.*)

Other Benefits

- ▶ High-level snapshot of current PEBB & SEBB Program portfolios (non-Medicare):

	PEBB Program	SEBB Program
Life & AD&D	3 Carriers (Kaiser NW, Kaiser WA, UMP), 10 plans	5 Carriers (Kaiser NW, Kaiser WA, Kaiser WA Options, Premera, and UMP), 17 plans
Dental	3 Networks/Plans (DeltaCare, Uniform Dental, Willamette)	3 Networks/Plans (DeltaCare, Uniform Dental, Willamette)
Vision**	3 Networks/Plans (Davis, EyeMed, MetLife)	3 Networks/Plans (Davis, EyeMed, MetLife)

* Not all medical carriers or plans are available in all counties.

** PEBB Program standalone vision plans will be available for the 2025 plan year. Current PEBB Program vision benefits are embedded in the medical plans.

Current Benefits Portfolios (*cont.*)

▶ Dental

- ▶ DeltaCare and Willamette plans are the same for each program
- ▶ Uniform Dental Plan (UDP) has differences:
 - ▶ SEBB Program: Waived deductible for children up to age 15, increased plan coverage for crowns, posterior teeth composite fillings, increased benefit for nonsurgical treatment of temporomandibular joint (TMJ)

▶ Vision

- ▶ The plans for the 2025 plan year are identical

▶ Life Insurance/AD&D

- ▶ The basic and optional supplemental coverage are identical

▶ Long Term Disability

- ▶ The optional supplemental coverage (employee paid) is the same for both programs
- ▶ However, the basic benefit (employer paid) is different
 - ▶ PEBB Program: \$240 monthly maximum benefit
 - ▶ SEBB Program: \$400 monthly maximum benefit

Consolidated Benefits Portfolio

- ▶ Anticipated benefits of single non-Medicare portfolio
 - ▶ Contracts for medical can be better leveraged for service covering both populations
 - ▶ Single portfolio of medical plans
 - ▶ Increased availability of plans throughout the state
- ▶ A single portfolio
 - ▶ For example, one UDP plan, one set of UMP, Kaiser, Premera plans
- ▶ Financial insights
 - ▶ Employer medical contribution (EMC)
 - ▶ Tier ratio alignment

Consolidated Benefits Portfolio (*cont.*)

- ▶ No changes to the existing Medicare portfolio
- ▶ Member impacts:
 - ▶ Difficult to say due to not knowing plan designs for single portfolio
 - ▶ Generally speaking, members may experience around one percent variability in premiums based on risk pool consolidation

Stakeholder Feedback Process

Stakeholder Engagement and Feedback

- ▶ Feedback from PEB and SEB Boards
- ▶ Stakeholder engagement will take place between July 18 and August 15, 2024
 - ▶ General informational meeting on July 18
 - ▶ Leveraging existing stakeholder meetings
- ▶ Written feedback due on August 16, 2024
 - ▶ Written feedback will be what HCA considers in finalizing the draft of the report

Discussion

- ▶ Single governing Board structures
- ▶ Single risk pool for active and non-Medicare retirees
- ▶ Maintain current eligibility for all active employees
- ▶ A single portfolio of benefits

Final Reminders

- ▶ Written feedback is due to HCA by August 16, 2024
- ▶ Legislative report is due December 1, 2024

Questions?

Cade Walker, Policy, Rules, and Compliance Section
Manager

Employees and Retirees Benefits (ERB) Division

Cade.Walker@hca.wa.gov

TAB 7

Medicare Update

Ellen Wolfhagen
Retiree Benefits Manager
Employees and Retirees Benefits Division
July 10, 2024

Washington State
Health Care Authority

SCHOOL EMPLOYEES BENEFITS BOARD

Presentation Topics

- ▶ Medicare review
- ▶ UMP Classic Medicare with Part D Implementation
- ▶ Medicare portfolio options

Medicare Review

- ▶ Part A – Inpatient Services
 - ▶ Hospital, nursing home

- ▶ Part B – Outpatient Services
 - ▶ Primary care, specialists, day surgery, vaccines, infusions

- ▶ Part D – Prescription Drug Coverage

UMP Classic Medicare Part D

- ▶ UMP Classic Medicare had **creditable drug coverage**
 - ▶ Drug coverage must be at least as cost effective as Part D
- ▶ PEB Board voted on April 11, 2024 to convert to Part D coverage beginning January 1, 2025
 - ▶ Minimal changes to available drugs and network pharmacies
 - ▶ Additional federal subsidies result in overall premium savings

Reasons For The Change

- ▶ Downward pressure on premiums
- ▶ Change could be implemented by January 1, 2025
- ▶ Inflation Reduction Act (IRA)
 - ▶ Change in calculation of Maximum Out-of-Pocket (MOOP) limit to True Out-of-Pocket (TrOOP)
 - ▶ Part D plans can take advantage of federal price negotiations
 - ▶ Cap on Part D plan premium increases year over year
- ▶ Lower costs overall for members
- ▶ Very minimal negative impacts
 - ▶ Specialty drugs
 - ▶ A few pharmacies no longer available

UMP Part D Implementation

- ▶ We are preparing for the automatic migration of current UMP Classic Medicare members
 - ▶ No form or action by a **current** enrollee of UMP Classic Medicare is needed to **stay in** the plan
- ▶ Members can switch into or enroll in UMP Classic Medicare with Part D; forms must be **received** by November 25th
- ▶ Members who need to make changes can do so on their Benefits 24/7 accounts
 - ▶ Add or drop dependent(s)
 - ▶ Add or drop dental coverage

PEBB Program Medicare Portfolio Options

- ▶ Coordination of Benefits (COB)
 - ▶ Medicare pays primary
 - ▶ Medicare Part A and Part B

- ▶ Medicare Advantage (Employer Group Waiver Plans)
 - ▶ Can include Part D coverage
 - ▶ Medicare Part A and Part B and additional benefits
 - ▶ Hearing, vision, gym membership

- ▶ Medicare Supplement (Medigap)
 - ▶ Medicare Part A and Part B
 - ▶ Covers only medical services

Communications Plan

- ▶ May through September
 - ▶ Newsletters
 - ▶ Web notices
- ▶ September
 - ▶ Targeted letters to UMP Classic Medicare members
 - ▶ Moda drug and pricing look-up tools posting
- ▶ October
 - ▶ Combined SEBB/PEBB Program benefit fairs
 - ▶ All member types welcome at all times and at all fairs

Questions?

Ellen Wolfhagen, Retiree Benefits Manager
Employees and Retirees Benefits Division
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TAB 8



STATE OF WASHINGTON
HEALTH CARE AUTHORITY

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

SEB BOARD MEETING SCHEDULE

2025 School Employees Benefits (SEB) Board Meeting Schedule

The SEB Board meetings will be held at the Health Care Authority, Sue Crystal Rooms A & B, 626 8th Avenue SE, Olympia, WA 98501.

January 23, 2025 (Board Retreat) - starting at 9:00 a.m.*

March 6, 2025 - starting at 9:00 a.m.

April 3, 2025 - starting at 9:00 a.m.

May 8, 2025 - starting at 9:00 a.m.

June 5, 2025 - starting at 9:00 a.m.

June 18, 2025 - starting at 9:00 a.m.

July 9, 2025 - starting at 9:00 a.m.

July 16, 2025 - starting at 9:00 a.m.

July 23, 2025 - starting at 9:00 a.m.

July 30, 2025 - starting at 9:00 a.m.

*Meeting times are tentative

If you are a person with a disability and need a special accommodation, please contact the Employees and Retirees Benefits (ERB) Board Operations Manager at 360-725-9484.

06/14/2024

OFFICE OF THE CODE REVISER
STATE OF WASHINGTON
FILED

DATE: July 01, 2024

TIME: 11:12 AM

WSR 24-14-100