

School Employees Benefits Board Meeting

January 29, 2018

School Employees Benefits Board

January 29, 2018

1:00 – 5:00

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

Table of Contents

Meeting Agenda	1-1
Member List.....	1-2
Meeting Schedule 2017-18.....	1-3
SEB Board By-Laws	2-1
Legislative Update	3-1
Overview of Benefits Portfolio.....	4-1
School Employees Demographics and Focus Group Insights	5-1
Benefits and Insurance Key Concept: Actuarial Value	6-1
Eligibility and Enrollment Policy Development	7-1
Proposed Resolutions.....	8-1

TAB 1

School Employees Benefits Board
January 29, 2018
1:00 p.m. – 5:00 p.m.

Health Care Authority
Cherry Street Plaza
Sue Crystal Rooms A & B
626 8th Avenue SE
Olympia, WA 98501

Call-in Number: 1-888-407-5039

Participant PIN Code: 60995706

1:00 p.m.*	Welcome and Introductions		Lou McDermott, Chair	
1:10 p.m.	Meeting Overview		David Iseminger, Director Employees & Retirees Benefits (ERB) Division	Information
1:15 p.m.	Legislative Update	Tab 3	David Iseminger, ERB Director	Information / Discussion
1:35 p.m.	Overview of Benefits Portfolio	TAB 4	Scott Palafox, Acting Deputy Director Employees & Retirees Benefits (ERB) Division	Information / Discussion
2:45 p.m.	Break			
3:00 p.m.	School Employees Demographics and Focus Group Insights	TAB 5	John Bowden, Manager School Employees Benefits (SEB) Section	Information / Discussion
3:20 p.m.	Benefits and Insurance Key Concept: Actuarial Value	TAB 6	Kim Wallace, Deputy Section Manager Financial Services Division	Information / Discussion
3:35 p.m.	Eligibility & Enrollment Policy Development	TAB 7	Barb Scott, Manager Policy and Rules Section Employees & Retirees Benefits (ERB) Division	Information / Discussion
3:55 p.m.	Proposed Resolutions	TAB 8	David Iseminger, ERB Director	Information / Discussion
4:35 p.m.	Public Comments			
5:00 p.m.	Adjourn			

*All Times Approximate

The School Employees Benefits Board will meet Wednesday, January 29, 2018, 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.

(continued)

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 26, 2018.

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
Sean Corry Sprague Israel Giles, Inc. 1501 4 th Ave, Suite 730 Seattle WA 98101 V 206-623-7035 sean.corry@siginsures.com	Employee Health Benefits Policy and Administration
Pete Cutler 7605 Ostrich DR SE Olympia WA 98513 C 360-789-2787 p.cutler@comcast.net	Employee Health Benefits Policy and Administration
Patty Estes Eatonville School District PO Box 1364 Eatonville WA 98328 C 360-621-9610 p.estes.sebb@gmail.com	Classified Employees
Dan Gossett 603 Veralene Way SW Everett WA 98203 C 425-737-2983 dan.gossett@comcast.net	Certificated Employees

SEB Board Members

Name	Representing
Katy Henry Spokane Public Schools 200 North Bernard Spokane WA 99201 V 509-325-4503 khenry@washingtonea.org	Certificated Employees
Terri House Marysville School District 4220 80 th ST NE Marysville WA 98270 V 360-965-1610 Terri_house@msd25.org	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@mead354.org	Employee Health Benefits Policy and Administration (WASBO)
Alison Carl White 12515 South Hangman Valley RD Valleyford WA 99036 C 509-499-0482 alison.carlwhite@gmail.com	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 KatyK1@atg.wa.gov	

1/24/18



STATE OF WASHINGTON
HEALTH CARE AUTHORITY

626 8th Avenue, SE • P.O. Box 45502 • Olympia, Washington 98504-5502

2017-18 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. The meetings begin at 1:00 p.m., unless otherwise noted below.

October 23, 2017

November 6, 2017

December 11, 2017

January 17, 2018

January 29, 2018

March 15, 2018 - 9:00 a.m.

April 30, 2018

May 30, 2018

June 13, 2018

July 30, 2018

August 30, 2018 - 9:00 a.m.

October 4, 2018 - 9:00 a.m.

November 8, 2018 - 9:00 a.m.

December 13, 2018 - 9:00 a.m.

OFFICE OF THE CODE REVISER
STATE OF WASHINGTON
FILED

DATE: August 30, 2017

TIME: 1:26 PM

WSR 17-18-043

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

8/28/17

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.

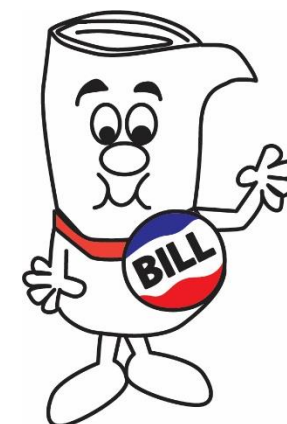
TAB 3



Legislative Update

David Iseminger, Director
Employees and Retirees Benefits Division
January 29, 2018

Number of Bills Analyzed by ERB Division

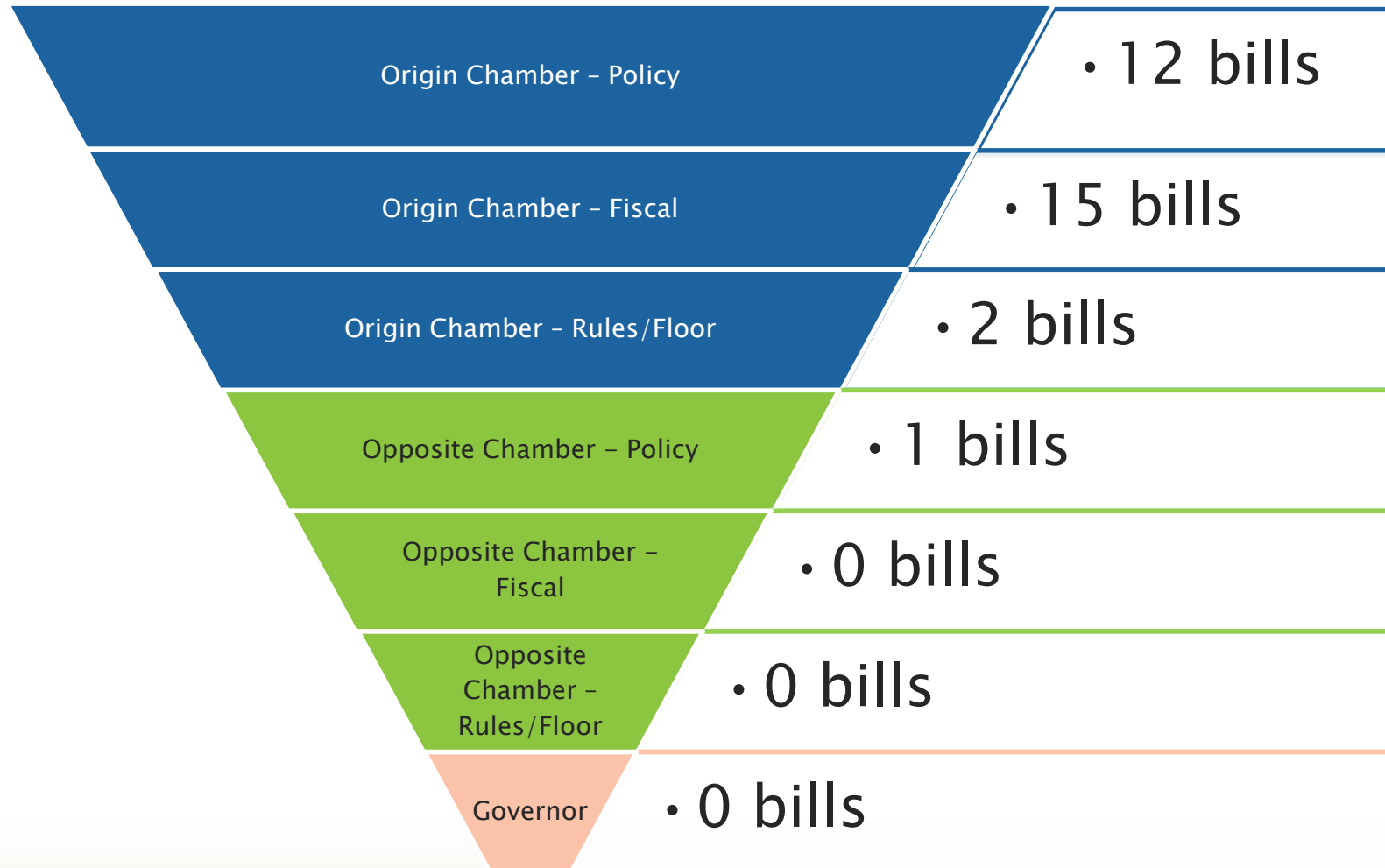


	ERB Lead	ERB Support	
High Impact	27	37	64
Low Impact	27	17	44
	54	54	108

There are also 3 ERB Lead, High Impact bills from the 2017 session that have significant 2018 session activity

Information as of January 24, 2018

Legislative Update – ERB high lead bills



Legislative Update – SEBB Program Impact bills

- HB 2408/SB 6564 - Preserving access to individual market health care coverage throughout Washington State
- HB 2438/SB 6241 - Concerning the January 1, 2020 implementation of the school employees' benefits board program
- HB 2655/SB 6286 - Adding members to the school employees' benefits board
- HB 2657/SB 6288 - Regarding the school employees' benefits board
- HB 2755/SB 6461 - Addressing employee benefits provided by the school employees' benefits board

Legislative Update – PEBB Program Impact bills

- HB 2869 - Addressing the maximum share of public employee health benefit premiums to be paid by employers participating in the public employees' benefits board
- HB 2452/SB 6305 - Addressing retiree benefits for participants in the public employees' retirement system, the teachers' retirement system, and the public employees' benefits board
- HB 2633/SB 6213 - Addressing the presumption of occupational disease for purposes of workers' compensation by adding medical conditions to the presumption and extending the presumption to certain publicly employed firefighters and investigators and law enforcement

Legislative Update

Both Program Impact bills

- 2SSB 5179 – An act relating to requiring coverage for hearing instruments under public employees and medicaid programs
- ESHB 2114 - An act relating to protecting consumers from charges for out-of-network health services
- SHB 1421 - An act relating to the removal of payment credentials and other sensitive data from state data networks

Questions?

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

TAB 4



Overview of Benefits Portfolio

Scott Palafox, Acting Deputy Director
Employees and Retirees Benefits Division
January 29, 2018



Quick Recap

- “Triple Aim”
- Value-based purchasing
- Self-insured and fully insured
- PPO, HMO/DMO, CDHP
- Cost Sharing, i.e., copayments, coinsurance, deductibles, out-of-pocket maximum
- Procuring new benefits
- Life & Accidental Death and Dismemberment, Short-term and Long-term Disability
- Cafeteria Plan – Premium Payment Tax, Medical FSA, DCAP, HSA

Today's Agenda

- Third Party Administrator (TPA) and Pharmacy Benefit Manager (PBM)
- Health Care Authority (PEBB Benefits) overview
- Uniform Medical Plan
- PEBB fully-insured medical
- PEBB dental
- Benefits comparison charts, summarizations, and themes
 - Medical
 - Dental
 - Vision

What Is a TPA and PBM?

- A Third Party Administrator (TPA) is an organization that processes claims and performs other administrative services.
- A Pharmacy Benefit Manager (PBM) is a type of TPA that focuses on pharmacy network contracting, processing drug claims, and negotiating drug rebates.

PEBB Benefits

(For employees and their dependents)

Medical Self-insured	Pharmacy Self-insured	Dental Self-insured	Medical Fully-insured	Dental Fully-insured	Life	LTD	Medical FSA and DCAP
Uniform Medical Plan (PPO)		Uniform Dental (PPO)	Kaiser NW Kaiser WA (HMO)	Willamette Delta Care (DMO)	MetLife	Standard	Navia
↓		↓	↓	↓	↓	↓	↓
Administered by TPA	Administered by PBM	Administered by TPA	Administered by Carriers				

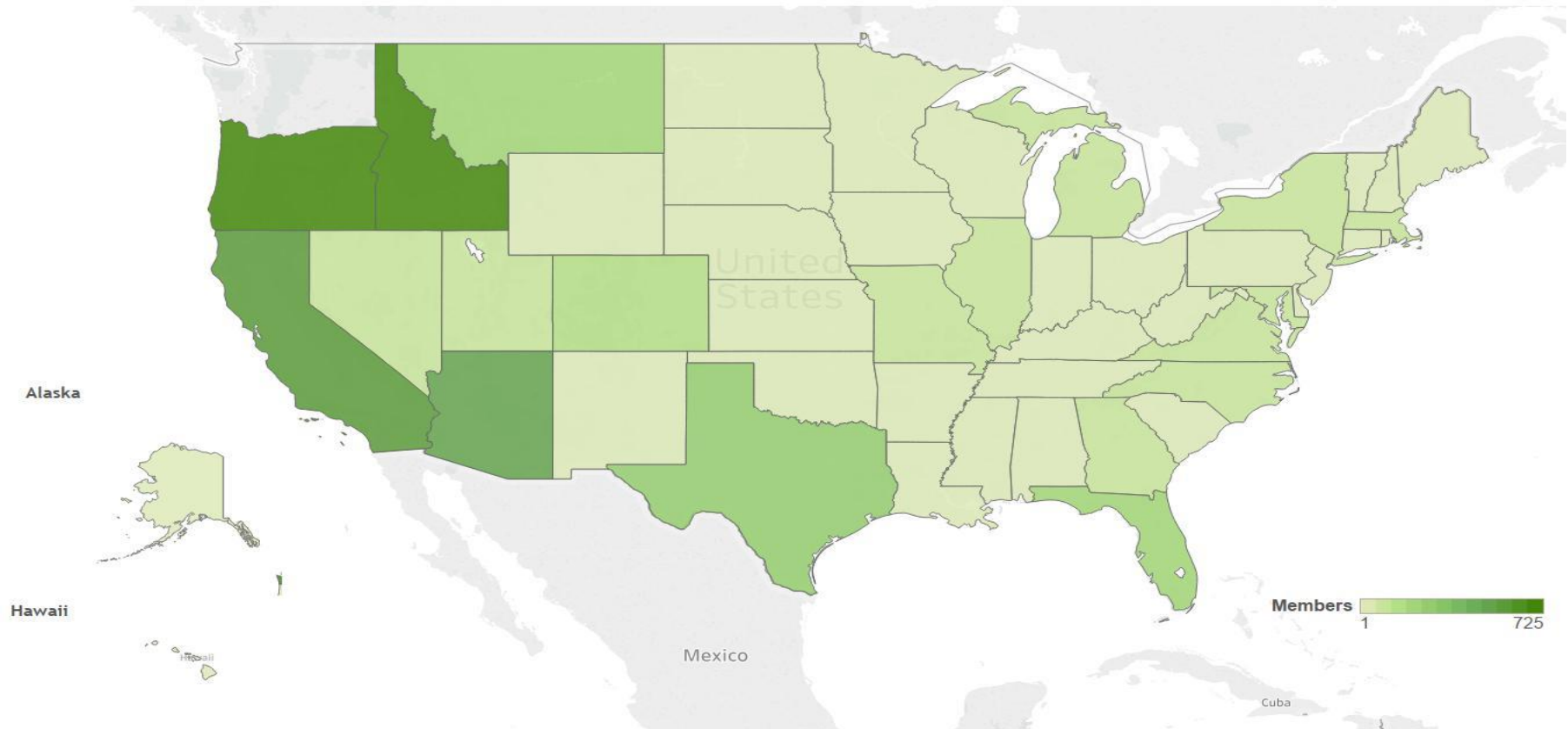
Uniform Medical Plans

UMP Classic	UMP CDHP (Consumer Directed Health Plan)	UMP Plus Puget Sound High Value Network UW Medicine Accountable Care Network
Moderate deductible	Higher deductible than Classic	Lower deductible than Classic
PPO Network with National Network and Worldwide Coverage	Same Network as Classic	Limited Network with Enhanced Care Coordination
To enroll, members may live in any Washington State County	To enroll, members may live in any Washington State County	To enroll, members must live in the 9 covered counties in Washington State
Set Coinsurance	Set Coinsurance	Free Primary Care visits. Set Coinsurance percentage on non- primary care visits
Consistently high member satisfaction scores on surveys	Consistently high member satisfaction scores on surveys	Consistently high member satisfaction scores on surveys

UMP Classic and UMP CDHP



UMP Out-of-State Members



Data extracted from 12/2017

UMP Plus - Accountable Care Program

Launched in 2016

- Started in 5 counties
- Expanded to 4 new counties in 2017
- Expand to more counties when possible

Provider Networks

- Puget Sound High Value Network LLC
- UW Medicine Accountable Care Network



PEBB Fully-Insured Medical Plans

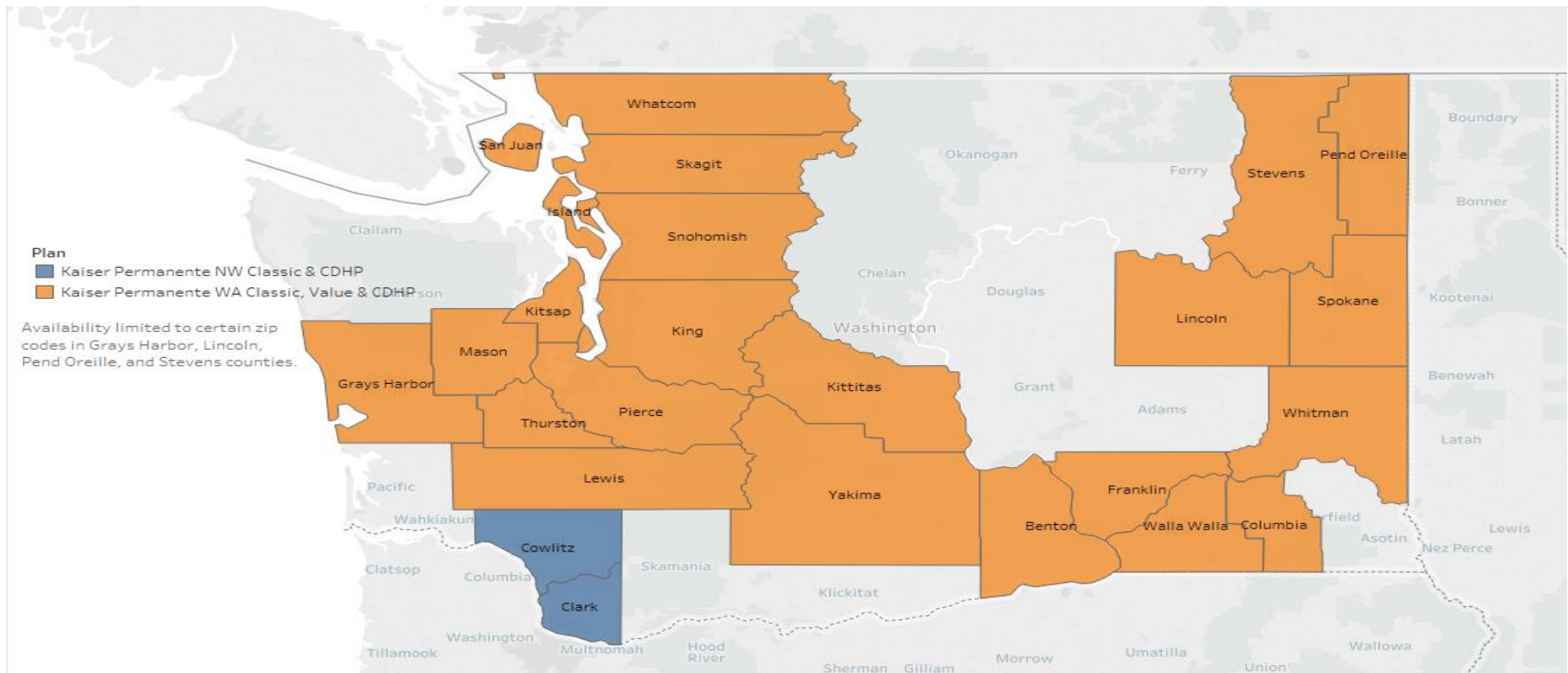
Kaiser Permanente of Washington (KPWA) (formerly Group Health)

Classic	Value	SoundChoice	CDHP
HMO with Coordinated Care	HMO with Coordinated Care	Available only in 5 counties in Washington State	HMO with Coordinated Care
Lower Deductible than the other KPWA plans	Higher Deductible than Classic, but lower premium	Higher Deductible than Classic, but lower premium	Higher Deductible than Classic, but lower premium
Set Copays	Set Copays	Coinsurance rather than Copays	Coinsurance rather than Copays
Consistently High Quality Scores on National Surveys	Consistently High Quality Scores on National Surveys	Consistently High Quality Scores on National Surveys	Consistently High Quality Scores on National Surveys

Kaiser Foundation Health Plan of Northwest (KPNW)

Classic	CDHP
HMO-like with Coordinated Care	HMO-like with Coordinated Care
Moderate Deductible	Higher Deductible than Classic
Set Copays	Coinsurance rather than Copays
Consistently High Quality Scores on National Surveys	Consistently High Quality Scores on National Surveys

KPWA and KPNW Availability by County



PEBB Dental Plans

PEBB Dental Plans

Uniform Dental Plan*	DeltaCare**	Willamette Dental Group
\$50 Deductible	No Deductible	No Deductible
No cost to members for most preventive services	No cost to members for most preventive services	No cost to members for most preventive services
PPO Network with National Network Coverage	Limited Network with Enhanced Care Coordination	Limited Network with Enhanced Care Coordination
\$1,750 Annual Plan Maximum	No Annual Plan Maximum	No Annual Plan Maximum
To enroll, members may live in any Washington State County	To enroll, members must live in the 20 covered Washington State Counties	To enroll, members must live in the 22 covered Washington State Counties
Consistently High Satisfaction Scores on Surveys	Consistently High Satisfaction Scores on Surveys	Consistently High Satisfaction Scores on Surveys

* Uniform Dental is self-funded and administered by Delta Dental

** DeltaCare is a managed care plan administered by Delta Dental

Uniform Dental Coverage Map by County



DeltaCare Coverage Map by County



Willamette Dental Coverage Map by County



Benefit Comparisons

Non-CDHP Medical Portfolio Overview

	Health Care Authority (PEBB Benefits)	Lynden Public School District	Seattle Public School District	Spokane Public School District	WEA Select Plans
Portfolio of Medical Benefits	<p>UMP: 1 PPO plan 1 ACN plan (2 networks)</p> <p>KPWA: 3 HMO plans</p> <p>KPNW: 1 HMO plan</p>	<p>KPWA: 1 HMO plan</p> <p>Regence: 5 PPO plans</p>	<p>KPWA: 2 HMO plans 4 PPO plans</p>	<p>KPWA: 2 PPO plans 3 HMO plans</p> <p>Premiera: 3 PPO plans</p>	<p>UnitedHealthcare: 6 HPN plans 6 PPO plans</p> <p>Aetna: 3 PPO plans 3 HPN plans</p>

Note: Does not include Medicare and CDHP plans

Source Appendix: Page 49

Medical Benefits Ranges Comparison

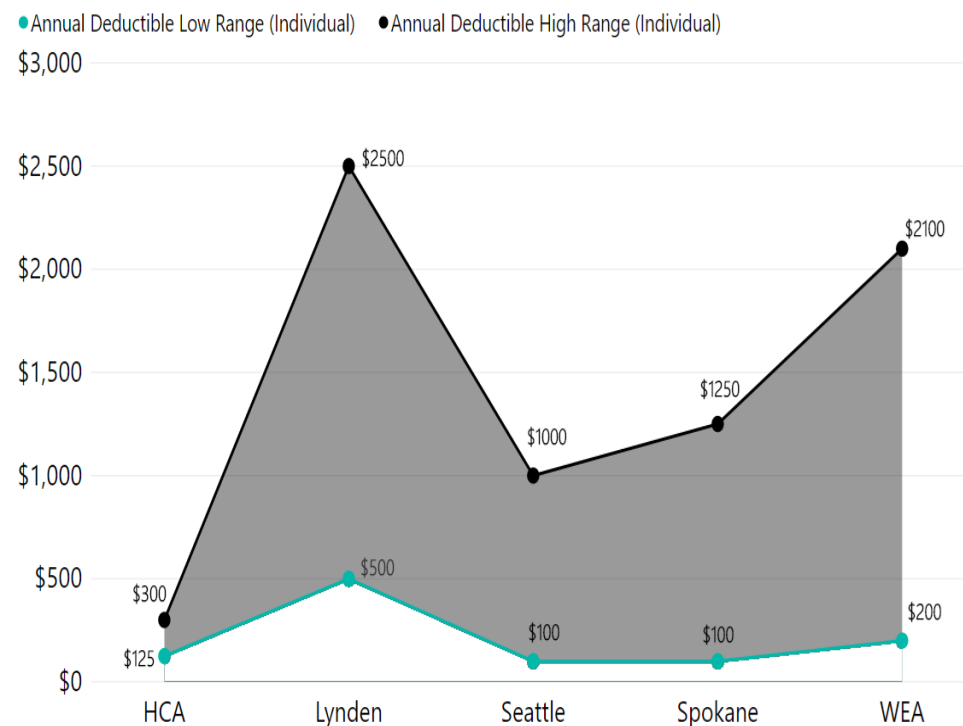
	Health Care Authority (PEBB Benefits)	Lynden Public School District	Seattle Public School District	Spokane Public School District	WEA Select Plans
Annual Deductible (The amount the member must pay before the plan begins to pay for covered services)	\$125 – \$300 Individual \$375 – \$900 Family	\$500 – \$2,500 Individual \$2,250 – \$7,500 Family	\$100 – \$1,000 Individual \$200 – \$2,000 Family	\$100 – \$1,250 Individual \$400 – \$3,750 Family	\$200 – \$2,100 Individual \$600 – \$ 4,200 Family
Copayment (Fixed dollar amount the member pays for covered health services upon receipt of service)	<u>Primary Care Office Visit</u> \$0 – \$30	<u>Primary Care Office Visit</u> \$15 – \$45	<u>Primary Care Office Visit</u> \$15 – \$35	<u>Primary Care Office Visit</u> \$20 – \$35	<u>Primary Care Office Visit</u> \$20 – \$35
Coinsurance (The member's share of the costs of covered services calculated as a percent of the allowed amount)	<u>Physician/Surgeon Fees</u> 85%/15% split – 80%/20% split	<u>Physician/Surgeon Fees</u> 80%/20% split – 60%/40% split	<u>Physician/Surgeon Fees</u> 70%/30% split – 80%/20% split	<u>Physician/Surgeon Fees</u> 90%/10% split – 75%/25% split	<u>Physician/Surgeon Fees</u> 70%/30% split – 90%/10% split

Note: Does not include Medicare and CDHP plans

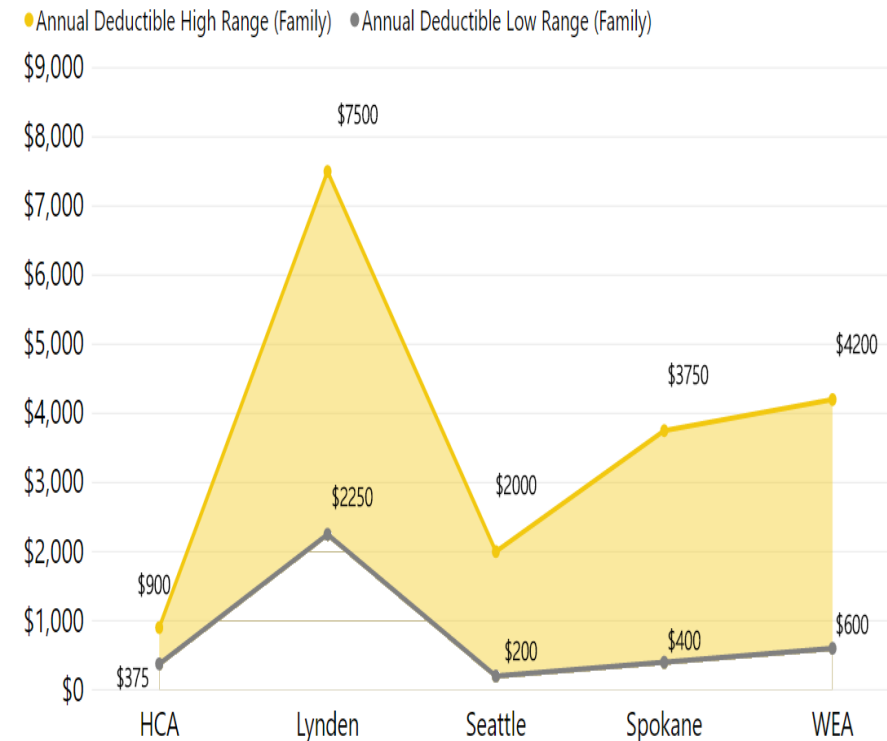
Source Appendix: Page 49

Medical Summary and Themes

Annual Deductible Range by Group (Individual)



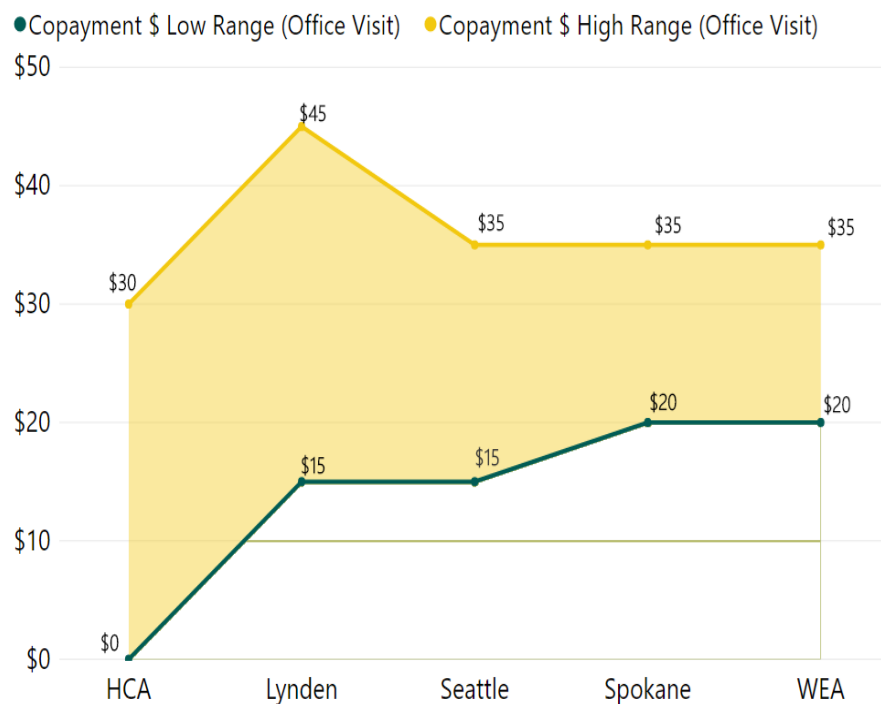
Annual Deductible Range by Group (Family)



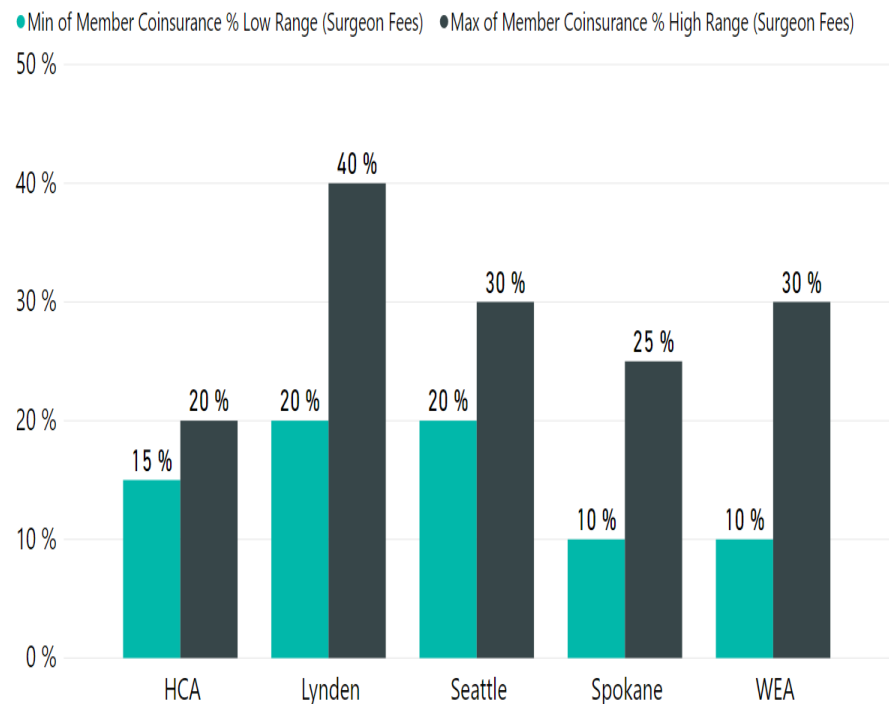
Note: Graphics are summarizations of benchmark data across multiple plans for each group

Medical Summary and Themes (*cont.*)

Copay Range by Group (Office Visit)



In Network Coinsurance Range by Group (Surgeon Fees)



Note: Graphics are summarizations of benchmark data across multiple plans for each group

Medical Benefits Ranges Comparison (*cont.*)

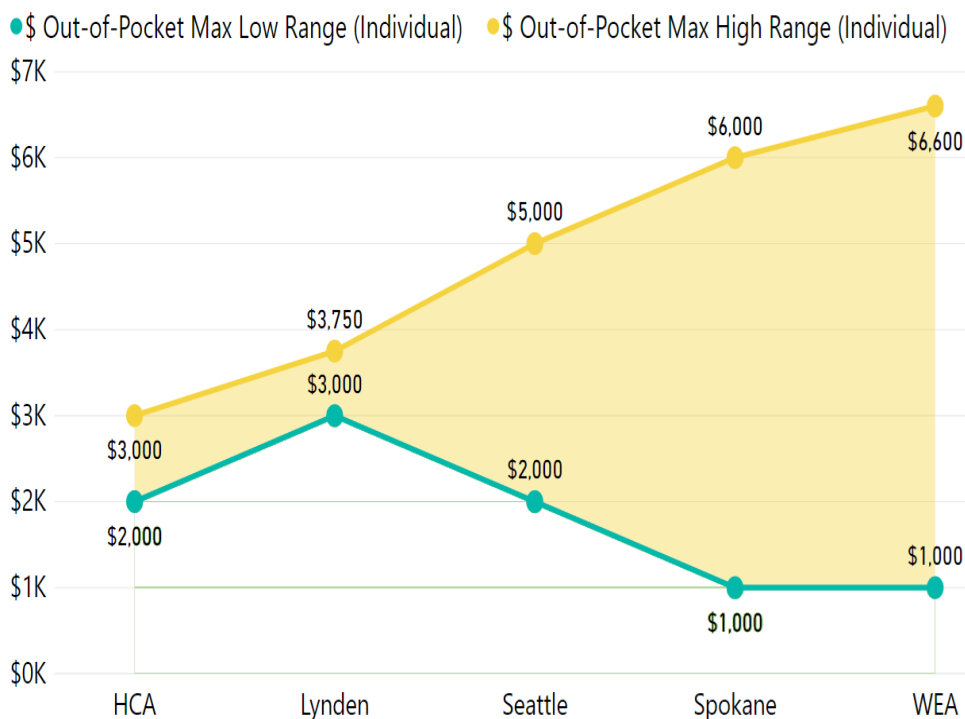
	Health Care Authority (PEBB Benefits)	Lynden Public School District	Seattle Public School District	Spokane Public School District	WEA Select Plans
Annual Out-of-Pocket Limit (The most the member could pay during a coverage period for the share of the member's costs of covered services)	\$2,000 – \$3,000 Individual \$4,000 – \$6,000 Family	\$3,000 – \$3,750 Individual \$9,000 – \$11,500 Family	\$2,000 – \$5,000 Individual \$4,000 – \$10,000 Family	\$1,000 – 6,000 Individual \$2,000 – \$12,000 Family	\$1,000 – \$6,600 Individual \$3,000 – \$13,200 Family

Note: Does not include Medicare and CDHP plans

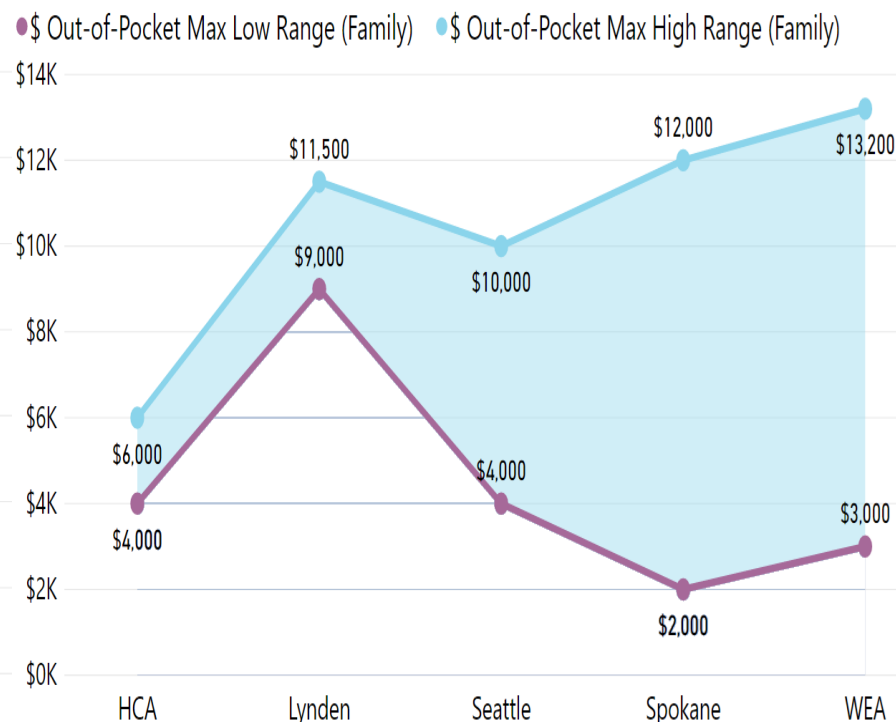
Source Appendix: Page 49

Medical Summary and Themes (*cont.*)

Annual Out-of-Pocket Max Range by Group (Individual)



Annual Out-of-Pocket Max Range by Group (Family)



Note: Graphics are summarizations of benchmark data across multiple plans for each group

Medical CDHP Portfolio Overview

	Health Care Authority (PEBB Benefits)	Seattle Public School District	Spokane Public School District	WEA Select Plans
Portfolio of CDHP Benefits	<p>UMP: 1 CDHP plan</p> <p>KPWA: 1 CDHP plan</p> <p>KPNW: 1 CDHP plan</p>	<p>KPWA: 1 CDHP plan</p>	<p>Premiera: 1 CDHP plan</p>	<p>UnitedHealthcare: 2 CDHP plans</p>

Note: Lynden Public School District does not have a CDHP plan

Note: Does not include Medicare

Source Appendix : Page 49

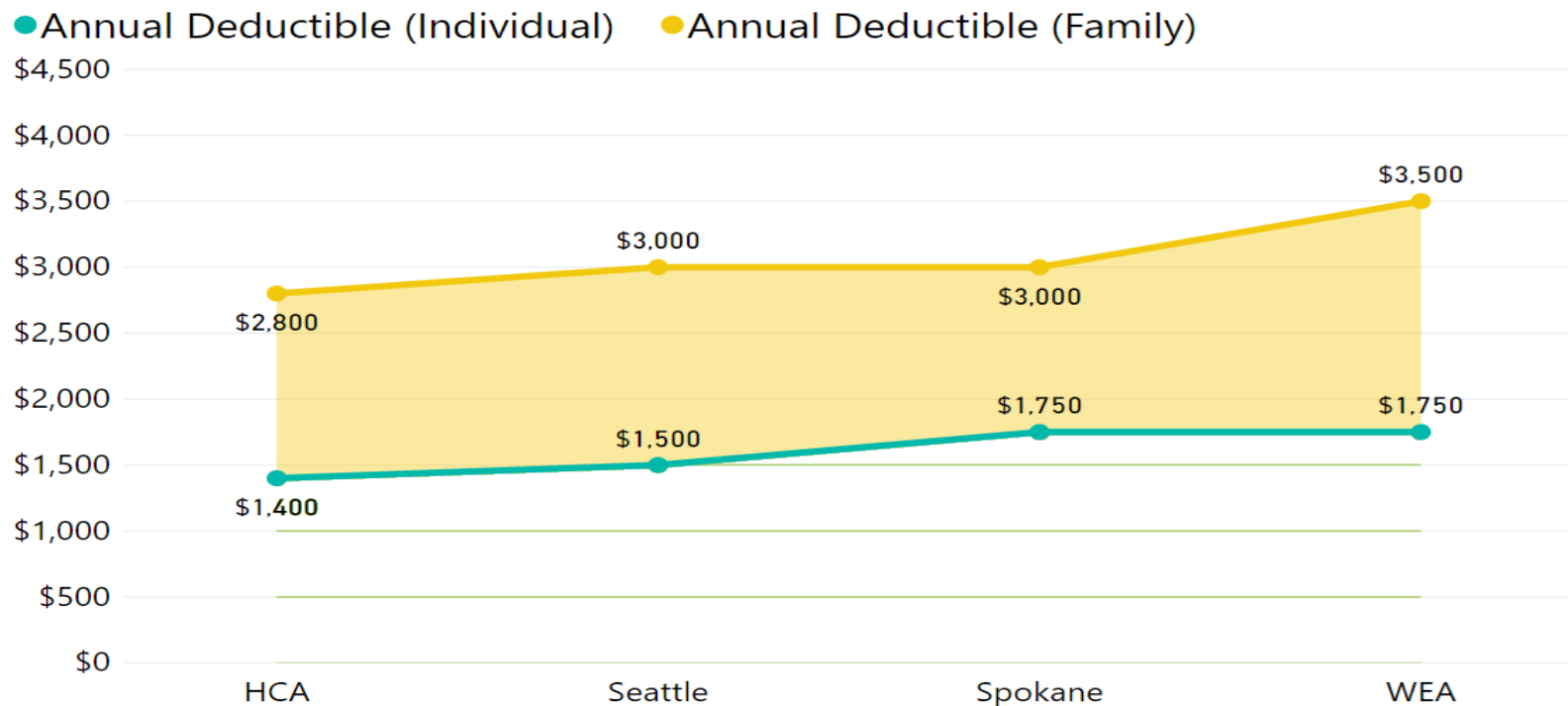
Medical CDHP Benefits Ranges Comparison

	Health Care Authority (PEBB Benefits)	Seattle Public School District	Spokane Public School District	WEA Select Plans
Annual Deductible (The amount the member must pay before the plan begins to pay for covered services)	\$1,400 Individual \$2,800 Family	\$1,500 Individual \$3,000 Family	\$1,750 Individual \$3,000 Family	\$1,750 Individual \$3,500 Family
Coinsurance (The member's share of the costs of covered services calculated as a percent of the allowed amount)	<u>Physician/Surgeon Fees</u> 90%/10% split – 85%/15% split	<u>Physician/Surgeon Fees</u> 90%/10% split	<u>Physician/Surgeon Fees</u> 80%/20% split	<u>Physician/Surgeon Fees</u> 80%/20% split

Note: Does not include Medicare
Source Appendix: Page 49

CDHP Summary and Themes

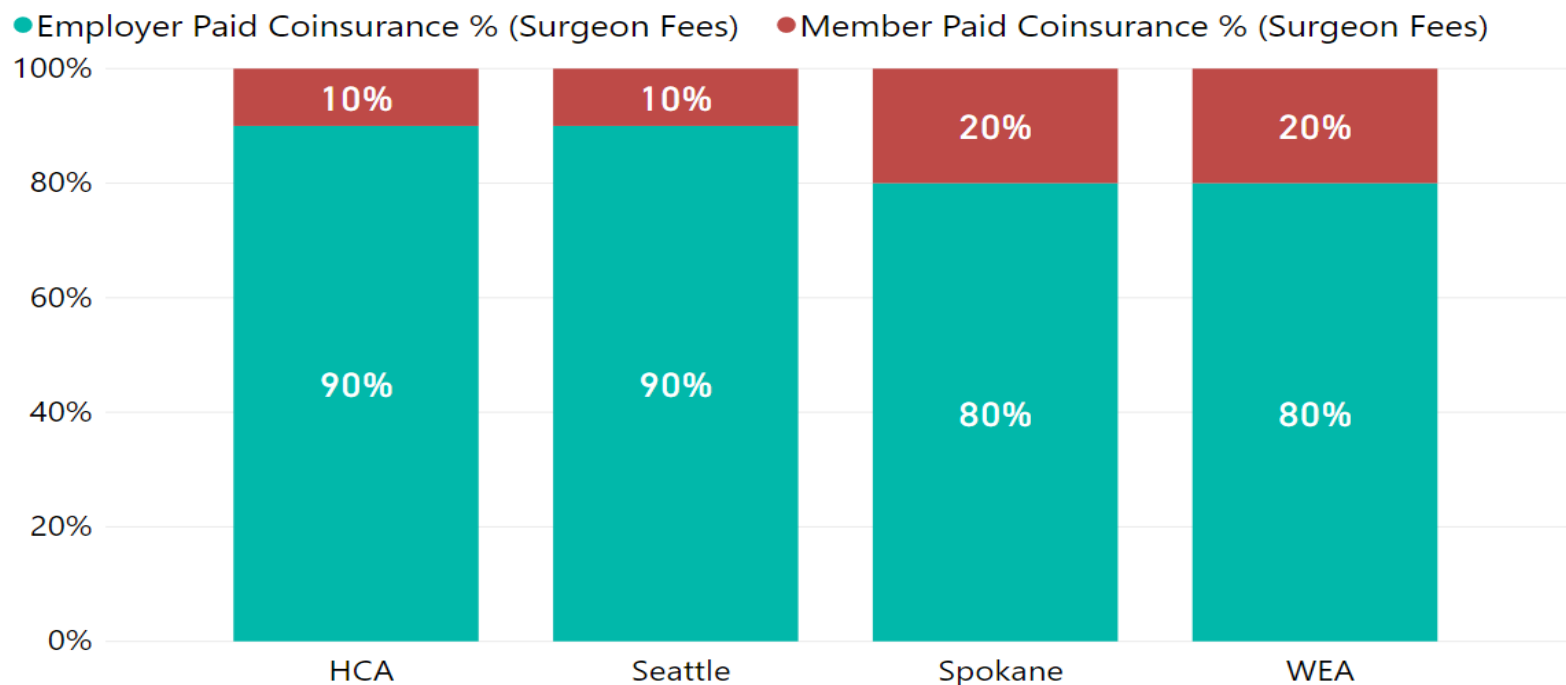
Annual Deductible Range by Group (Individual and Family)



Note: Graphics are summarizations of benchmark data across multiple plans for each group

CDHP Summary and Themes (*cont.*)

Coinsurance % by Group



Note: Graphics are summarizations of benchmark data across multiple plans for each group

Medical CDHP Benefits Ranges Comparison (*cont.*)

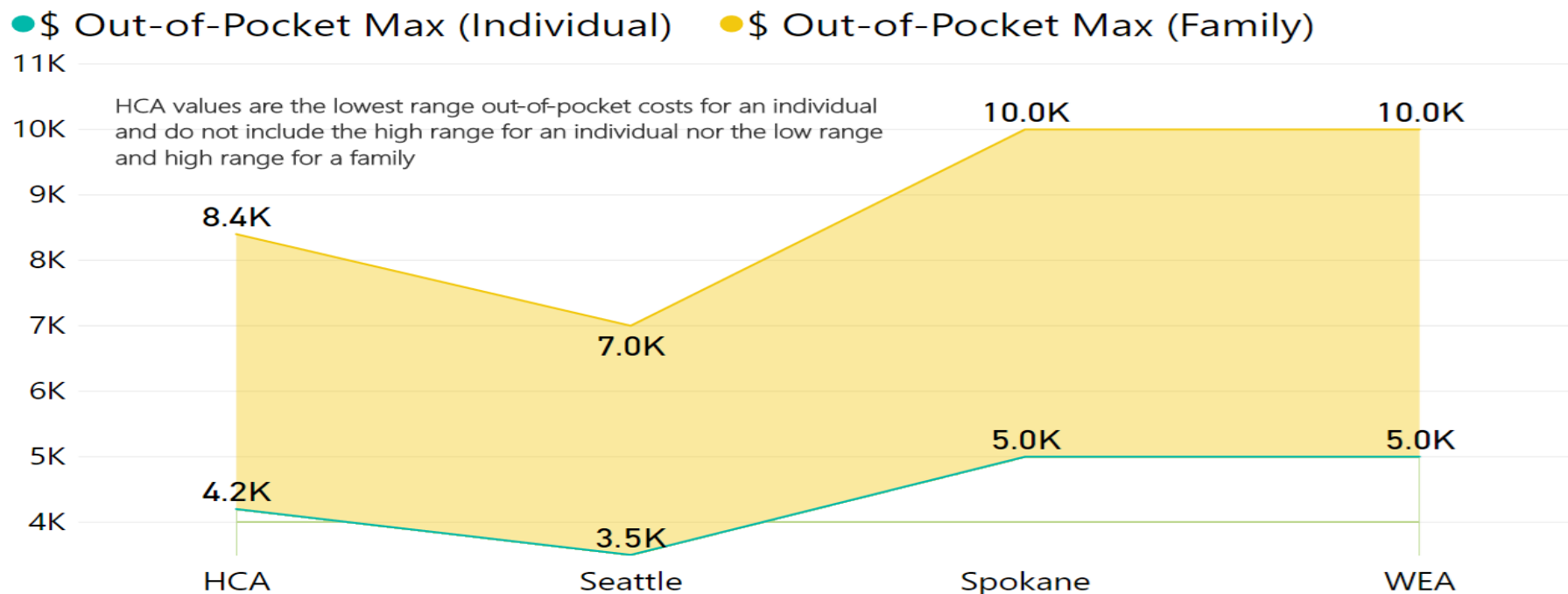
	Health Care Authority (PEBB Benefits)	Seattle Public School District	Spokane Public School District	WEA Select Plans
Annual Out-of-Pocket Limit (The most the member could pay during a coverage period for the share of the member's costs of covered services)	\$4,200 – \$5,100 Individual \$8,400 – \$10,200 Family	\$3,500 Individual \$7,000 Family	\$5,000 Individual \$10,000 Family	\$5,000 Individual \$10,000 Family

Note: Does not include Medicare

Source Appendix: Page 49

CDHP Summary and Themes (*cont.*)

Annual Out-of-Pocket Max Range By Group



Note: Graphics are summarizations of benchmark data across multiple plans for each group

Medical and CDHP Discussion



Dental Portfolio Overview

	Health Care Authority (PEBB Benefits)	Lynden Public School District	Seattle Public School District	Spokane Public School District	WEA Select Plans
Portfolio of Dental Benefits	<p>UDP: 1 PPO plan</p> <p>Delta Care: 1 Managed Care plan</p> <p>Willamette: 1 Managed Care plan</p>	<p>Delta Dental: 1 PPO plan</p>	<p>Delta Dental: 2 PPO plans</p>	<p>Delta Dental: 1 PPO plan</p> <p>Delta Care: 1 Managed Care plan</p> <p>Willamette: 1 Managed Care plan</p>	<p>Delta Dental: 4 PPO plans 2 Managed Care plans</p> <p>Willamette: 2 Managed Care plans</p>

Source Appendix: Page 49

Dental Benefits Ranges Comparison

	Health Care Authority (PEBB Benefits)	Lynden Public School District	Seattle Public School District	Spokane Public School District	WEA Select Plans
Annual Deductible (The amount the member must pay before the plan begins to pay for covered services)	\$0 – \$50 Individual \$0 – \$150 Family	\$0	\$0 – \$50	\$0	\$0 – \$50 Individual \$0 – \$150 family

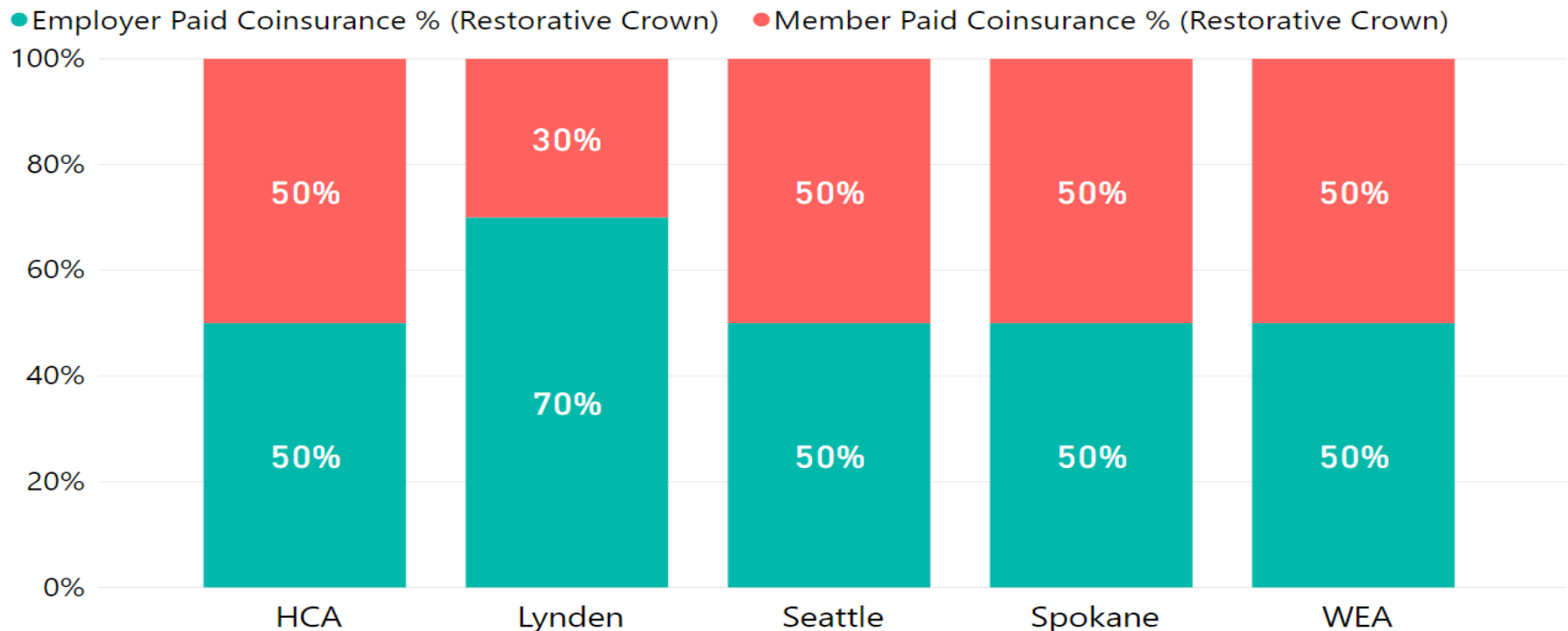
Source Appendix: Page 49

Dental Benefits Ranges Comparison (*cont.*)

	Health Care Authority (PEBB Benefits)	Lynden Public School District	Seattle Public School District	Spokane Public School District	WEA Select Plans
Coinsurance/ Copayment (The member's share of the costs as %/ Fixed dollar amount member pays for services)	<p>UDP members: <u>Restorative Crown (Porcelain)</u> 50%/50% split</p> <p><u>Preventive Screening</u> \$0</p> <p>Managed Care members: <u>Restorative Crown (Porcelain)</u> \$100 – \$175</p> <p><u>Preventive Screening</u> \$0</p>	<p><u>Restorative Crown (Porcelain)</u> 100% paid – 70%/30% split</p> <p>(dependent on incentive level)</p> <p><u>Preventive Screening</u> 100% – 70%/30% split</p> <p>(dependent on Incentive level)</p>	<p><u>Restorative Crown (Porcelain)</u> 100% paid – 50%/50% split</p> <p><u>Preventive Screening</u> 100% paid – 70%/30% split</p>	<p><u>Restorative Crown (Porcelain)</u> \$50 – 50%/50% split</p> <p><u>Preventive Screening</u> 100%</p>	<p><u>Restorative Crown (Porcelain)</u> \$47 – \$250 or 80%/20% split – 50%/50% split</p> <p><u>Preventive Screening</u> 100% paid – 70%/30%</p>

Dental Summary and Themes

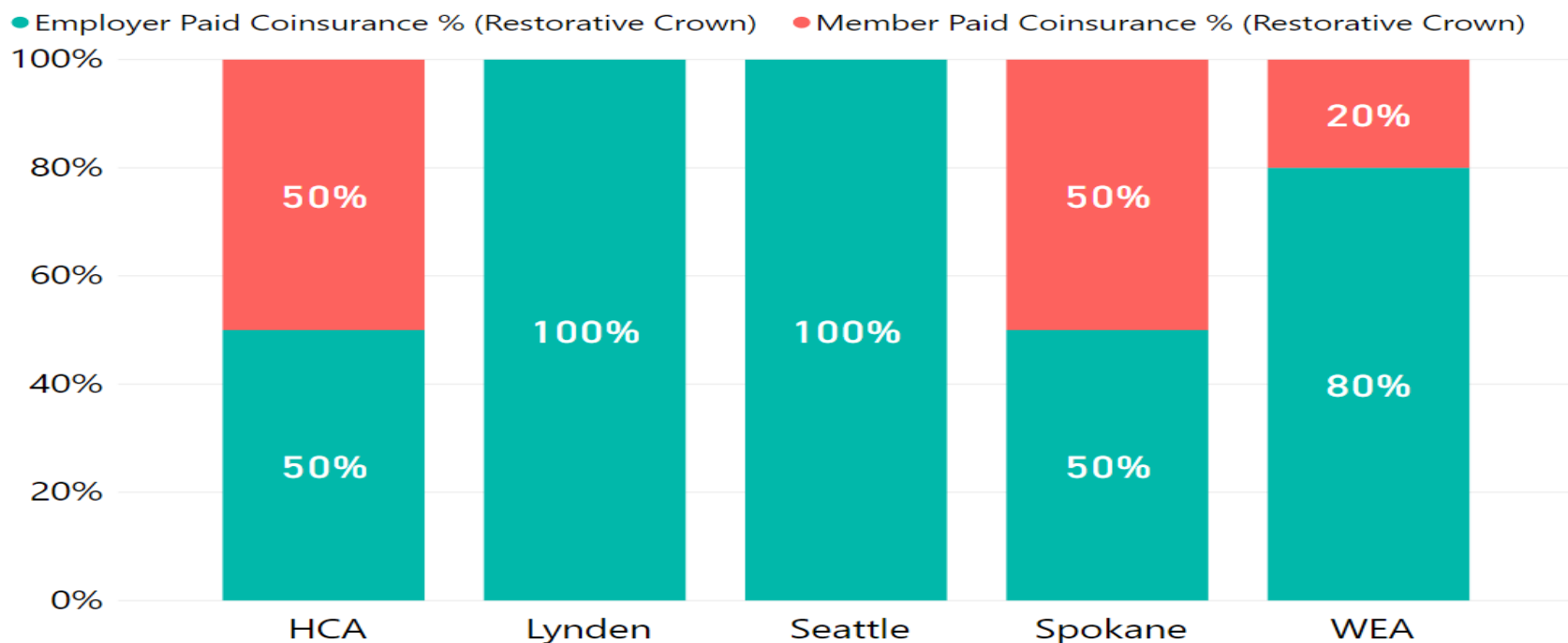
Coinsurance % by Group Restorative Crown (Highest Member Cost)



Note: Graphics are summarizations of benchmark data across multiple plans for each group

Dental Summary and Themes (*cont.*)

Coinsurance % by Group Restorative Crown (Lowest Member Cost)



Note: Graphics are summarizations of benchmark data across multiple plans for each group

Dental Benefits Ranges Comparison, (*cont.*)

	Health Care Authority (PEBB Benefits)	Lynden Public School District	Seattle Public School District	Spokane Public School District	WEA Select Plans
Annual Plan Maximum (The most the plan will pay during a coverage period, at which point the member will assume responsibility for payment of covered services)	\$1,750 – no plan max	\$2,000	\$1,500 – \$2,500	\$2,000 – No plan max	\$2,000 – No plan max

Source Appendix: Page 49

Dental Discussion



Vision Portfolio Overview

	Health Care Authority (PEBB Benefits)	Lynden Public School District	Seattle Public School District	Spokane Public School District	WEA Select Plans
Portfolio of Vision Benefits Standalone Products	N/A	Northwest Benefit Network: 1 plan	Northwest Benefit Network: 1 plan	MetLife: 1 plan	WEA Select (Premera and VSP): 5 plans
Portfolio of Vision Benefit Included in Medical Plan	1 Vision Plan Included in each Medical Plans	1 Vision Plan Included in one Medical Plan	3 Separate Vision Plans Included in 7 Medical Plans	2 Separate Vision Plans Included in 7 Medical Plans	N/A

Source Appendix: Page 49

Vision Benefits Ranges Comparison

	Health Care Authority (PEBB Benefits)	Lynden Public School District	Seattle Public School District	Spokane Public School District	WEA Select Plans
Routine Eye Exam (Standalone Vision Benefit)	N/A	100% paid One exam per 365 day calendar year	100% paid One exam per 365 day calendar year	\$39 copay One exam per 365 day calendar year	\$0 – \$25 copay One exam paid 100% per 365 day calendar year
Routine Eye Exam (Included in Medical Vision Benefit)	\$0 – \$50 copay One exam paid 100% per 365 day calendar year KPWA/KPNW: 10% – 15% coinsurance	100% paid One exam per 365 day calendar year	\$15 – \$25 copay one exam per 365 day calendar year Or 100% paid One exam per 365 day calendar year	\$20 copay One exam per 365 day calendar year	N/A

Source Appendix: Page 49

Vision Benefits Ranges Comparison (*cont.*)

	Health Care Authority (PEBB Benefits)	Lynden Public School District	Seattle Public School District	Spokane Public School District	WEA Select Plans
Frames (Standalone Vision Benefit)	N/A	100% paid One pair per 730 days	100% paid One pair per 730 days	\$200 allowance Costco \$110 allowance One per 365 calendar days	\$80 – \$150 allowance every 2 calendar years after copay
Frames (Included in Medical Vision Benefit)	Adults: \$150 allowance every two calendar years Children: 100% paid every 365 days	Hardware not Included in Vision Benefit that is Embedded in Medical	Hardware not Included in Vision Benefit that is Embedded in Medical	Members 19 and Older: \$100 allowance per 12 months Members up to 19: 100% paid per 12 months	N/A

Source Appendix: Page 49

Vision Benefits Ranges Comparison (*cont.*)

	Health Care Authority (PEBB Benefits)	Lynden Public School District	Seattle Public School District	Spokane Public School District	WEA Select Plans
Lenses (Standalone Vision Benefit)	N/A	100% paid One pair per 365 day calendar year	100% paid One pair per 365 day calendar year	100% paid One pair per 365 day calendar	100% paid one pair per 365 day calendar year
Lenses (Included in Medical Vision Benefit)	<p>Adults: \$150 allowance every two calendar years</p> <p>Children: 100% paid every 365 calendar days</p>	Hardware not Included in Vision Benefit that is Embedded in Medical	Hardware not Included in Vision Benefit that is Embedded in Medical	<p>Members 19 and Older: \$100 allowance per 12 months</p> <p>Members up to 19: 100% paid per 12 months</p>	N/A

Source Appendix: Page 49

Vision Benefits Ranges Comparison (*cont.*)

	Health Care Authority (PEBB Benefits)	Lynden Public School District	Seattle Public School District	Spokane Public School District	WEA Select Plans
Contacts (Standalone Vision Benefit)	N/A	Elective: \$175 allowance per 365 day calendar Medically Necessary: 100% paid per 365 day calendar	Elective: \$175 allowance per 365 day calendar Medically Necessary: 100% paid per 365 day calendar	Elective: \$200 allowance per 365 day calendar Medically Necessary – 100% paid per 365 day calendar	\$130 – \$200 allowance in lieu of frames and lenses every two calendar years

Source Appendix: Page 49

Vision Benefits Ranges Comparison (*cont.*)

	Health Care Authority (PEBB Benefits)	Lynden Public School District	Seattle Public School District	Spokane Public School District	WEA Select Plans
Contacts (Included in Medical Vision Benefit)	<p>Adults: \$150 allowance every two calendar years</p> <p>Children: 85% / 15% cost split</p> <p>(\$65 contact fitting fee allowance per year)</p> <p><u>Kaiser WA Enrollees up to age 19:</u> 50%/50% cost split</p>	Contacts not included in vision benefit that is embedded in Medical	Contacts not included in vision benefit that is embedded in Medical	<p>Members 19 and Older: 100% paid for contacts that address eye pathology per 365 calendar days</p> <p>Members up to 19: 100% paid for contact lenses that address eye pathology per 365 calendar days</p> <p>Or</p> <p>Members up to 19: 50% coinsurance for elective contact lenses</p>	N/A

Vision Discussion



Questions?



Scott Palafox, Acting Deputy Director
Employees and Retirees Benefits Division

Scott.Palafox@hca.wa.gov

360-725-1858

Appendix – links to benefit summaries

- Medical
 - <http://swcontent.spokaneschools.org/Page/2355>
 - <http://www.lynden.wednet.edu/cms/One.aspx?portalId=1273&pageId=2953>
 - <https://www.weaselect.com/#United>
 - <https://www.weaselect.aetna.com/puget-sound-home/health-plans/aetna-whole-heath-network>
 - <https://www.weaselect.aetna.com/puget-sound-home/health-plans/preferred-provider-organization-ppo>
 - <http://www.seattleschools.org/cms/One.aspx?portalId=627&pageId=9309867>
 - <https://www.hca.wa.gov/public-employee-benefits/employees/benefits-and-coverage-plan>
- Dental
 - <https://willamettedental.com/wea>
 - <https://www.deltadentalwa.com/group/wea>
 - <https://www.hca.wa.gov/assets/pebb/50-706-2017.pdf>
 - <http://swcontent.spokaneschools.org/Page/2354>
 - <http://www.lynden.wednet.edu/cms/One.aspx?portalId=1273&pageId=2979>
 - <http://www.seattleschools.org/cms/One.aspx?portalId=627&pageId=9309867>
- Vision
 - http://www.lynden.wednet.edu/jobs_h_r_payroll/benefits/n_b_n_vision_benefits/
 - <https://www.premiera.com/documents/007914.pdf>
 - <http://swcontent.spokaneschools.org/Page/2354>
 - <https://www.hca.wa.gov/public-employee-benefits/employees/benefits-and-coverage-plan>
 - <http://www.seattleschools.org/cms/One.aspx?portalId=627&pageId=9309867>
- CAHPS Scores
 - Classic
 - <https://www.hca.wa.gov/assets/ump/cahps-report-ump-classic-201.pdf>
 - Plus-UW
 - <https://www.hca.wa.gov/assets/ump/cahps-report-ump-plus-uw-2016.pdf>
 - Plus-PSHVN
 - <https://www.hca.wa.gov/assets/ump/cahps-report-ump-plus-pshvn-2016.pdf>
 - CDHP
 - <https://www.hca.wa.gov/assets/ump/cahps-report-ump-cdhp-2016.pdf>

TAB 5



School Employees Demographics and Focus Group Insights

John Bowden, Manager
School Employees Benefits Section
Employees and Retirees Benefits Division
January 29, 2018

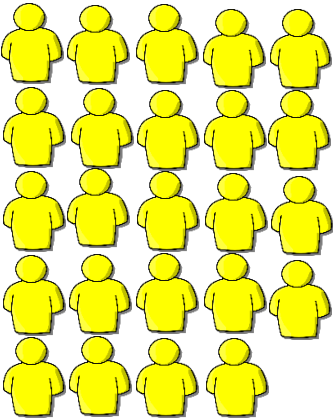
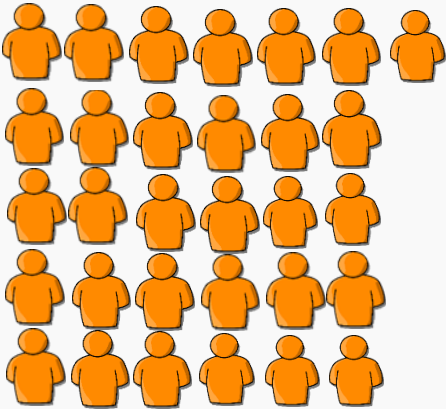


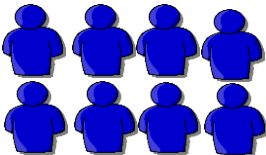
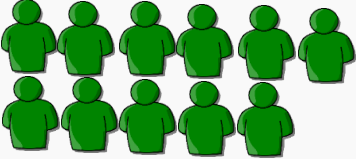

School Employee Demographics


- 2016-2017 Preliminary S-275 Personnel Database from Office of Superintendent of Public Instruction (OSPI)
- Describe school district, ESD, and charter school employees by:
 - Percentage FTE (1.0 FTE or more & below 1.0 FTE)
 - Certificated and classified
 - Female and male
 - 20-44 years of age and 45+

School Employees by FTE

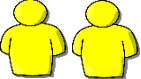
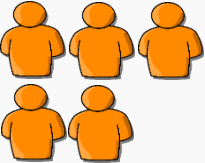
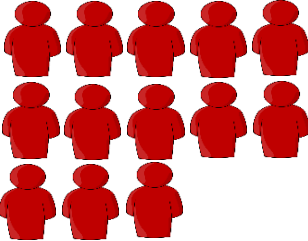
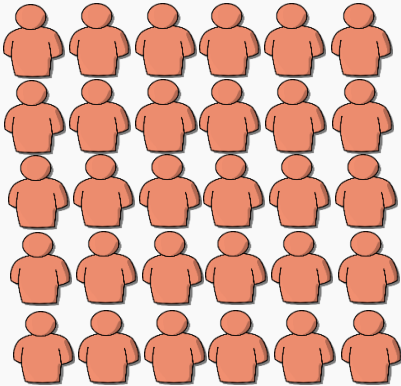
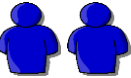
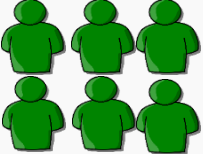
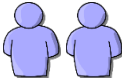

FTE	Certificated	Classified
100 % or more	69,219	14,256
90.0 – 99.9%	476	793
80.0 – 89.9%	1,685	4,232
70.0 – 79.9%	190	5,817
60.0 – 69.9%	1,333	11,108
50.0 – 59.9%	1,458	15,427
40.0 – 49.9%	467	4,831
30.0 – 39.9%	152	3,462
20.0 – 29.9%	243	1,732
10.0 – 19.9%	121	1,107
0.0 – 9.9%	90	1,158
Total	75,434	63,923


Certificated School Employees

	1.0 FTE or more		Less than 1.0 FTE	
	20-44 Yrs	45+ Yrs	20-44 Yrs	45+ Yrs
Female				
Male				

 = 1,000 Employees (All educational employees regardless of funding source)

Classified School Employees

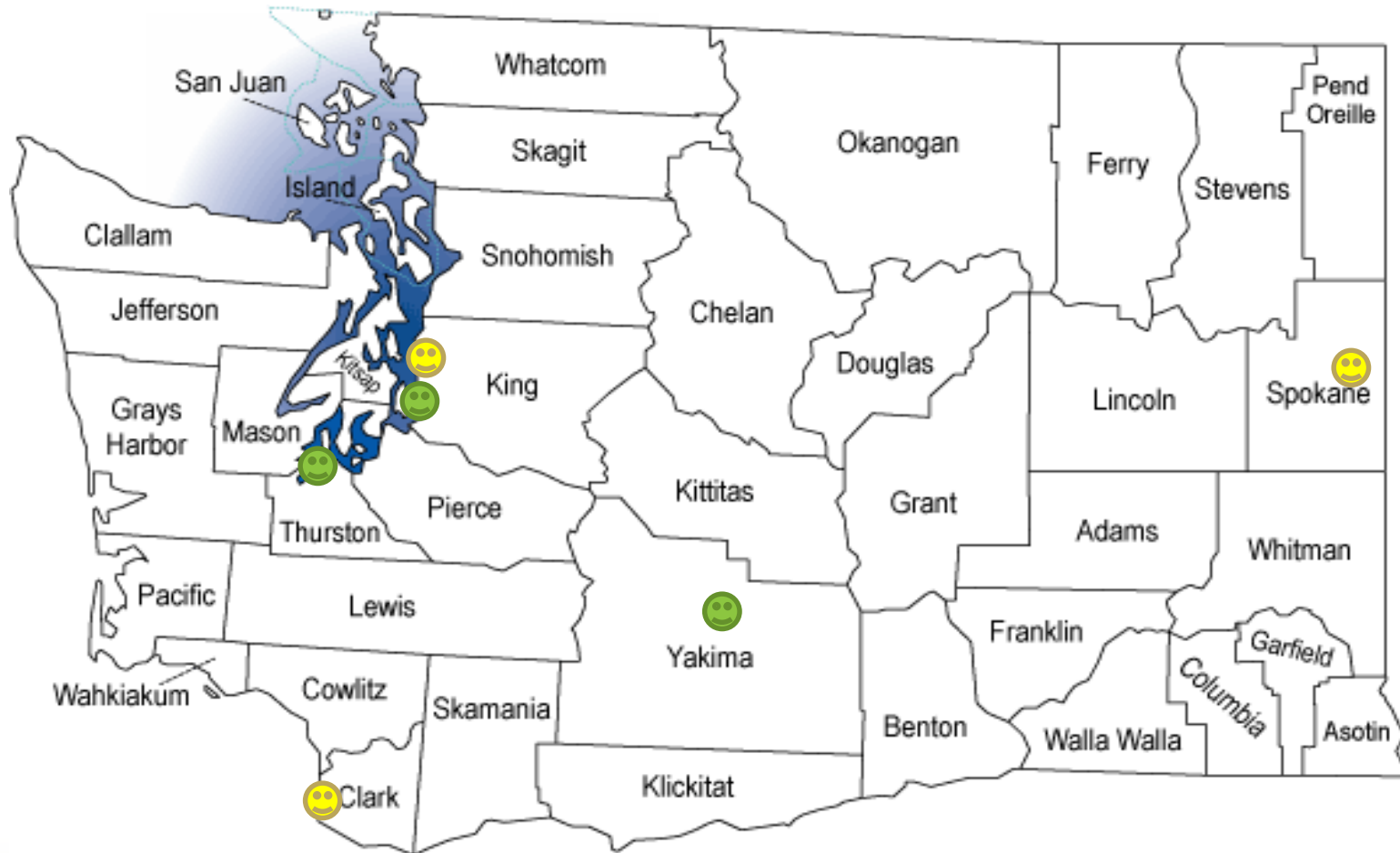
	1.0 FTE or more		Less than 1.0 FTE	
	20-44 Yrs	45+ Yrs	20-44 Yrs	45+ Yrs
Female				
Male				

 = 1,000 Employees (All educational employees regardless of funding sources)

Focus Group Design & Participation

- Six expert facilitated focus groups around the state
 - Three certificated and three classified
- Invitations sent to 76 school districts surrounding focus group locations
- 70 school employees from 26 school districts and 1 ESD took part
- Participants roughly match S-275 demographics
- Two-hour meetings with paid participation

Focus Group Locations



- Classified Focus Groups: Tukwila, Olympia, Yakima
- Certificated Focus Groups: Spokane, Seattle, Vancouver

Focus Group Questions

- **Transition to SEBB Program** – Have you heard of SEBB? How do you think SEBB will affect you, other employees, and your district?
- **Eligibility** – What concerns do you have regarding eligibility?
- **Plan Development** – What factors that the SEB Board must consider are beneficial to you and which are you most concerned about?

Focus Group Questions (*cont.*)

- **Communications** – What sources of information do you trust? How do you want to get information about SEBB?
- **Other Benefits** – Besides health benefits, what benefits are important to you?
- **Comments** – What final advice do you have for HCA in setting up the SEBB Program?

Focus Group Insights

- **Transition to SEBB Program**
 - Only about one-third of participants have heard anything about SEBB.
 - Participants want to know who is serving on the SEB Board and what are their qualifications.
 - Anxiety and some skepticism about the transition with concern that the SEB Board won't understand or represent employee needs.

Focus Group Insights (*cont.*)

- **Transition to SEBB Program (*cont.*)**
 - Want consistency of care and ability to maintain relationships with current providers.
 - Fear that SEBB insurance will be more expensive with fewer benefits.

Focus Group Insights (*cont.*)

- **Eligibility Concerns**

- Whether pre-existing conditions will be covered when transition occurs?

Note: Current federal law requires that pre-existing conditions be covered.

- Whether some current types of domestic partners will be covered?

Note: RCW 41.05.740(6)(d)(iii) says, “...state registered domestic partners, as defined in RCW 26.60.020,...”

Focus Group Insights (*cont.*)

- **Plan Development Concerns**

- Cost of plans, particularly co-pays and deductibles.
- Income differences between certificated employees and classified employees, and between urban and rural areas may not be appreciated.
- Want choice, but fear health care coverage will become more and more limited.

Focus Group Insights (*cont.*)

- **Plan Development Concerns (*cont.*)**
 - Decisions that narrow choices or networks are more consequential in eastern Washington because there are fewer health providers.
 - Want access to massage and chiropractic treatments.
 - Preventive care keeps costs lower for both employees individually and for the entire system.

Focus Group Insights (*cont.*)

- **Communication**

- Reasons for the transition to SEBB should be clear and direct.
- Emails and websites are important in educating employees, but in-person meetings are the best.
- First, make robocalls about an issue and then follow up with mailers to employee's home address.

Focus Group Insights (*cont.*)

- **Other Benefits**

- Little interest in any additional benefits if they increase costs or reduce health benefits.

- **Comments**

- Grateful for the opportunity to share their experiences and thoughts.

Next Steps

- Detailed information from the focus groups results will be used to:
 - Refine SEBB Program stakeholdering plan.
 - Further develop communication strategies.
 - Gather input for benefit design.
 - Solicit feedback for rules development.

Discussion – Questions?

John Bowden, Manager
School Employees Benefits Section
Employees and Retirees Benefits Division
Phone: 360-725-1113
john.bowden@hca.wa.gov

TAB 6



Benefits and Insurance

Key Concept: Actuarial Value

Kim Wallace
Deputy Section Manager
Financial Services Division
January 29, 2018

What is Actuarial Value (AV)?

- AV is the estimated percentage of claims costs paid by a medical plan, as opposed to paid by the member through member cost sharing (deductibles, coinsurance, and copayments).
- For Consumer Directed Health Plans (CDHPs), employer/state contributions to Health Savings Accounts (HSAs) are included in the AV calculation.
- Monthly employee premiums are not a part of the AV calculation.

Why is Actuarial Value Important for the SEBB?

- AV provides a way to measure benefit richness and compare coverage under different medical plans, i.e., a plan with a higher AV covers more of the costs for a typical member than a plan with a lower AV.
- Plan AVs affect the cost of the plans.
- Currently, there is proposed legislation that suggests the possibility SEBB Program medical plans may need to have AVs that fall within certain ranges.

Actuarial Value: Ranges or Tiers

- The Affordable Care Act (ACA) created a tool called the Federal AV Calculator (“calculator”) to determine the AV of plans offered on exchanges like the Washington Healthplanfinder.
- The calculator separates AVs into four “metal tiers” or ranges. Plans offered on the exchanges must have AVs that lie within the distinct tiers. For 2018, the values are as follows:
 - Platinum (highest): AVs between 86% - 92%
 - Gold: AVs between 76% - 82%
 - Silver: AVs between 66% - 72%
 - Bronze: Lower than Silver, detailed rules apply

The AVs for PEBB plans range from 83% – 90% with some AVs falling between tiers.

Actuarial Value: Additional Notes

- AVs can be calculated using different methods or tools. This can introduce variation in the results and set up “apples to oranges” comparisons.
- While AV was established for the individual insurance market to give a relative picture of benefit richness and help people choose amongst plans on exchanges, it is a reasonable proxy for benefit richness for group plans like SEBB as well.

Questions?

Kim Wallace

Deputy Section Manager
Financial Services Division

Kim.Wallace@hca.wa.gov

360-725-9817



TAB 7



Eligibility & Enrollment Policy Development

Barb Scott, Manager
Policy and Rules Section
Employees and Retirees Benefits Division
January 29, 2018

Decorative wavy lines in blue and green at the bottom right corner of the slide.

Purpose of Briefing

Provide the Board with information on:

- Policy Resolution Process
- Topics for Policy Resolutions (*not all inclusive*)
- Timeline and Plan for Rule Development
- 3 policy resolutions we will ask you to take action on in March
- How individuals can receive early rule drafts and notices

Policy Resolution Process

- Draft policy resolution for Board discussion/guidance
- Seek stakeholder insight
- Develop a recommended policy resolution and bring it to Board for a vote (*adoption*)

Note: Board resolutions will then be incorporated into SEBB Program rules.

Topics for Policy Resolutions

The Board's area of responsibility includes determining (policy regarding) terms and conditions of employee and dependent eligibility to address the following:

- Effective date of coverage following hire
- Employee must work at least 630 hours per year
- Coverage for dependents (*i.e., spouse, domestic partner, child*)
- Enrollment policies

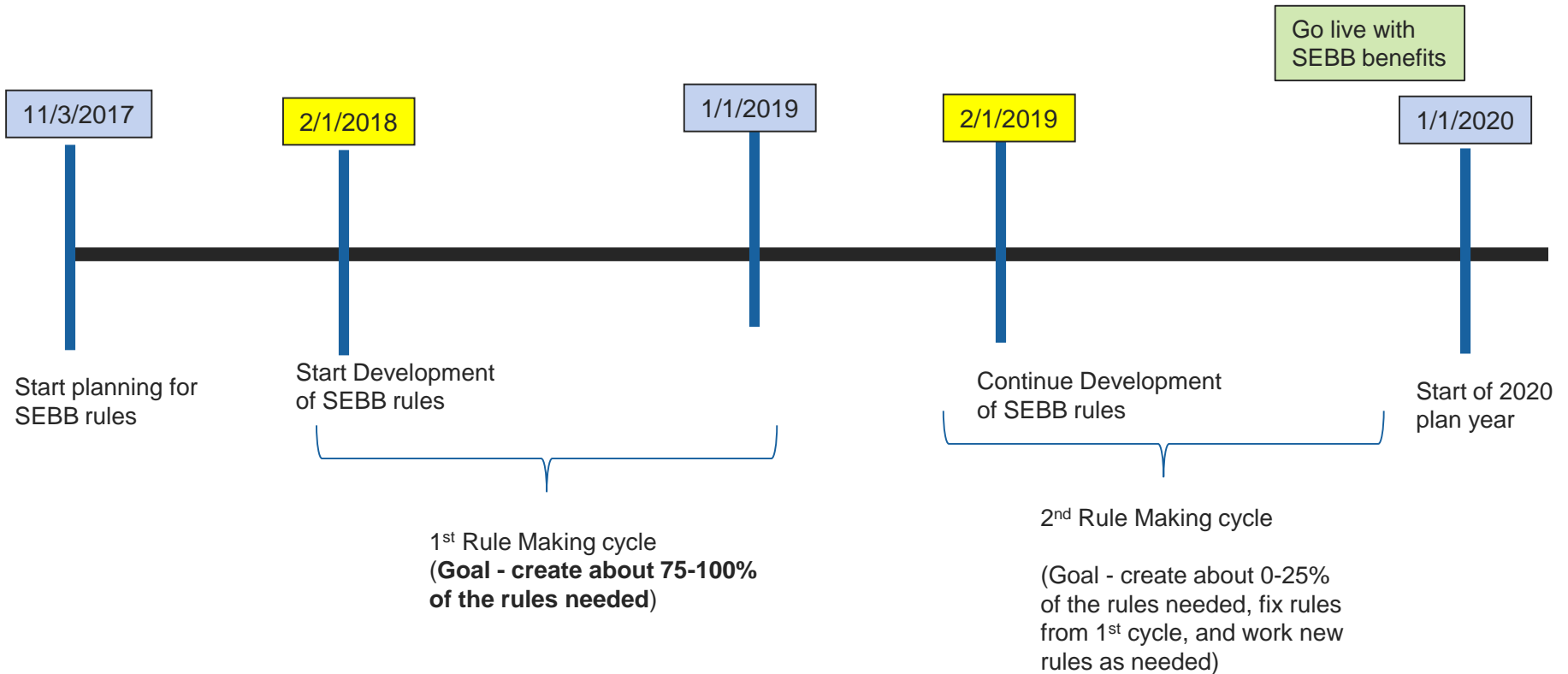
RCW 41.05.740 (6) (d)

(6) The board shall [...]

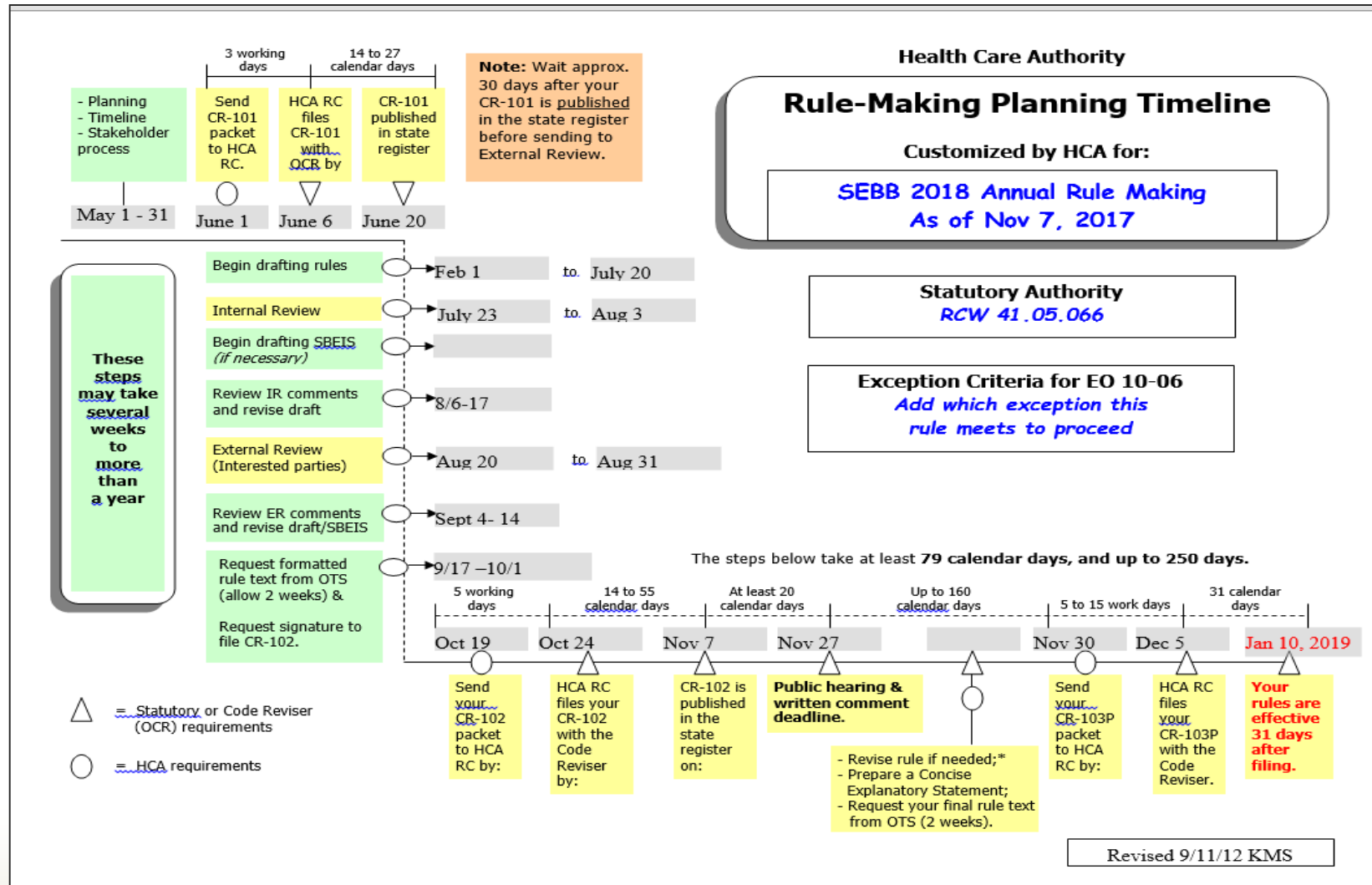
(d) Determine the terms and conditions of employee and dependent eligibility criteria, enrollment policies, and scope of coverage. At a minimum, the eligibility criteria established by the board shall address the following:

- (i) The effective date of coverage following hire;
- (ii) An employee must work at least six hundred thirty hours per year to qualify for coverage; 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;

SEBB Rule Making Timeline



Rule Making Plan for 2018 - SEBB



Proposed Policy SEBB 2018-01

Legal Spouse & Domestic Partner Eligibility Criteria

Eligible school employees enrolled in SEBB benefits may enroll a dependent that satisfies one of the following criteria:

- Lawful spouse
- State registered domestic partner

Proposed Policy SEBB 2018-02

Dependent Child Eligibility Criteria

Eligible school employees enrolled in SEBB benefits may enroll a child up to age 26 that satisfies one of the following criteria:

- Biological children, where parental rights have not been terminated;
- Children based on establishment of a parent-child relationship as described in RCW 26.26.101;
- Stepchildren. The stepchild's relationship to the subscriber (and eligibility as a SEBB dependent) ends, for purposes of this rule, on the same date the subscriber's legal relationship with the spouse or state registered domestic partner ends through divorce, annulment, dissolution, termination, or death;

Proposed Policy SEBB 2018-02

Dependent Child Eligibility Criteria (*cont.*)

- Legally adopted children;
- Children for whom the subscriber has assumed a legal obligation for total or partial support in anticipation of adoption of the child;
- Children of the subscriber's state registered domestic partner;
- Children specified in a court order or divorce decree; or
- Children of any age with a developmental disability or physical handicap that renders the child incapable of self-sustaining employment and chiefly dependent upon the subscriber for support and maintenance provided such condition occurs before the age twenty-six.

Proposed Policy SEBB 2018-03

Extended Dependent Child Eligibility Criteria

An eligible school employee enrolled in SEBB benefits may enroll an extended dependent child that satisfies all of the following criteria:

- The extended dependent child is in the legal custody or legal guardianship of the employee, the employee's spouse, or employee's state registered domestic partner;
- The legal responsibility is demonstrated by a valid court order and the child's official residence with the custodian or guardian; and
- The child is not a foster child for whom support payments are made to the subscriber, the subscriber's spouse, or the subscriber's state registered domestic partner through a state foster care program.

Next Steps

- Incorporate Board feedback in the proposed policies *(after today's meeting)*
- Send the proposed policies to stakeholders *(February)*
- We will bring a recommended policy resolution to the Board to take action on *(March 15)*

Rulemaking Notices & Stakeholder Input

Stakeholders who wish to be involved in the development of SEBB rules should subscribe to the [SEBB Rulemaking Notices GovDelivery](#)

It is available through the SEBB Webpage on the HCA website or the path below:

<https://www.hca.wa.gov/public-employee-benefits/about-sebb>

Questions?

Barbara Scott, Manager
Policy and Rules Section
Employees and Retirees Benefits Division

Barbara.Scott@HCA.WA.GOV

Tel: 360-725-0830

TAB 8



Proposed SEBB Resolutions

David Iseminger, Director
Employees and Retirees Benefits Division
January 29, 2018

Proposed Resolution SEBB 2018-04

Resolved, that the School Employees Benefits Board Program shall perform a fully-insured medical plan procurement for multiple carriers with widespread coverage offerings.

Proposed Resolution SEBB 2018-05

Resolved, that beginning January 1, 2020, the SEBB program will offer self-insured medical plans that leverage features of the Uniform Medical Plans such as the covered benefits, provider networks, clinical policies, and an integrated pharmacy benefit, subject to final financing decisions.

Proposed Resolution SEBB 2018-06

Resolved, that beginning January 1, 2020, the School Employees Benefits Board (SEBB) Program will offer fully-insured dental plans leveraging the fully-insured dental plans offered under the Public Employees Benefits Board Program.

Resolved further, that the Board will evaluate in 2020 whether the SEBB Program should pursue a fully-insured dental plan procurement to consider additional or different offerings.

Proposed Resolution SEBB 2018-07

Resolved, that beginning January 1, 2020, the SEBB Program will offer a self-insured dental plan that leverages the features from the Uniform Dental Plan such as covered benefits, clinical policies, and provider networks, subject to final financing determinations.

Proposed Resolution SEBB 2018-08

Resolved, that the School Employees Benefits Board Program shall perform a procurement for long-term disability insurance that includes employer paid and employee optional coverage lines.

Proposed Resolution SEBB 2018-09

Resolved, that the School Employees Benefits Board Program shall perform a procurement for short-term disability insurance that includes employee optional coverage.

Proposed Resolution SEBB 2018-10

Resolved, that beginning January 1, 2020, the School Employees Benefits Board Program will offer life insurance and accidental death and dismemberment insurance with coverage offerings and covered benefits that leverages the offerings under the Public Employees Benefits Board Program.

Proposed Resolution SEBB 2018-11

Resolved, that the School Employees Benefits Board Program shall perform a procurement for a stand-alone vision benefit.

Questions?

David Iseminger, Director
Employees and Retirees Benefits Division

David.iseminger@hca.wa.gov

Phone: (360) 725-1108