

December 20, 2018

The following slides were updated in the November 8, 2018 SEB Board Meeting Briefing Book:

- TAB 4      Slide 8      Drug Deductible: Single Subscriber and Family
- TAB 4      Slide 9      Medical Coinsurance
- TAB 4      Program Medical Benefits Comparison Chart  
Last two pages of section.
- TAB 4      Slide 32      Policy Resolution SEBB 2018-49
- TAB 9      Slide 8      Policy Resolution SEBB 2018-49
- TAB 10      Slide 3      Resolution SEBB 2018-52

# **School Employees Benefits Board Meeting**

**November 8, 2018**

## School Employees Benefits Board

November 8, 2018

9:00 a.m. – 4:30 p.m.

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

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**TAB 1**

**School Employees Benefits Board**  
**November 8, 2018**  
**9:00 a.m. – 4:30 p.m.**  
**Sue Crystal Rooms A & B**

Health Care Authority  
 Cherry Street Plaza  
 626 8<sup>th</sup> Avenue SE  
 Olympia, WA 98501

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

Participant PIN Code: 60995706

9:00 a.m.*	<b>Welcome and Introductions</b>		Lou McDermott, Chair	
9:05 a.m.	<b>Meeting Overview</b>		David Iseminger, Director Employees & Retirees Benefits (ERB) Division	Information
9:10 a.m.	<b>October Board Meeting Follow-up</b>	TAB 3	David Iseminger, Director Employees & Retirees Benefits (ERB) Division	Information/ Discussion
9:15 a.m.	<b>Fully Insured Medical Benefits</b>	TAB 4	Lauren Johnston, Procurement and Account Manager SEB Section, ERB Division  Cade Walker, Special Assistant to the ERB Division Director	Information/ Discussion
10:15 a.m.	<b>Break</b>			
10:25 a.m.	<b>Vision Benefits</b>	TAB 5	Lauren Johnston, Procurement and Account Manager SEB Section, ERB Division  Cade Walker, Special Assistant to the ERB Division Director	Action
10:45 a.m.	<b>Fully Insured Dental Benefits</b>	TAB 6	Beth Heston, Procurement Manager Portfolio Management & Monitoring Section, ERB Division	Action
11:10 a.m.	<b>Policy Resolutions</b>	TAB 7	Barb Scott, Manager Policy, Rules, & Compliance Section, ERB Division	Action
11:45 a.m.	<b>Executive Session and Lunch</b>			
1:15 p.m.	<b>Centers of Excellence Program</b>	TAB 8	Marty Thies, Program Manager Portfolio Management & Monitoring Section, ERB Division	Action

1:25 p.m.	<b>Fully Insured Medical Plan Resolutions</b>	TAB 9	Lauren Johnston, Procurement and Account Manager SEB Section, ERB Division  Cade Walker, Special Assistant to the ERB Division Director	Action
2:25 p.m.	<b>Self-Insured Plan Treatment Limitations</b>	TAB 10	Kim Wallace, SEBB Finance Manager, Financial Services Division	Action
2:45 p.m.	<b>Disability Benefits</b>	TAB 11	Betsy Cottle, Contract Manager ERB Division  Cade Walker, Special Assistant to the ERB Division Director	Action
3:10 p.m.	<b>Break</b>			
3:20 p.m.	<b>Dual Enrollment</b>	TAB 12	Kim Wallace, SEBB Finance Manager, Financial Services Division	Action
3:40 p.m.	<b>Eligibility and Enrollment Policy Development</b>	TAB 13	Barb Scott, Manager Policy, Rules, & Compliance Section, ERB Division	Information/ Discussion
4:10 p.m.	<b>Public Comment</b>			
4:30 p.m.	<b>Adjourn</b>			

\*All Times Approximate

The School Employees Benefits Board will meet Thursday, November 8, 2018, at the Washington State Health Care Authority, Sue Crystal Rooms A & B, 626 8<sup>th</sup> AVE SE, Olympia, WA. The Board will consider all matters on the agenda plus any items that may normally come before them.

The Board will meet in Executive Session during the lunch period, pursuant to RCW 42.30.110(1)(d), to review negotiations on the performance of publicly bid contracts when public knowledge regarding such consideration would cause a likelihood of increased costs; and pursuant to RCW 42.30.110(1)(l), to consider proprietary or confidential nonpublished information related to the development, acquisition, or implementation of state purchased health care services as provided in RCW 41.05.026. The Executive Session will begin at 11:45 a.m. on November 8, 2018 and conclude no later 1:15 p.m. The public portion of the meeting will resume no earlier than 1:15 p.m.

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

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

Direct e-mail to: [SEBboard@hca.wa.gov](mailto: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 November 6, 2018.

## SEB Board Members

Name	Representing
Lou McDermott, Deputy Director Health Care Authority 626 8 <sup>th</sup> Ave SE PO Box 42720 Olympia WA 98504-2720 V 360-725-0891 <a href="mailto:louis.mcdermott@hca.wa.gov">louis.mcdermott@hca.wa.gov</a>	Chair
Sean Corry Sprague Israel Giles, Inc. 1501 4 <sup>th</sup> Ave, Suite 730 Seattle WA 98101 V 206-623-7035 <a href="mailto:sean.corry@siginsures.com">sean.corry@siginsures.com</a>	Employee Health Benefits Policy and Administration
Pete Cutler 7605 Ostrich DR SE Olympia WA 98513 C 360-789-2787 <a href="mailto:p.cutler@comcast.net">p.cutler@comcast.net</a>	Employee Health Benefits Policy and Administration
Patty Estes 7904 155 <sup>th</sup> Street CT E Puyallup WA 98375 C 360-621-9610 <a href="mailto:p.estes.sebb@gmail.com">p.estes.sebb@gmail.com</a>	Classified Employees
Dan Gossett 603 Veralene Way SW Everett WA 98203 C 425-737-2983 <a href="mailto:dan.gossett@comcast.net">dan.gossett@comcast.net</a>	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](mailto:khenry@washingtonea.org)

Certificated Employees

Terri House  
Marysville School District  
4220 80<sup>th</sup> ST NE  
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Classified Employees

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Assistant Superintendent of  
Business Services  
Mead School District  
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Employee Health Benefits Policy  
and Administration  
(WASBO)

Alison Poulsen  
12515 South Hangman Valley RD  
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Employee Health Benefits Policy  
and Administration

### Legal Counsel

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7141 Cleanwater Dr SW  
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Olympia WA 98504-0124  
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[KatyK1@atg.wa.gov](mailto:KatyK1@atg.wa.gov)

8/27/18



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 8<sup>th</sup> 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



STATE OF WASHINGTON  
**HEALTH CARE AUTHORITY**

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

**2019 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 8<sup>th</sup> Avenue SE, Olympia, WA 98501.

January 24, 2019 - 9:00 a.m. – 5:00 p.m.

March 7, 2019 - 9:00 a.m. – 5:00 p.m.

April 10, 2019 - 1:00 p.m. – 5:00 – p.m.

May 16, 2019 - 9:00 a.m. – 5:00 p.m.

June 12, 2019 - 9:00 a.m. – 5:00 p.m.

July 18, 2019 - 9:00 a.m. – 5:00 p.m.

July 25, 2019 - 9:00 a.m. – 5:00 p.m.

August 1, 2019 - 9:00 a.m. – 5:00 p.m.

August 22, 2019 - 9:00 a.m. – 5:00 p.m.

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

Updated 8/12/18

OFFICE OF THE CODE REVISER  
STATE OF WASHINGTON  
FILED

**DATE: August 13, 2018**

**TIME: 8:07 AM**

**WSR 18-17-075**

**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**



# October Board Meeting Follow-Up

David Iseminger, Director  
Employees and Retires Benefits Division  
November 8, 2018

# Follow-up from October 4 Meeting

Request for the link to OFM's costing of the  
Collective Bargaining Agreement (CBA)

<https://ofm.wa.gov/about/agencycommunications>

SEBB UMP Plans	AV	Deductible(s)	Resolution #
UMP Achieve 1	82% (est.)	<u>Medical:</u> \$750/person, \$2,250/family  <u>Rx:</u> \$250/person, \$750/family	2018-21
UMP Achieve 2	88% (est.)	<u>Medical:</u> \$250/person, \$750/family  <u>Rx:</u> \$100/person, \$300/family	2018-20
UMP High Deductible	*	<u>Medical:</u> \$1,400/person, \$2,800/family Rx costs apply toward medical deductible.	2018-22
UMP Plus	90% (est.)	<u>Medical:</u> \$125/person, \$375/family  <u>Rx:</u> None	2018-23

\* AV will be finalized once employer HSA contribution is known.  
 For 2019, PEBA's UMP CDHP has an AV of 87.58%.

# Questions?

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

**TAB 4**



# Fully Insured Medical Benefits

Lauren Johnston  
SEBB Procurement Manager

Cade Walker  
Special Assistant to the ERB Division Director  
Employees and Retirees Benefits Division  
November 8, 2018



# Objective

Present plan designs for action later during today's Board Meeting.

# Follow-up from October 4 Meeting

- Are vision exams required in HMOs?
  - There is no provision that requires vision exams to be covered by HMO plans.
- Does having a limit on the number of Neurodevelopmental Therapy (NDT) visits comply with mental health parity?
  - Carriers have no limit on NDT services when billed with a mental health diagnosis.
- What percentage of Public Employees Benefits Board (PEBB) Program members are enrolled in one of the PEBB Consumer-Directed Health Plans (CDHP)?

As of October 2018:

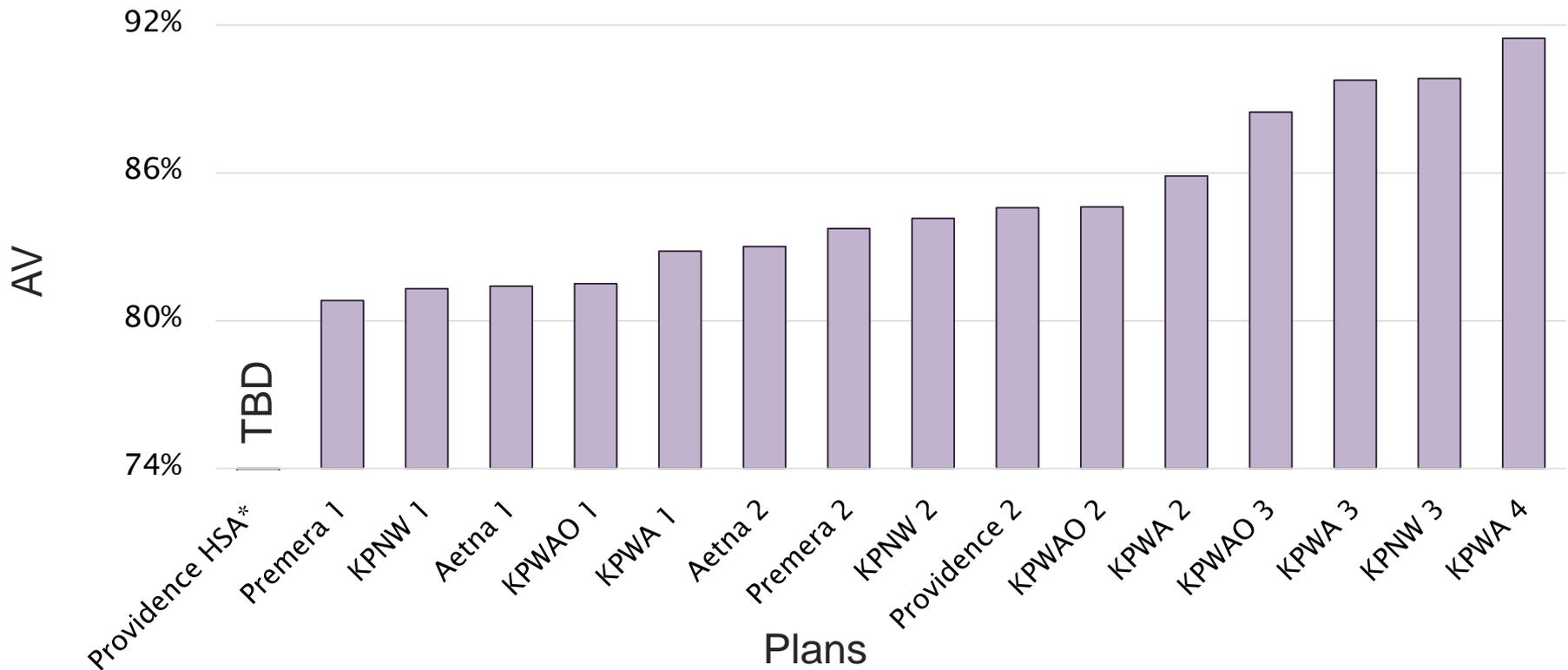
- 9% of eligible\* PEBB Program members are enrolled in a CDHP
- 25,582 total members

\* Excludes Medicare eligible members

# Plan Design Refinement Process

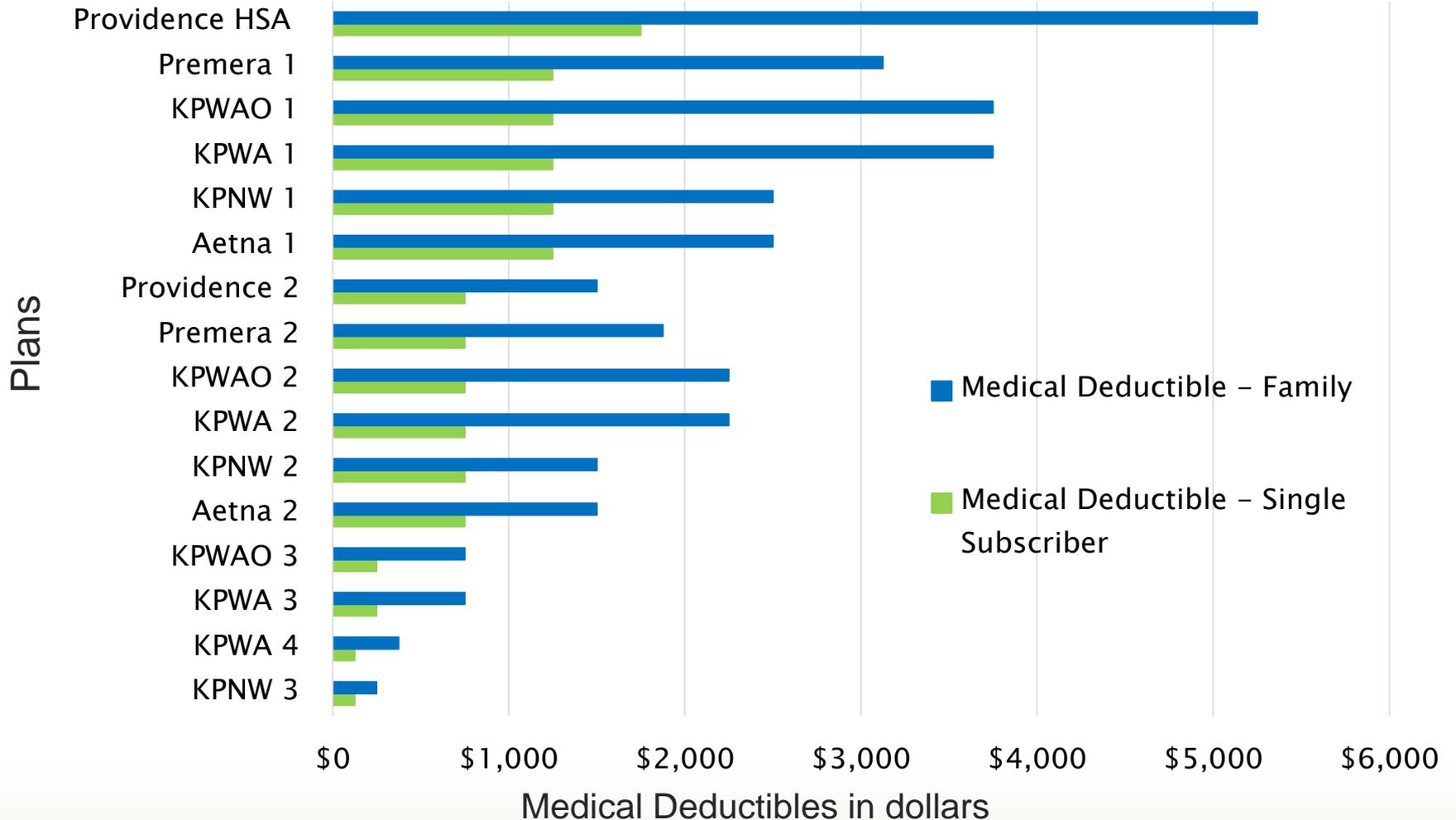
- Previously, lots of variability between plan deductibles, maximum out-of-pocket, and actuarial values (AVs).
- Worked with carriers to further refine their plans to achieve a portfolio that allows for a breadth of options while minimizing confusion during open enrollment.

# Plan Actuarial Values

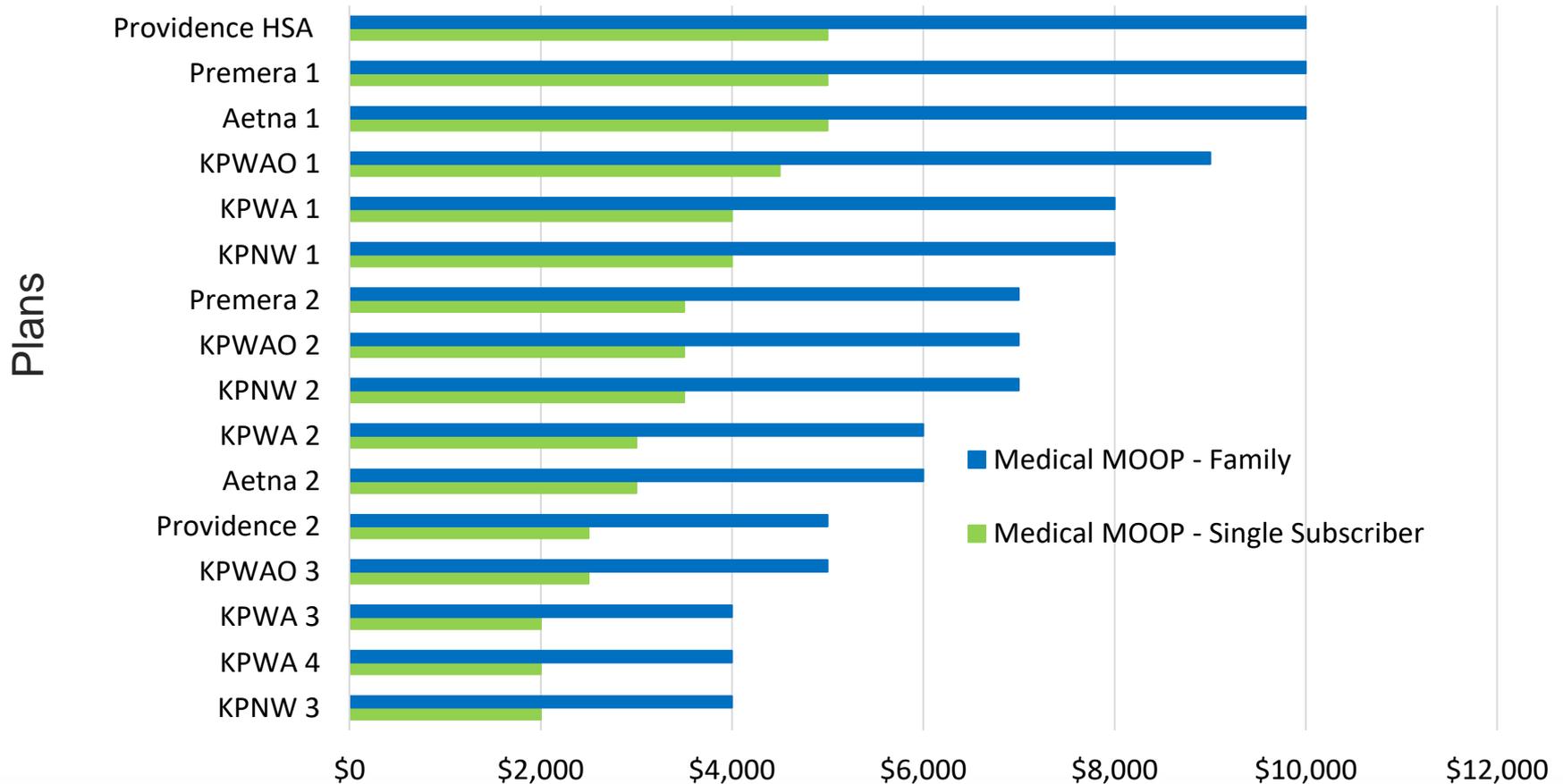


\*AV will be finalized once employer HSA contribution is known.

# Medical Deductible Levels: Single Subscriber and Family



# Medical Maximum Out-of-Pocket Levels\*: Single Subscriber and Family



\*Drugs accumulate to Max out-of-pocket for all plans

Medical Maximum Out-of-Pocket in Dollars

# Drug Deductible: Single Subscriber and Family

Plan	Pharmacy Deductible – Single Subscriber	Pharmacy Deductible – Family
Aetna 2	No pharmacy deductible	No pharmacy deductible
Aetna 1		
KPNW 3		
KPNW 2		
KPNW 1		
KPWA 4		
KPWA 3		
KPWA 2		
KPWA 1		
KPWAO 3		
KPWAO 2		
KPWAO 1		
Premera 2		
Premera 1	\$500	\$1,250
Providence 2	Combined with Medical Deductible	Combined with Medical Deductible
Providence HSA	Combined with Medical Deductible	Combined with Medical Deductible

# Medical Coinsurance

Plan	Coinsurance INN*	Coinsurance OON**	
KPWA 4	15%	100%	
Aetna 2	20%	40%	
Aetna 1		50%	
KPNW 3		100%	
KPNW 2			
KPNW 1			
KPWA 3			
KPWA 2			
KPWA 1			
KPWAO 3			50%
KPWAO 2			
KPWAO 1			
Premera 1			
Providence 2		40%	
Providence HSA		50%	
Premera 2	25%	50%	

\*INN = In-Network

\*\*OON = Out-of-Network

# Plan Treatment Limitations

Carrier	Chiropractic	Acupuncture	Massage Therapy	OT/PT/ST/NDT*
Aetna	12 or 52 (depending on the plan)	12	Limited to 45 or 80 (depending on the plan)	
KPNW	No Limit	20	20	60 combined
KPWA	20	20	20	Outpatient: 60 visits Inpatient: 60 days PCY***
KPWAO	20	20	20	Outpatient: 60 visits Inpatient: 60 days PCY**
Premera	12	12	12	45 combined
Providence	10	16	16	60 combined

\*OT/PT/ST/NDT = Occupational Therapy/Physical Therapy/Speech Therapy/Neurodevelopmental Therapy

\*\* No treatment limits for neurodevelopmental therapy when billed with a mental health diagnosis

\*\*\*Per Calendar Year

# Providence HSA Plan – AV TBD\*

## PPO

	<b>Medical</b>			
Deductible (single/family)	\$1,750/\$3,500			
Coinsurance	20% INN*** / 50% OON***			
Max OOP** (single/family)	\$5,000/\$10,000			
	<b>Pharmacy</b>			
Deductible (single/family)	Combined with Medical Deductible			
Coinsurance	<b>Generic: 20%</b>	<b>Preferred: 20%</b>	<b>Non-Preferred: 50%</b>	<b>Specialty: \$50</b>
Max OOP** (single/family)	Accumulates to medical max OOP**			
	<b>Copay</b>	<b>Coinsurance</b>	<b>Subject to Deductible?</b>	
Emergency Room		20%	Yes	
Hospital: Inpatient		20%	Yes	
Hospital: Outpatient		20%	Yes	
Office Visits: Primary Care		20%	Yes	
Office Visits: Specialist		20%	Yes	
Urgent Care		20%	Yes	

\*AV = Actuarial Value will be finalized once employer HSA contribution is known.

\*\*OOP = Out-of-Pocket

\*\*\*INN and OON = In-Network and Out-of-Network

# Premera Plan 1 – 80.8% AV

## PPO

	<b>Medical</b>			
Deductible (single/family)	\$1,250/\$3,125			
Coinsurance	20% INN** / 50% OON**			
Max OOP* (single/family)	\$5,000/\$10,000			
	<b>Pharmacy</b>			
Deductible (single/family)	\$500/\$1,250 (waived for preferred generic)			
Coinsurance	<b>Generic: \$7</b>	<b>Preferred: 30%</b>	<b>Non-Preferred: 50%</b>	<b>Specialty: 40%</b>
Max OOP* (single/family)	Accumulates to medical max OOP*			
	<b>Copay</b>	<b>Coinsurance</b>	<b>Subject to Deductible?</b>	
Emergency Room	\$150	20%	Yes	
Hospital: Inpatient		20%	Yes	
Hospital: Outpatient		20%	Yes	
Office Visits: Primary Care	\$20		No	
Office Visits: Specialist	\$40		No	
Urgent Care		20%	Yes	

\*OOP = Out-of-Pocket

\*\*INN and OON = In-Network and Out-of-Network

# KPNW Plan 1 – 81.3% AV

## HMO

	Medical		
Deductible (single/family)	\$1,250/\$2,500		
Coinsurance	20% INN** / 100% OON**		
Max OOP* (single/family)	\$4,000/\$8,000		
	Pharmacy		
Deductible (single/family)	No pharmacy deductible		
Coinsurance	<b>Generic:</b> \$20 <b>Preferred:</b> \$40 <b>Non-Preferred:</b> 50% to \$100 <b>Specialty:</b> 50% to \$100		
Max OOP* (single/family)	Accumulates to medical max OOP*		
	Copay	Coinsurance	Subject to Deductible?
Emergency Room		20%	Yes
Hospital: Inpatient		20%	Yes
Hospital: Outpatient		20%	Yes
Office Visits: Primary Care	age 0-18: \$0 age 19+: \$30		No
Office Visits: Specialist	\$40		No
Urgent Care	\$50		No

\*OOP = Out-of-Pocket

\*\*INN and OON = In-Network and Out-of-Network

# Aetna Plan 1 – 81.4% AV

## PPO

	<b>Medical</b>			
Deductible (single/family)	\$1,250/\$2,500 INN** \$2,000/\$4,000 OON**			
Coinsurance	20% INN** / 50% OON**			
Max OOP* (single/family)	\$5,000/\$10,000 In-network \$8,000/\$16,000 Out-of-network			
	<b>Pharmacy</b>			
Deductible (single/family)	No pharmacy deductible			
Coinsurance	<b>Generic: \$10</b>	<b>Preferred: \$35</b>	<b>Non-Preferred: \$50</b>	<b>Specialty: \$150</b>
Max OOP* (single/family)	Accumulates to medical max OOP*			
	<b>Copay</b>	<b>Coinsurance</b>	<b>Subject to Deductible?</b>	
Emergency Room	\$150 (waived if admitted)		Yes	
Hospital: Inpatient		20%	Yes	
Hospital: Outpatient		20%	Yes	
Office Visits: Primary Care	\$30		No	
Office Visits: Specialist	\$40		No	
Urgent Care	\$30		No	

\*OOP = Out-of-Pocket

\*\*INN and OON = In-Network and Out-of-Network

# KPWAO Plan 1 – 81.5% AV

## PPO

<b>Medical</b>			
Deductible (single/family)	\$1,250/\$3,750 Split 2X OON***		
Coinsurance	20% INN / 50% OON***		
Max OOP* (single/family)	\$4,500/\$9,000 Split 2X OON***		
<b>Pharmacy</b>			
Deductible (single/family)	No pharmacy deductible		
Coinsurance	<b>Generic:</b> \$10 (\$5 E**) <b>Preferred:</b> \$50 (\$40 E**) <b>Non-Preferred:</b> 50% to \$125 <b>Specialty:</b> 50% to \$150		
Max OOP* (single/family)	Accumulates to medical max OOP*		
	<b>Copay</b>	<b>Coinsurance</b>	<b>Subject to Deductible?</b>
Emergency Room	\$150	20%	Yes
Hospital: Inpatient		20%	Yes
Hospital: Outpatient		20%	Yes
Office Visits: Primary Care	age 0-18: \$0 age 19+: \$30 (\$20 E**)		No
Office Visits: Specialist	\$40 (\$30 E**)		No
Urgent Care	Primary care: \$30 (\$20 E**) Specialty care: \$40 (\$30 E**)	Inpatient/outpatient: 20%	Office: No Inpatient: Yes Outpatient: Yes

\*OOP = Out-of-Pocket

\*\*E = Enhanced benefit. Applies if member uses a KP Medical Center and providers or other designated providers

\*\*\*INN and OON = In-Network and Out-of-network

# KPWA Plan 1 – 82.8% AV HMO

	Medical		
Deductible (single/family)	\$1,250/\$3,750		
Coinsurance	20% INN** / 100% OON**		
Max OOP* (single/family)	\$4,000/\$8,000		
	Pharmacy		
Deductible (single/family)	No pharmacy deductible		
Coinsurance	<b>Generic:</b> \$10	<b>Preferred:</b> \$25	<b>Non-Preferred:</b> \$50 <b>Specialty:</b> 50% to \$150
Max OOP* (single/family)	Accumulates to medical max OOP*		
	Copay	Coinsurance	Subject to Deductible?
Emergency Room	\$150	20%	Yes
Hospital: Inpatient		20%	Yes
Hospital: Outpatient		20%	Yes
Office Visits: Primary Care	age 0-18: \$0 age 19+: \$30		No
Office Visits: Specialist	\$40		No
Urgent Care	Primary care: \$30 Specialty care: \$40	Inpatient/outpatient: 20%	Inpatient: Yes Outpatient: No

\*OOP = Out-of-Pocket

\*\*INN and OON = In-Network and Out-of-Network

# Aetna Plan 2 – 83.0% AV

## PPO

	<b>Medical</b>			
Deductible (single/family)	\$750/\$1,500			
Coinsurance	20% INN** / 40% OON**			
Max OOP* (single/family)	\$3,000/\$6,000 In-Network \$6,000/\$12,000 Out-of-Network			
	<b>Pharmacy</b>			
Deductible (single/family)	No pharmacy deductible			
Coinsurance	<b>Generic: \$15</b>	<b>Preferred: \$25</b>	<b>Non-Preferred: \$40</b>	<b>Specialty: \$60</b>
Max OOP* (single/family)	Accumulates to medical max OOP*			
	<b>Copay</b>	<b>Coinsurance</b>	<b>Subject to Deductible?</b>	
Emergency Room	\$150 (waived if admitted)	20%	Yes	
Hospital: Inpatient	\$300/admission	20%	Yes	
Hospital: Outpatient		20%	Yes	
Office Visits: Primary Care	\$15		No	
Office Visits: Specialist	\$20		No	
Urgent Care	\$15		No	

\*OOP = Out-of-Pocket

\*\*INN and OON = In-Network and Out-of-Network

# Premera Plan 2 – 83.7% AV PPO

	<b>Medical</b>			
Deductible (single/family)	\$750/\$1,875			
Coinsurance	25% INN** / 50% OON**			
Max OOP* (single/family)	\$3,500/\$7,000			
	<b>Pharmacy</b>			
Deductible (single/family)	\$250/\$625 (waived for preferred generic)			
Coinsurance	<b>Generic: \$7</b>	<b>Preferred: \$30</b>	<b>Non-Preferred: 30%</b>	<b>Specialty: \$50</b>
Max OOP* (single/family)	Accumulates to medical max OOP*			
	<b>Copay</b>	<b>Coinsurance</b>	<b>Subject to Deductible?</b>	
Emergency Room	\$150	25%	Yes	
Hospital: Inpatient		25%	Yes	
Hospital: Outpatient		25%	Yes	
Office Visits: Primary Care	\$20		No	
Office Visits: Specialist	\$40		No	
Urgent Care		25%	Yes	

\*OOP = Out-of-Pocket

\*\*INN and OON = In-Network and Out-of-Network

# KPNW Plan 2 – 84.1% AV HMO

	Medical		
Deductible (single/family)	\$750/\$1,500		
Coinsurance	20% INN**/ 100% OON**		
Max OOP* (single/family)	\$3,500/\$7,000		
	Pharmacy		
Deductible (single/family)	No pharmacy deductible		
Coinsurance	<b>Generic:</b> \$15	<b>Preferred:</b> \$30	<b>Non-Preferred:</b> 50% to \$100 <b>Specialty:</b> 50% to \$150
Max OOP* (single/family)	Accumulates to medical max OOP*		
	Copay	Coinsurance	Subject to Deductible?
Emergency Room		20%	Yes
Hospital: Inpatient		20%	Yes
Hospital: Outpatient		20%	Yes
Office Visits: Primary Care	age 0-18: \$0 age 19+: \$25		No
Office Visits: Specialist	\$35		No
Urgent Care	\$45		No

\*OOP = Out-of-Pocket

\*\*INN and OON = In-Network and Out-of-Network

# Providence Plan 2 – 84.6% AV

## PPO

	<b>Medical</b>		
Deductible (single/family)	\$750/\$1,500		
Coinsurance	20% INN** / 40% OON**		
Max OOP* (single/family)	\$2,500/\$5,000		
	<b>Pharmacy</b>		
Deductible (single/family)	Combined with Medical Deductible		
Coinsurance	<b>Generic:</b> \$10 <b>Preferred:</b> \$45 <b>Non-Preferred:</b> \$75 <b>Specialty:</b> 50% with \$150 cap		
Max OOP* (single/family)	Accumulates to medical max OOP*		
	<b>Copay</b>	<b>Coinsurance</b>	<b>Subject to Deductible?</b>
Emergency Room	\$75	None	Yes
Hospital: Inpatient		20%	Yes
Hospital: Outpatient		20%	Yes
Office Visits: Primary Care		20%	INN**: No OON**: Yes
Office Visits: Specialist		20%	INN**: No OON**: Yes
Urgent Care		20%	INN**: No OON**: Yes

\*OOP = Out-of-Pocket

\*\*INN and OON = In-Network and Out-of-Network

# KPWAO Plan 2 – 84.62% AV

## PPO

		<b>Medical</b>		
Deductible (single/family)	\$750/\$2,250 Split 2X OON***			
Coinsurance	20% INN*** / 50% OON***			
Max OOP* (single/family)	\$3,500/\$7,000 Split 2X OON***			
		<b>Pharmacy</b>		
Deductible (single/family)	No pharmacy deductible			
Coinsurance	<b>Generic:</b> \$10 (\$5 E**)	<b>Preferred:</b> \$50 (\$40 E**)	<b>Non-Preferred:</b> 50% to \$125	
	<b>Specialty:</b> 50% to \$150			
Max OOP* (single/family)	Accumulates to medical max OOP*			
		<b>Copay</b>	<b>Coinsurance</b>	<b>Subject to Deductible?</b>
Emergency Room	\$150		20%	Yes
Hospital: Inpatient			20%	Yes
Hospital: Outpatient			20%	Yes
Office Visits: Primary Care	age 0-18: \$0 age 19+: \$25 (\$15 E**)			No
Office Visits: Specialist	\$35 (\$25 E**)			No
Urgent Care	Primary care: \$25 (\$15 E**) Specialty care: \$35 (\$25 E**)		Inpatient/outpatient: 20%	Inpatient: Yes Outpatient: No

\*OOP = Out-of-Pocket

\*\*E = Enhanced benefit. Applies if member uses a KP Medical Center and providers or other designated providers.

\*\*\*INN and OON = In-Network and Out-of-Network

# KPWA Plan 2 – 85.9% AV HMO

	<b>Medical</b>			
Deductible (single/family)	\$750/\$2,250			
Coinsurance	20% INN** / 100% OON**			
Max OOP* (single/family)	\$3,000/\$6,000			
	<b>Pharmacy</b>			
Deductible (single/family)	No pharmacy deductible			
Coinsurance	<b>Generic: \$10</b>	<b>Preferred: \$25</b>	<b>Non-Preferred: \$50</b>	<b>Specialty: 50% to \$150</b>
Max OOP* (single/family)	Accumulates to medical max OOP*			
	<b>Copay</b>	<b>Coinsurance</b>	<b>Subject to Deductible?</b>	
Emergency Room	\$150	20%	Yes	
Hospital: Inpatient		20%	Yes	
Hospital: Outpatient		20%	Yes	
Office Visits: Primary Care	age 0-18: \$0 age 19+: \$25		No	
Office Visits: Specialist	\$35		No	
Urgent Care	Primary care: \$25 Specialty care: \$35	Inpatient/outpatient: 20%	Inpatient: Yes Outpatient: No	

\*OOP = Out-of-Pocket

\*\*INN and OON = In-Network and Out-of-Network

# KPWAO Plan 3 – 88.5% AV

## PPO

<b>Medical</b>			
Deductible (single/family)	\$250/\$750 Split 2X OON		
Coinsurance	20% INN / 50% OON		
Max OOP (single/family)	\$2,500/\$5,000 Split 2X OON		
<b>Pharmacy</b>			
Deductible (single/family)	No pharmacy deductible		
Coinsurance	<b>Generic:</b> \$10 (\$5 E*) <b>Preferred:</b> \$50 (\$40 E*) <b>Non-Preferred:</b> 50% to \$125 <b>Specialty:</b> 50% to \$150		
Max OOP (single/family)	Accumulates to medical max OOP		
	<b>Copay</b>	<b>Coinsurance</b>	<b>Subject to Deductible?</b>
Emergency Room	\$150	20%	Yes
Hospital: Inpatient		20%	Yes
Hospital: Outpatient		20%	Yes
Office Visits: Primary Care	age 0-18: \$0 age 19+: \$20 (\$10 E*)		No
Office Visits: Specialist	\$30 (\$20 E*)		No
Urgent Care	Primary care: \$20 (\$10 E*) Specialty care: \$30 (\$20 E*)	Inpatient/outpatient: 20%	Inpatient: Yes Outpatient: No

\*OOP = Out-of-Pocket

\*\*E = Enhanced benefit. Applies if member uses a KP Medical Center and providers or other designated providers.

\*\*\*INN and OON = In-Network and Out-of-network

# KPWA Plan 3 – 89.8% AV HMO

	<b>Medical</b>		
Deductible (single/family)	\$250/\$750		
Coinsurance	20% INN** / 100% OON**		
Max OOP* (single/family)	\$2,000/\$4,000		
	<b>Pharmacy</b>		
Deductible (single/family)	No pharmacy deductible		
Coinsurance	<b>Generic: \$10</b>	<b>Preferred: \$25</b>	<b>Non-Preferred: \$50</b> <b>Specialty: 50% to \$150</b>
Max OOP* (single/family)	Accumulates to medical max OOP*		
	<b>Copay</b>	<b>Coinsurance</b>	<b>Subject to Deductible?</b>
Emergency Room	\$150	20%	Yes
Hospital: Inpatient		20%	Yes
Hospital: Outpatient		20%	Yes
Office Visits: Primary Care	age 0-18: \$0 age 19+: \$20		No
Office Visits: Specialist	\$30		No
Urgent Care	Primary care: \$20 Specialty care: \$30	Inpatient/outpatient: 20%	Inpatient: Yes Outpatient: No

\*OOP = Out-of-Pocket

\*\*INN and OON = In-Network and Out-of-Network

# KPNW Plan 3 – 89.8% AV HMO

	<b>Medical</b>		
Deductible (single/family)	\$125/\$250		
Coinsurance	20% INN** / 100% OON**		
Max OOP* (single/family)	\$2,000/\$4,000		
	<b>Pharmacy</b>		
Deductible (single/family)	No pharmacy deductible		
Coinsurance	<b>Generic:</b> \$10 <b>Preferred:</b> \$20 <b>Non-Preferred:</b> 50% to \$100 <b>Specialty:</b> 50% to \$150		
Max OOP* (single/family)	Accumulates to medical max OOP*		
	<b>Copay</b>	<b>Coinsurance</b>	<b>Subject to Deductible?</b>
Emergency Room		20%	Yes
Hospital: Inpatient		20%	Yes
Hospital: Outpatient		20%	Yes
Office Visits: Primary Care	age 0-18: \$0 age 19+: \$20		No
Office Visits: Specialist	\$30		No
Urgent Care	\$40		No

\*OOP = Out-of-Pocket

\*\*INN and OON = In-Network and Out-of-Network

# KPWA Plan 4 – 91.4% AV

## Core-HMO Network (Limited network)

<b>Medical</b>			
Deductible (single/family)	\$125/\$375		
Coinsurance	15% INN** / 100% OON**		
Max OOP* (single/family)	\$2,000/\$4,000		
<b>Pharmacy</b>			
Deductible (single/family)	No pharmacy deductible		
Coinsurance	<b>Generic:</b> \$10 <b>Preferred:</b> \$25 <b>Non-Preferred:</b> \$50 <b>Specialty:</b> 50% to \$150		
Max OOP* (single/family)	Accumulates to medical max OOP*		
	<b>Copay</b>	<b>Coinsurance</b>	<b>Subject to Deductible?</b>
Emergency Room	\$150	15%	Yes
Hospital: Inpatient		15%	Yes
Hospital: Outpatient		15%	Yes
Office Visits: Primary Care	\$0		No
Office Visits: Specialist	\$30		No
Urgent Care	Primary care: \$0 Specialty care: \$30	Inpatient/outpatient: 15%	Inpatient: Yes Outpatient: No

\*OOP = Out-of-Pocket

\*\*INN and OON = In-Network and Out-of-Network

# Recommendations

- HCA recommends moving forward with the fully insured medical portfolio presented today for rate development to see where rates fall for different plans and AV levels.
- Once funding is set by the Legislature, next summer the Board will vote on 2020 employee premium contributions for the SEBB Program's offerings.
- Refinements to plan designs can continue until the Board votes on 2020 employee premium contributions.

# Policy Resolution SEBB 2018-45 Fully Insured Medical Plans (Aetna)

**Resolved that,** the SEB Board endorses Aetna's proposed fully insured medical plan designs presented at the November 8, 2018 Board Meeting for purposes of rate development.

# Policy Resolution SEBB 2018-46 Fully Insured Medical Plans (Kaiser Foundation Health Plan of the Northwest)

**Resolved that**, the SEB Board endorses Kaiser Foundation Health Plan of the Northwest's (KPNW) proposed fully insured medical plan designs presented at the November 8, 2018 Board Meeting for the purposes of rate development.

# Policy Resolution SEBB 2018-47 Fully Insured Medical Plans (Kaiser Foundation Health Plan of Washington)

**Resolved that**, the SEB Board endorses Kaiser Foundation Health Plan of Washington's (KPWA) proposed fully insured medical plan designs presented at the November 8, 2018 Board Meeting for the purposes of rate development.

# Policy Resolution SEBB 2018-48 Fully Insured Medical Plans (Kaiser Foundation Health Plan of Washington Options, Inc.)

**Resolved that**, the SEB Board endorses Kaiser Foundation Health Plan of Washington Options, Inc. (KPWAO) proposed fully insured medical plan designs presented at the November 8, 2018 Board Meeting for the purposes of rate development.

# Policy Resolution SEBB 2018-49

## Fully Insured Medical Plans (Premera)

**Resolved that**, the SEB Board endorses Premera Blue Cross' proposed fully insured medical plan designs presented at the November 8, 2018 Board Meeting, and an additional plan design with a separate drug deductible that does not exceed that of UMP Achieve 1, for the purposes of rate development.

# Policy Resolution SEBB 2018-50 Fully Insured Medical Plans (Providence Health Plan)

**Resolved that**, the SEB Board endorses Providence Health Plan's proposed fully insured medical plan designs presented at the November 8, 2018 Board Meeting for the purposes of rate development.

# Questions?

Lauren Johnston, SEBB Procurement Manager  
Employees and Retirees Benefits Division

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Tel: 360-725-1117

# APPENDIX

Materials as presented at the  
January 29, 2018 SEB Board Meeting

# Non-CDHP Medical Portfolio Overview

	Health Care Authority (PEBB Benefits)	Lynden Public School District	Seattle Public School District	Spokane Public School District
<b>Portfolio of Medical Benefits</b>	<p><b>UMP:</b> 1 PPO plan 1 ACN plan (2 networks)</p> <p><b>KPWA:</b> 3 HMO plans</p> <p><b>KPNW:</b> 1 HMO plan</p>	<p><b>KPWA:</b> 1 HMO plan</p> <p><b>Regence:</b> 5 PPO plans</p>	<p><b>KPWA:</b> 2 HMO plans 4 PPO plans</p>	<p><b>KPWA:</b> 2 PPO plans 3 HMO plans</p> <p><b>Premera:</b> 3 PPO plans</p>

*Note: Does not include Medicare and CDHP plans*

# Medical Benefits Ranges Comparison

	Health Care Authority (PEBB Benefits)	Lynden Public School District	Seattle Public School District	Spokane Public School District	WEA Select Plans
<b>Annual Deductible</b> (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
<b>Copayment</b> (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
<b>Coinsurance</b> (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

# 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
<b>Annual Out-of-Pocket Limit</b> (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 – \$10,00 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*

# 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><b>UMP:</b> 1 CDHP plan</p> <p><b>KPWA:</b> 1 CDHP plan</p> <p><b>KPNW:</b> 1 CDHP plan</p>	<p><b>KPWA:</b> 1 CDHP plan</p>	<p><b>Premera:</b> 1 CDHP plan</p>	<p><b>UnitedHealthcare:</b> 2 CDHP plans</p>

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

*Note: Does not include Medicare*

# Medical CDHP Benefits Ranges Comparison

	Health Care Authority (PEBB Benefits)	Seattle Public School District	Spokane Public School District	WEA Select Plans
<b>Annual Deductible</b> (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
<b>Coinsurance</b> (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

# Medical CDHP Benefits Ranges Comparison (*cont.*)

	Health Care Authority (PEBB Benefits)	Seattle Public School District	Spokane Public School District	WEA Select Plans
<b>Annual Out-of-Pocket Limit</b> (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*

# SEBB Program Medical Benefits Comparison Chart

Note: Subject to legislative funding and final decisions by the SEB Board

	Aetna		Kaiser NW			Kaiser WA				Kaiser WA Options			Premera		Providence		UMP			
Annual Costs/ Benefits†	Plan 1	Plan 2	Plan 1	Plan 2	Plan 3	Plan 1	Plan 2	Plan 3	Plan 4	Plan 1	Plan 2	Plan 3	Plan 1	Plan 2	HSA	Plan 2	UMP Achieve 1 (82% AV)	UMP Achieve 2 (88% AV)	UMP High Deductible	UMP Plus
Deductible (single/family)	\$1,250/ \$2,500	\$750/ \$1,500	\$1,250/ \$2,500	\$750/ \$1,500	\$125/ \$250	\$1,250/ \$3,750	\$750/ \$2,250	\$250/ \$750	\$125/ \$375	\$1,250/ \$3,750	\$750/ \$2,250	\$250/ \$750	\$1,250/ \$3,125	\$750/ \$1,875	\$1,750/ \$3,500	\$750/ \$1,500	\$750/ \$2,250	\$250/ \$750	\$1,400/ \$2,800	\$125/ \$375
Max out-of- pocket limit	\$5,000/ \$10,000	\$3,000/ \$6,000	\$4,000/ \$8,000	\$3,500/ \$7,000	\$2,000/ \$4,000	\$4,000/ \$8,000	\$3,000/ \$6,000	\$2,000/ \$4,000	\$2,000/ \$4,000	\$4,500/ \$9,000	\$3,500/ \$7,000	\$2,500/ \$5,000	\$5,000/ \$10,000	\$3,500/ \$7,000	\$5,000/ \$10,000	\$2,500/ \$5,000	\$3,500/ \$7,000	\$2,000/ \$4,000	\$4,200/ \$8,400	\$2,000/ \$4,000
Coinsurance	20%	20%	20%	20%	20%	20%	20%	20%	15%	20%	20%	20%	20%	25%	20%	20%	20%	15%	15%	15%
Medical																				
Ambulance (air/ground, per trip)	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	25%	20%	20%	20%	20%	20%	20%
Diagnostic tests, lab, and x-rays	20%	20%	\$30	\$25	\$20	20% over \$500	20% over \$500	20%	15%	20%	20% over \$500	20%	20% over \$1,000	25%	20%	20%	20%	15%	15%	15%
Emergency room	\$150	\$150 + 20%	20%	20%	20%	\$150 + 20%	\$150 + 20%	\$150 + 20%	\$150 + 15%	\$150 + 20%	\$150 + 20%	\$150 + 20%	\$150 + 20%	\$150 + 25%	20%	\$75	\$75 + 20%	\$75 + 15%	15%	\$75 + 15%
Inpatient services	20%	\$300 + 20%	20%	20%	20%	20%	20%	20%	15%	20%	20%	20%	20%	25%	20%	20%	\$200/day up to \$600 + 20%	\$200/day up to \$600 + 15%	15%	\$200/day up to \$600 + 15%
Outpatient services	20%	20%	20%	20%	20%	20%	20%	20%	15%	20%	20%	20%	20%	25%	20%	20%	20%	15%	15%	15%
Preventive care	Covered 100%	Covered 100%	Covered 100%	Covered 100%	Covered 100%	Covered 100%	Covered 100%	Covered 100%	Covered 100%	Covered 100%	Covered 100%	Covered 100%	Covered 100%	Covered 100%	Covered 100%	Covered 100%	Covered 100%	Covered 100%	Covered 100%	Covered 100%
Spinal manipulations	\$30	\$15	\$40	\$35	\$30	\$30	\$25	\$20	\$0	\$30	\$25	\$20	20%	25%	20%	20%	20%	15%	15%	15%
Office Visits																				
Primary care	\$30	\$15	\$30	\$25	\$20	\$30	\$25	\$20	\$0	\$30	\$25	\$20	\$20	\$20	20%	20%	20%	15%	15%	\$0
Specialist	\$40	\$20	\$40	\$35	\$30	\$40	\$35	\$30	\$30	\$40	\$35	\$30	\$40	\$40	20%	20%	20%	15%	15%	15%
Urgent care	\$30	\$15	\$50	\$45	\$40	\$30	\$25	\$20	\$0	\$30	\$25	\$20	20%	25%	20%	20%	20%	15%	15%	15%
Mental health (outpatient)	\$30	\$20	\$30	\$25	\$20	\$30	\$25	\$20	\$0	\$30	\$25	\$20	\$20	\$20	20%	20%	20%	15%	15%	15%
Physical, occupational, and speech therapy*	\$40	\$20	\$40	\$35	\$30	\$40	\$35	\$30	\$30	\$40	\$35	\$30	\$40	\$40	20%	20%	20%	15%	15%	15%

† In-network

# SEBB Program Medical Benefits Comparison Chart

Note: Subject to legislative funding and final decisions by the SEB Board

	Aetna		Kaiser NW			Kaiser WA				Kaiser WA Options			Premera		Providence		UMP			
Annual Costs/ Benefits <sup>‡</sup>	Plan 1	Plan 2	Plan 1	Plan 2	Plan 3	Plan 1	Plan 2	Plan 3	Plan 4	Plan 1	Plan 2	Plan 3	Plan 1	Plan 2	HSA	Plan 2	UMP Achieve 1 (82% AV)	UMP Achieve 2 (88% AV)	UMP High Deductible	UMP Plus
<b>Prescription Drugs</b>																				
Rx deductible	None	None	None	None	None	None	None	None	None	None	None	None	*\$500/ \$1,250	*\$250/ \$625	Combined with medical deductibles	Combined with medical deductibles	\$250/ \$750	Tiers 2-4 \$100/ \$300	Applied to medical deductible	None
Rx out-of- pocket limit	Applies to max	Applies to max	Applies to max	Applies to max	Applies to max	Applies to max	Applies to max	Applies to max	Applies to max	Applies to max	Applies to max	Applies to max	Applies to max	Applies to max	Applies to max	Applies to max	\$2,000/ person	\$2,000/ person	\$2,000/ person	\$2,000/ person
Retail: Value tier																	5% up to \$10	5% up to \$10	15%	5% up to \$10
Retail: Tier 1 (Generics)	\$10	\$15	\$20	\$15	\$10	\$5	\$10	\$10	\$10	\$10	\$10	\$10	\$7	\$7	20%	\$10-\$15	10% up to \$25	10% up to \$25	15%	10% up to \$25
Retail: Tier 2 (Preferred Brand)	\$35	\$25	\$40	\$30	\$20	\$25	\$25	\$25	\$25	\$50	\$50	\$50	30%	\$30	20%	\$45	30% up to \$75	30% up to \$75	15%	30% up to \$75
Retail: Tier 3 (Non- preferred)	\$50	\$40	50% up to \$100	50% up to \$100	50% up to \$100	\$50	\$50	\$50	\$50	50% up to \$125	50% up to \$125	50% up to \$125	50%	30%	50%	\$75	50%	50%	15% (non- specialty)	50%
(Most Specialty)	\$150	\$60	50% up to \$150	40%	\$50	50%	50% up to \$150	50% up To \$150	50% up to \$150	15%	50% up to \$150									

‡ In-network  
\*Waived for preferred generic

Note: The retail pharmacy benefit member costs are based on a 30-day supply.

**TAB 5**



# Vision Benefits

Lauren Johnston  
SEBB Procurement Manager

Cade Walker  
Special Assistant to the ERB Division Director  
Employees and Retirees Benefits Division  
November 8, 2018

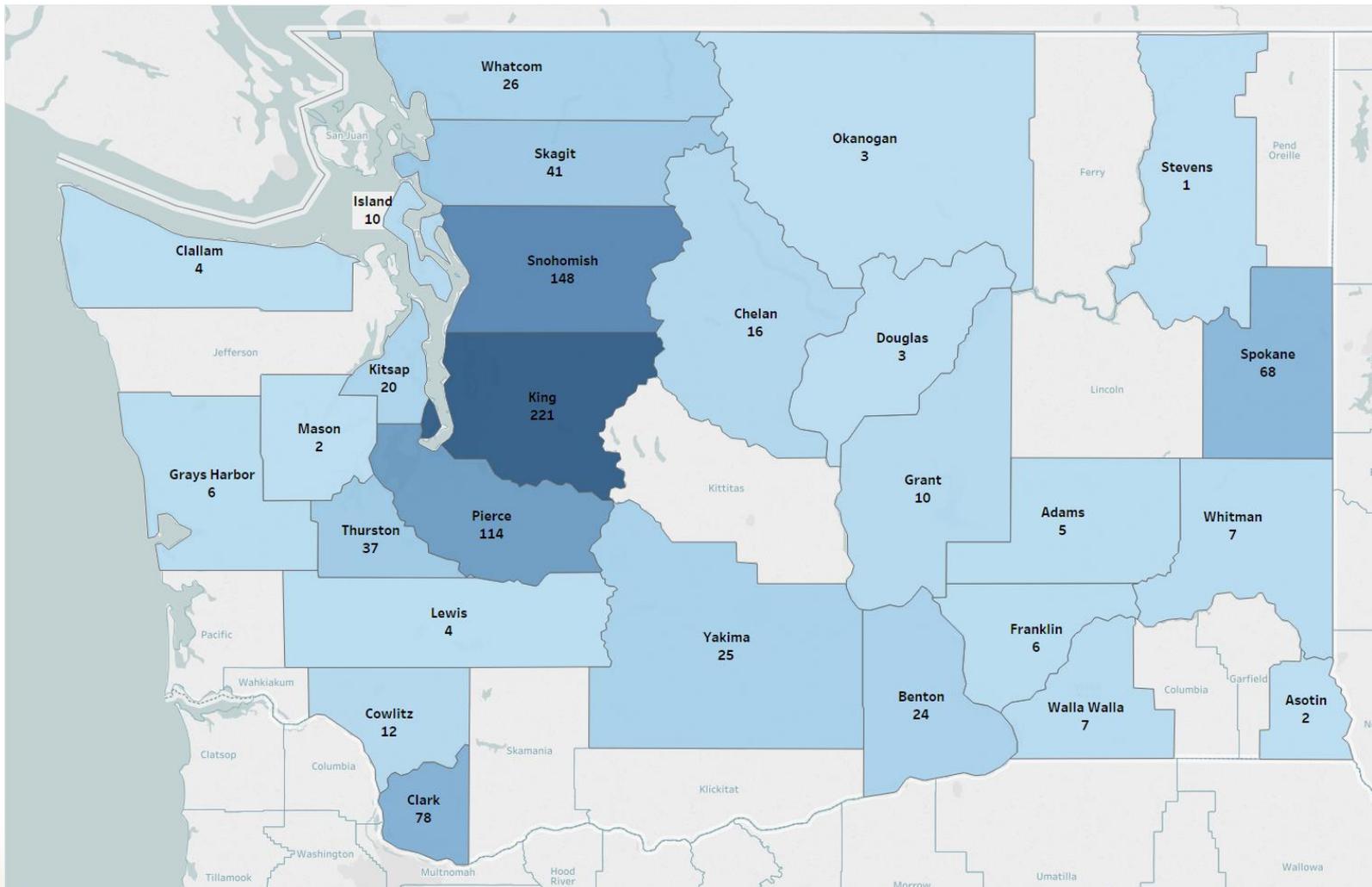
# Objective

Take action on the plan designs presented at the October 4, 2018 Board Meeting.

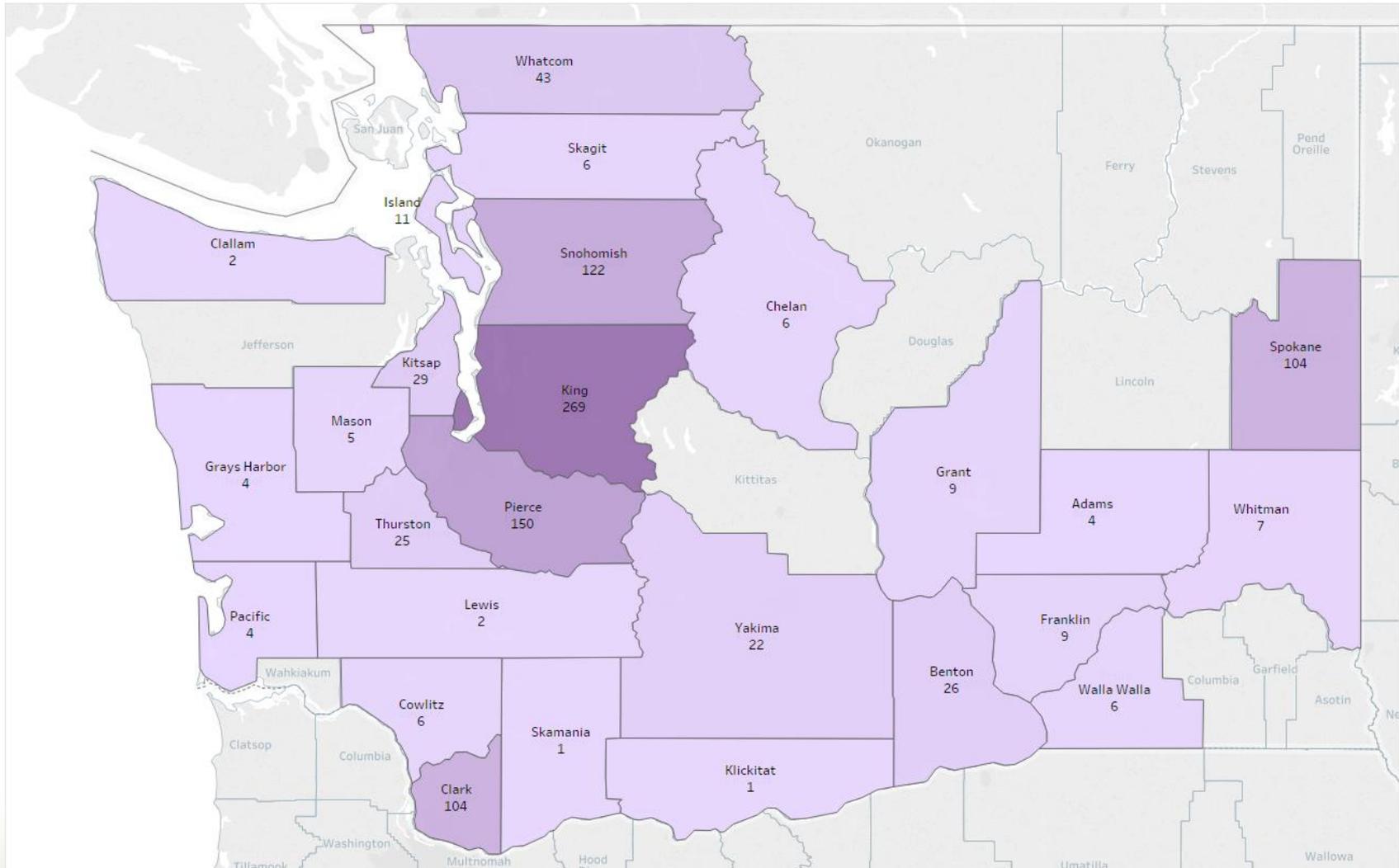
# Follow-up from October 4 Meeting

- How much is the premium tax?
  - 2%
- What are the number of providers in each county by carrier?
  - See slides 4-6; providers are not unique to the carriers.
- How much provider and member disruption will there be?
  - HCA encountered data limitations, but if all three Apparently Successful Bidders (ASBs) are selected, disruption is likely to be minimal.

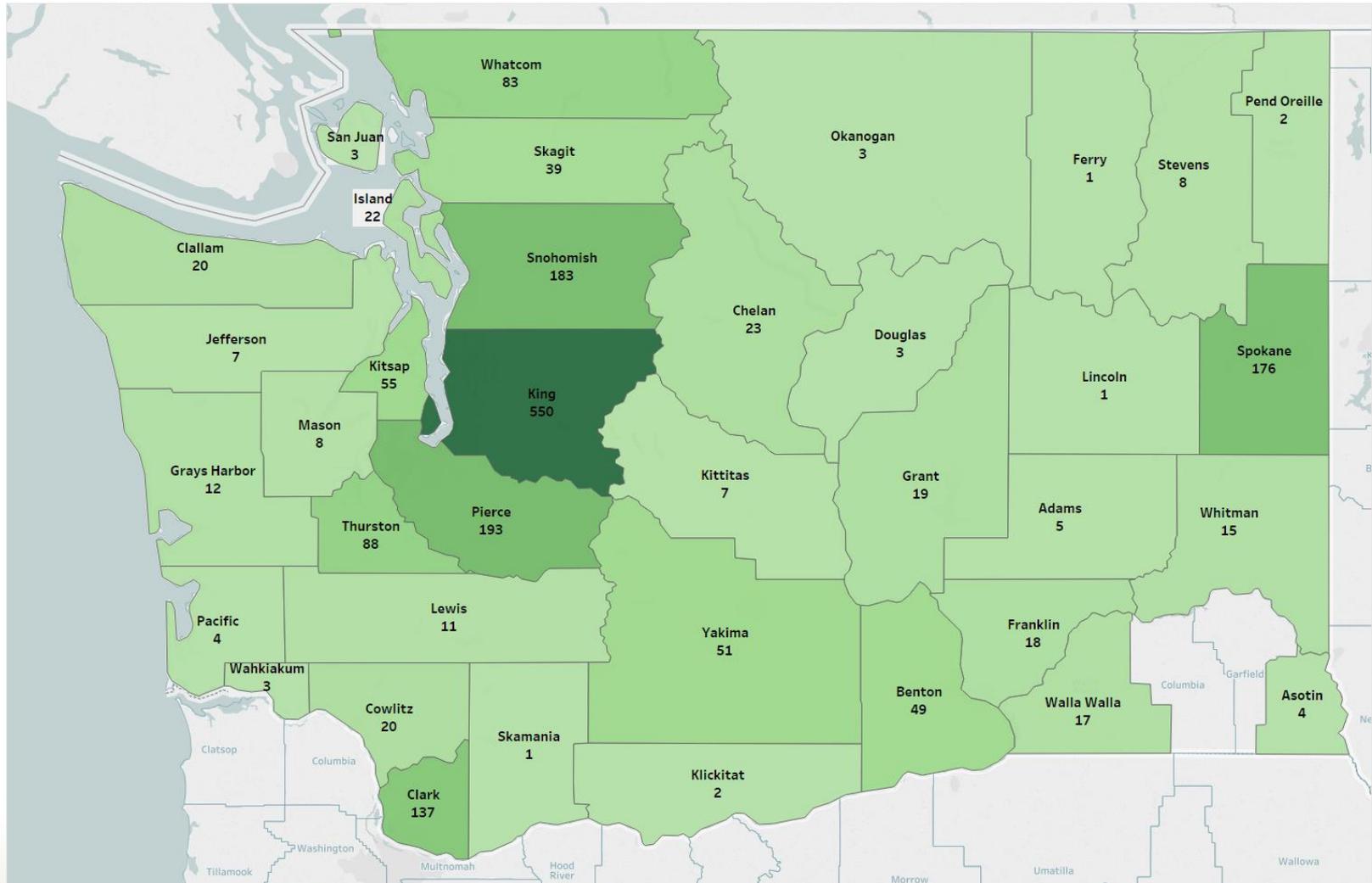
# Davis Vision Provider Coverage - By County



# EyeMed Provider Coverage - By County



# MetLife Provider Coverage - By County



# Considerations

- The member's purchasing experience and their out-of-pocket costs
- Premium tax paid on the fully insured plan premiums
- Additional reserves are needed to provide a self-insured plan

# Recommendation

- Offer fully insured group vision plans for eligible school employees through Davis Vision, EyeMed, and MetLife.

# Policy Resolution SEBB 2018-40 Fully Insured Vision Plan (Davis Vision)

**Resolved that**, beginning January 1, 2020, the SEBB Program will offer a fully insured vision plan by Davis Vision as presented at the October 4, 2018 Board Meeting.

# Policy Resolution SEBB 2018-41 Fully Insured Vision Plan (EyeMed)

**Resolved that**, beginning January 1, 2020, the SEBB Program will offer a fully insured vision plan by EyeMed as presented at the October 4, 2018 Board Meeting.

# Policy Resolution SEBB 2018-42 Fully Insured Vision Plan (MetLife)

**Resolved that**, beginning January 1, 2020, the SEBB Program will offer a fully insured vision plan by MetLife as presented at the October 4, 2018 Board Meeting.

# Questions?

Lauren Johnston, SEBB Procurement Manager  
Employees and Retirees Benefits Division

[Lauren.johnston@hca.wa.gov](mailto:Lauren.johnston@hca.wa.gov)

Tel: 360-725-1117

# APPENDIX

Materials as presented at the  
October 4, 2018 SEB Board Meeting

## Proposed Vision Plan Designs In-Network Coverage

Vision Care Service	Davis Vision	EyeMed	MetLife
<b>Routine Eye Exam</b> <i>1 exam every 12 months</i>	Member Pays:		
<b>Frames</b> <i>1 pair every 24 months</i>	\$0 up to \$150, then 80% of balance over \$150 <b>OR</b> \$0 @ Visionworks <b>OR</b> \$0 any of the Davis Vision Frame Collection	\$0 up to \$150, then 80% of balance over \$150	\$0 up to \$150, then 80% of balance over \$150
<b>Lenses</b> (single, bifocal, trifocal, lenticular)	\$0	\$0	\$10
<b>Progressive Lenses*</b> (based on lens tier)	\$50-\$140	\$55-\$175	\$0-\$175

\*Allow a wearer 3 levels of power in one lens: distance, intermediate/mid-range, and near

## Proposed Vision Plan Designs In-Network Coverage

Lens Enhancements	Davis Vision	EyeMed	MetLife
	Member Pays:		
Anti-reflective coating	\$35-\$60	\$45-\$85	\$41-\$85
Scratch-resistant	\$0	\$0	\$17-\$33
Polycarbonate	\$30	\$40	\$31-\$35
Photochromic/ Transitions	\$65	\$75	\$47-\$82
Polarized	\$75	80% of retail price	80% of retail price
Tinting	\$0	\$15	\$17-\$44
UV Treatment	\$12	\$15	\$0

# Proposed Vision Plan Designs

## In-Network Coverage

Contact Lenses (in lieu of glasses)	Davis Vision	EyeMed	MetLife
	Member Pays:		
Conventional	\$0 up to \$150; 85% on balance over \$150 <b>OR</b> 4 boxes from collection lenses	\$0 up to \$150; 85% of balance over \$150	\$0 up to \$150; 100% of balance over \$150
Disposable		\$0 up to \$150; 100% of balance over \$150	
Medically Necessary	\$0	\$0	\$0

# Proposed Vision Plan Designs

## Out-of-Network

Vision Care Service	Davis Vision	EyeMed	MetLife
Member is reimbursed up to:			
<b>Routine Eye Exam</b> <i>1 exam every 12 months</i>	\$40	\$84	\$45
<b>Frames</b> <i>1 pair every 24 months</i>	\$50	\$75	\$70
<b>Lenses</b>			
<p style="text-align: right;">Single</p>	\$40	\$25	\$30
<p style="text-align: right;">Bifocal</p>	\$60	\$40	\$50
<p style="text-align: right;">Trifocal</p>	\$80	\$55	\$65
<p style="text-align: right;">Lenticular</p>	\$100	\$55	\$100
<b>Progressive Lenses*</b> (based on lens tier)	\$60	\$55	\$50

\*Allow a wearer 3 levels of power in one lens:  
distance, intermediate/mid-range, and near

# Proposed Vision Plan Designs

## Out-of-Network

Lens Enhancements	Davis Vision	EyeMed	MetLife
Member is reimbursed up to:			
Anti-reflective coating	\$0	\$0	Applied to the allowance of the applicable lenses on Slide 6 (\$30-\$100)
Scratch-resistant		\$55	
Polycarbonate		\$0	
Photochromic/ Transitions			
Polarized			
Tinting			
UV Treatment			

# Proposed Vision Plan Designs

## Out-of-Network

Contact Lenses (in lieu of glasses)	Davis Vision	EyeMed	MetLife
Member is reimbursed up to:			
Conventional	\$105	\$150	\$105
Disposable			
Medically Necessary	\$225	\$300	\$210

**TAB 6**



# Fully Insured Dental Benefits

Beth Heston, PEBB Procurement Manager  
Employees and Retirees Benefits Division  
November 8, 2018

# Objective

- Take action on the fully insured dental plan designs presented at the October 4, 2018 Board Meeting.

# Follow-Up to Board Questions

- Evaluate capping the fully insured dental plans' orthodontia coverage at \$1,750 lifetime to match the Uniform Dental Plan:
  - *This change would not generate sufficient annual premium dollars to support increasing the Basic Long-Term Disability benefit because of the projected enrollment in the fully insured plans.*
    - Enrollment assumptions indicate that the majority of enrollment will be in the Uniform Dental Plan

## Follow-Up to Board Questions (*cont.*)

- Evaluate removing the orthodontia benefit from all dental plans:
  - *This change could generate sufficient annual premium dollars to support increasing the Basic Long-Term Disability benefit to ~\$1,000/month.*

# Follow-Up to Board Questions (*cont.*)

- Number of Dentists Accepting New Patients

UDP PPO		DeltaCare		Willamette	
YES	NO	YES	NO	YES	NO
15,805	1,592	92	29	70	3

# Stakeholder Comments

- Stakeholders made no comments on these resolutions

## Recommendation

- Offer fully insured dental plans as presented at the October 4, 2018 SEB Board Meeting through Delta Dental (DeltaCare) and Willamette Dental

# Policy Resolution SEBB 2018-43

## Fully Insured Dental Plan - DeltaCare

- **Resolved that**, beginning January 1, 2020, the SEBB Program will offer a fully insured dental plan by Delta Dental, with the same covered services and exclusions, same provider networks, same clinical policies, and same copays as the DeltaCare plan under the PEBB Program.

# Policy Resolution SEBB 2018-44

## Fully Insured Dental Plan – Willamette

- **Resolved that**, beginning January 1, 2020, the SEBB Program will offer a fully insured dental plan by Willamette Dental Group, with the same covered services and exclusions, same provider networks, same clinical policies, and same copays as the Willamette plan under the PEBB Program.

# Questions?

Beth Heston, PEBB  
Procurement Manager  
Portfolio Management and  
Monitoring Section  
Employees and Retirees  
Benefits Division

[Beth.Heston@hca.wa.gov](mailto:Beth.Heston@hca.wa.gov)



# APPENDIX

Materials as presented at the October 4,  
2018 SEB Board Meeting

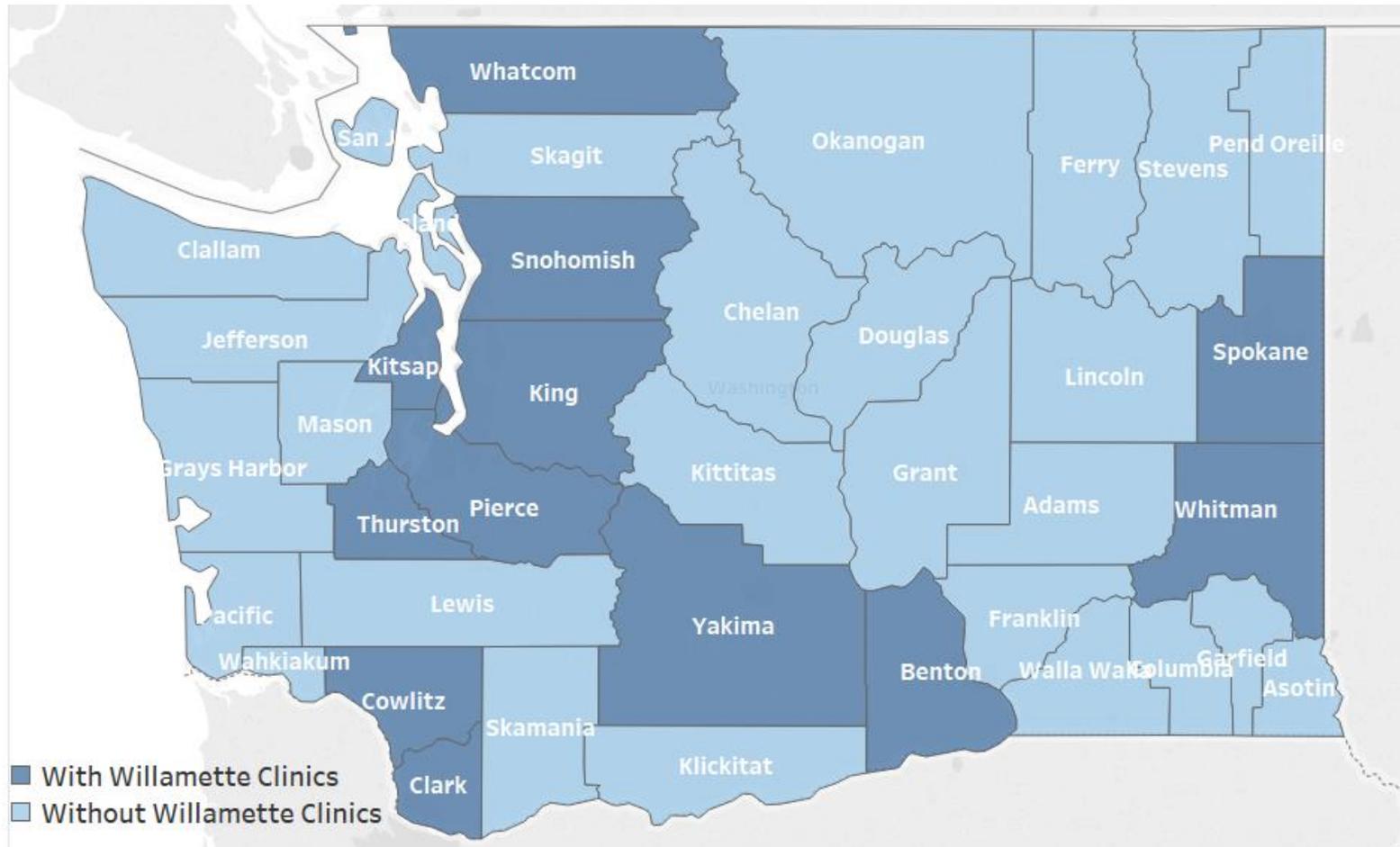
# Proposed Fully Insured Dental Plans

	DeltaCare	Willamette
Annual Maximum	No Annual Max	No Annual Max
Deductible	\$0	\$0
General Office Visit	\$0	\$0
<b>Diagnostic and Preventive</b>		
Routine and Emergency Exams, X-Rays, Teeth Cleaning, Fluoride Treatment, Sealants	Covered at 100%	Covered at 100%
<b>Restorative Dentistry</b>		
Fillings	\$10-\$50	\$10-\$50
Porcelain-Metal or Stainless Steel Crown	\$100-\$175	\$100-\$175
<b>Endodontics and Periodontics</b>		
Root Canal	\$100-\$150	\$100-\$150
<b>Oral Surgery and Orthodontia</b>		
Routine or Surgical Extraction	\$10-\$50	\$10-\$50
Dental Implants	\$2,800 per tooth	\$2,800-\$7,644 for 1-3 teeth
Orthodontia	\$1,500 per case	\$1,500 per case

# DeltaCare Coverage Map by County



# Willamette Dental Coverage Map by County



**TAB 7**



# Policy Resolutions

Barb Scott, Manager  
Policy, Rules, and Compliance Section  
Employees and Retirees Benefits Division  
November 8, 2018



# SEB Board Policy Resolutions

- SEBB 2018-32 Mid-year hires anticipated to work 630 hours in the next school year
- SEBB 2018-36 Eligibility presumed based on hours worked the previous two school years

## RCW 41.05.740(6)(d)

(6) The school employees' benefits board shall [...]

(c) Authorize premium contributions for a school employee and the employee's dependents in a manner that encourages the use of cost-efficient health care systems. For participating school employees, the required school employee share of the cost for family coverage premiums may not exceed three times the premiums for a school employee purchasing single coverage for the same coverage plan;

(d) Determine the [terms and conditions of school employee and dependent eligibility criteria, enrollment policies](#), and scope of coverage. **At a minimum**, the eligibility criteria established by the school employees' benefits board shall address the following:

(i) The effective date of coverage following hire;

[\(ii\) The benefits eligibility criteria, but the school employees' benefits board's criteria shall be no more restrictive than requiring that a school employee be anticipated to work at least six hundred thirty hours per school year to be benefits eligible; and](#)

(iii) Coverage for dependents, including criteria for legal spouses; children up to age twenty-six; children of any age with disabilities, mental illness, or intellectual or other developmental disabilities; and state registered domestic partners, as defined in RCW 26.60.020, and others authorized by the legislature;

# Policy Resolution SEBB 2018-32

## Mid-year hires anticipated to work 630 hours in the next school year

**Resolved that,** a school employee who is not anticipated to work 630 hours in the current school year because of when they are hired, but is anticipated to work at least 630 hours the next school year, establishes eligibility for the employer contribution toward SEBB benefits as of their first working day if they are:

- A 9- to 10-month school employee anticipated to be compensated for at least 17.5 hours a week in six of the last eight weeks counting backwards from the week that contains the last day of school; or
- A 12-month school employee anticipated to be compensated for at least 17.5 hours a week in six of the last eight weeks counting backwards from the week that contains August 31, the last day of the school year.

# Mid-year hires anticipated to work 630 hours in the next school year Example #1

**Example:** A new school employee from Oregon (principal) is hired toward the end of the school year.

A new school principal is hired who is **not anticipated** to work 630 hours during the current school year because of the **time of year they are hired**, but are anticipated to work at least 630 hours during the next school year. Her first working day will be July 1, 2020 and the current school year ends August 31, 2020. She is anticipated to **work at least 17.5** hours per week for at least 6 weeks in the last 8 weeks of July and August 2020.

- When are they eligible for the employer contribution for SEBB benefits?  
**July 1, 2020.**
- When does SEBB coverage begin? **August 1, 2020 (based on SEBB 2018-12).**

# Mid-year hires anticipated to work 630 hours in the next school year Example #1 (*cont.*)

2020 July						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Week 10			<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
Week 9	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>
Week 8	<b>11</b>	<b>12</b>	<b>13</b>	<b>14</b>	<b>15</b>	<b>16</b>
Week 7	<b>17</b>	<b>18</b>	<b>19</b>	<b>20</b>	<b>21</b>	<b>22</b>
Week 6	<b>23</b>	<b>24</b>	<b>25</b>	<b>26</b>	<b>27</b>	<b>28</b>
	<b>29</b>	<b>30</b>	<b>31</b>			
2020 August						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Week 5	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
Week 4	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>12</b>
Week 3	<b>13</b>	<b>14</b>	<b>15</b>	<b>16</b>	<b>17</b>	<b>18</b>
Week 2	<b>19</b>	<b>20</b>	<b>21</b>	<b>22</b>	<b>23</b>	<b>24</b>
Week 1	<b>25</b>	<b>26</b>	<b>27</b>	<b>28</b>	<b>29</b>	<b>30</b>
	<b>31</b>					

# Mid-year hires anticipated to work 630 hours in the next school year Example #2

**Example:** A new school employee from Idaho (bus driver) is hired toward the end of the school year.

A new bus driver is hired who is **not anticipated** to work 630 hours during the current school year because of the **time of year they are hired**, but are anticipated to work at least 630 hours during the next school year. Her first working day will be April 20, 2020. She is anticipated to **work at least 17.5** hours per week for at least 6 weeks in the last 8 weeks before summer break that begins June 18, 2020.

- When are they eligible for the employer contribution for SEBB benefits?  
**April 20, 2020.**
- When does SEBB coverage begin? **May 1, 2020 (based on SEBB 2018-12).**

# Mid-year hires anticipated to work 630 hours in the next school year Example #2 (*cont.*)

2020 April						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>
<b>12</b>	<b>13</b>	<b>14</b>	<b>15</b>	<b>16</b>	<b>17</b>	<b>18</b>
<b>19</b>	<b>20</b>	<b>21</b>	<b>22</b>	<b>23</b>	<b>24</b>	<b>25</b>
<b>26</b>	<b>27</b>	<b>28</b>	<b>29</b>	<b>30</b>	<b>1</b>	<b>2</b>
Week 10						
Week 9						
Week 8						
2020 May						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
<b>26</b>	<b>27</b>	<b>28</b>	<b>29</b>	<b>30</b>	<b>1</b>	<b>2</b>
<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>
<b>10</b>	<b>11</b>	<b>12</b>	<b>13</b>	<b>14</b>	<b>15</b>	<b>16</b>
<b>17</b>	<b>18</b>	<b>19</b>	<b>20</b>	<b>21</b>	<b>22</b>	<b>23</b>
<b>24</b>	<b>25</b>	<b>26</b>	<b>27</b>	<b>28</b>	<b>29</b>	<b>30</b>
Week 7						
Week 6						
Week 5						
Week 4						
2020 June						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
<b>31</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>12</b>	<b>13</b>
<b>14</b>	<b>15</b>	<b>16</b>	<b>17</b>	<b>18</b>	<b>19</b>	<b>20</b>
Week 3						
Week 2						
Week 1						

# Mid-year hires anticipated to work 630 hours in the next school year Example #3

**Example:** A new school employee from Alaska (teacher) is hired toward the end of the school year.

A new teacher is hired who is **not anticipated** to work 630 hours during the current school year because of the **time of year they are hired**, but are anticipated to work at least 630 hours during the next school year. His first working day will be April 1, 2020. He is anticipated to **work at least 17.5** hours per week for at least 6 weeks in the last 8 weeks before summer break on June 16, 2020.

- When are they eligible for the employer contribution for SEBB benefits?  
**April 1, 2020.**
- When does SEBB coverage begin? **May 1, 2020 (based on SEBB 2018-12).**

# Mid-year hires anticipated to work 630 hours in the next school year Example #3 (*cont.*)

2020 April							
	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Week 12				<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
Week 11	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>
Week 10	<b>12</b>	<b>13</b>	<b>14</b>	<b>15</b>	<b>16</b>	<b>17</b>	<b>18</b>
Week 9	<b>19</b>	<b>20</b>	<b>21</b>	<b>22</b>	<b>23</b>	<b>21</b>	<b>25</b>
Week 8	<b>26</b>	<b>27</b>	<b>28</b>	<b>29</b>	<b>30</b>	<b>1</b>	<b>2</b>
2020 May							
	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	<b>26</b>	<b>27</b>	<b>28</b>	<b>29</b>	<b>30</b>	<b>1</b>	<b>2</b>
Week 7	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>
Week 6	<b>10</b>	<b>11</b>	<b>12</b>	<b>13</b>	<b>14</b>	<b>15</b>	<b>16</b>
Week 5	<b>17</b>	<b>18</b>	<b>19</b>	<b>20</b>	<b>21</b>	<b>22</b>	<b>23</b>
Week 4	<b>24</b>	<b>25</b>	<b>26</b>	<b>27</b>	<b>28</b>	<b>29</b>	<b>30</b>
2020 June							
	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Week 3	<b>31</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
Week 2	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>12</b>	<b>13</b>
Week 1	<b>14</b>	<b>15</b>	<b>16</b>	<b>17</b>	<b>18</b>	<b>19</b>	<b>20</b>

# Eligibility when moving between SEBB Organizations

## Example #2

**Example:** Certificated Employee (teacher) to  
Administrative (principal)

**NO LONGER VALID BASED ON UPDATED POLICY PROPOSAL.**

This school employee works for SEBB Organization “A” and is eligible for the employer contribution toward SEBB benefits. He takes a position with SEBB Organization “B” as a principal where he is anticipated to work 52.5 hours a month in July and August. He is also anticipated to work at least 630 hours in the upcoming school year. His **last day with “A” is June 30, 2021** and his **first day with “B” is July 1, 2021.**

- When is he eligible for the employer contribution toward SEBB benefits through “B?” **July 1, 2021.**
- When does SEBB coverage begin? **July 1, 2021.**

# Policy Resolution SEBB 2018-36

## Eligibility presumed based on hours worked the previous two school years

**Resolved that,** a school employee is presumed eligible if they:

- worked at least 630 hours in each of previous two school years; and
- are returning to the same type of position (teacher, paraeducator, food service worker, custodian, etc.) or combination of positions with the same SEBB Organization.

A SEBB Organization rebuts this presumption by notifying the school employee, in writing, of the specific reasons why the employee is not anticipated to work at least 630 hours in the current school year and how to appeal the eligibility determination.

# Eligibility presumed based on hours worked the previous two school years

## Example #1

### **Example:** Classified Employee (part-time bus driver)

A part-time bus driver earned eligibility in April during each of the prior two school years and is returning to a part-time bus driver position for the third year.

- Is she eligible for the employer contribution toward SEBB benefits when she returns to work in the same bus driver position for the third school year? **Yes, unless the SEBB Organization informs the bus driver, in writing, of the specific reasons why she is not anticipated to work at least 630 hours in the current school year.**

# Eligibility presumed based on hours worked the previous two school years

## Example #2

**Example:** Classified Employee (part-time food service worker)

A part-time food service worker earned eligibility in April during each of the prior two school years and is returning to a part-time food service worker type position for the third year.

- Is he eligible for the employer contribution toward SEBB benefits when he returns to work in the same food service position for the third school year? **Yes, unless the SEBB Organization informs the food service worker, in writing, of the specific reasons why he is not anticipated to work at least 630 hours in the current school year.**

## Next Step

- Incorporate policy resolutions into SEBB Program rules

# Questions?

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

[Barbara.Scott@HCA.WA.GOV](mailto:Barbara.Scott@HCA.WA.GOV)

Tel: 360-725-0830

# APPENDIX

# Policy Resolution SEBB 2018-32 (as presented October 4, 2018) Mid-year hires anticipated to work 630 hours in the next school year

**Resolved that,** a school employee who is not anticipated to work 630 hours in the current school year because of when they are hired, but is anticipated to work at least 630 hours the next school year, establishes eligibility for the employer contribution toward SEBB benefits as of their first working day if they are:

- A 9- to 10-month school employee anticipated to work at least 17.5 compensated hours a week in six of the last eight partial or full weeks before summer break; or
- A 12-month school employee anticipated to work at least 17.5 compensated hours a week in six of the last eight partial or full weeks of the school year.

# Policy Resolution SEBB 2018-36 (as presented October 4, 2018)

## Eligibility presumed based on hours worked the previous school years

**Resolved that,** a school employee is presumed eligible if they:

- worked at least 630 hours in each of previous two school years; and
- are returning to the same type of position (teacher, paraeducator, food service worker, custodian, etc.) or combination of positions with the same SEBB Organization.

A SEBB Organization rebuts this presumption by notifying the school employee, in writing, of the specific reasons why the employee is not anticipated to work at least 630 hours in the current school year and how to appeal the eligibility determination.

# Eligibility when moving between SEBB Organizations (as presented August 30, 2018) Example #2

## **Example:** Certificated Employee (teacher) to Administrative (principal)

This school employee works for SEBB Organization “A” and is eligible for the employer contribution toward SEBB benefits. He takes a position with SEBB Organization “B” as a principal where he is anticipated to work 52.5 hours a month in July and August. He is also anticipated to work at least 630 hours in the upcoming school year. His **last day with “A” is June 30, 2021** and his **first day with “B” is July 1, 2021**.

- When is he eligible for the employer contribution toward SEBB benefits through “B?” **July 1, 2021.**
- When does SEBB coverage begin? **July 1, 2021.**

**TAB 8**



# Centers of Excellence Program

Marty Thies, Program Manager  
Employees and Retirees Benefits Division  
November 8, 2018

# Overview

The Centers of Excellence (COE) Program is:

- A benefit option that currently overlays the UMP Classic and CDHP plans in the PEBB Program
- Clinically effective and helps to control costs

By 2020, the COE Program will include:

- Total Joint Replacements
- Spine Care

# Recommendation

Adopt the Centers of Excellence Program in UMP on January 1, 2020, with implementation beginning in:

- UMP Achieve 1
- UMP Achieve 2
- UMP High Deductible

# Policy Resolution SEBB 2018-51 Centers of Excellence Program

**Resolved that,** the SEBB Program will offer the Uniform Medical Plan Centers of Excellence Program (COE) starting in Plan Year 2020.

# Questions?

Martin Thies, Ph.D.

Account Manager

Employees and Retirees Benefits Division

[martin.thies@hca.wa.gov](mailto:martin.thies@hca.wa.gov)

360-725-1043

**TAB 9**



# Fully Insured Medical Plan Resolutions

Lauren Johnston  
SEBB Procurement Manager

Cade Walker  
Special Assistant to the ERB Division Director  
Employees and Retirees Benefits Division  
November 8, 2018

# Objective

Take action on the plan designs presented at today's Board Meeting.

# Recommendations

- HCA recommends moving forward with the fully insured medical portfolio presented today for rate development to see where rates fall for different plans and AV levels.
- Once funding is set by the Legislature, next summer the Board will vote on 2020 employee premium contributions for the SEBB Program's offerings.
- Refinements to plan designs can continue until the Board votes on 2020 employee premium contribution.

# Policy Resolution SEBB 2018-45 Fully Insured Medical Plans (Aetna)

**Resolved that,** the SEB Board endorses Aetna's proposed fully insured medical plan designs presented at the November 8, 2018 Board Meeting for purposes of rate development.

# Policy Resolution SEBB 2018-46 Fully Insured Medical Plans (Kaiser Foundation Health Plan of the Northwest)

**Resolved that**, the SEB Board endorses Kaiser Foundation Health Plan of the Northwest's (KPNW) proposed fully insured medical plan designs presented at the November 8, 2018 Board Meeting for the purposes of rate development.

# Policy Resolution SEBB 2018-47 Fully Insured Medical Plans (Kaiser Foundation Health Plan of Washington)

**Resolved that**, the SEB Board endorses Kaiser Foundation Health Plan of Washington's (KPWA) proposed fully insured medical plan designs presented at the November 8, 2018 Board Meeting for the purposes of rate development.

# Policy Resolution SEBB 2018-48 Fully Insured Medical Plans (Kaiser Foundation Health Plan of Washington Options, Inc.)

**Resolved that**, the SEB Board endorses Kaiser Foundation Health Plan of Washington Options, Inc. (KPWAO) proposed fully insured medical plan designs presented at the November 8, 2018 Board Meeting for the purposes of rate development.

# Policy Resolution SEBB 2018-49

## Fully Insured Medical Plans (Premera)

**Resolved that**, the SEB Board endorses Premera Blue Cross' proposed fully insured medical plan designs presented at the November 8, 2018 Board Meeting, and an additional plan design with a separate drug deductible tht does not exceed that of UMP Achieve 1, for the purposes of rate development.

# Policy Resolution SEBB 2018-50 Fully Insured Medical Plans (Providence Health Plan)

**Resolved that**, the SEB Board endorses Providence Health Plan's proposed fully insured medical plan designs presented at the November 8, 2018 Board Meeting for the purposes of rate development.

# Questions?

Lauren Johnston, SEBB Procurement Manager

Employees and Retirees Benefits Division

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Tel: 360-725-1117

**TAB 10**



# Self-insured Plans Treatment Limits

Kim Wallace, SEBB Finance Manager  
Financial Services Division  
November 8, 2018

# Recommendation

## Align with Current State for 2020

	Current State	Option #1	Option #2	Option #3	Option #4
<b>Visit Limits</b>					
Chiropractic	10	16	24	36	52
Acupuncture	16	16	24	36	52
Massage	16	16	24	36	52
PT/OT/ST/NDT*	60	80	80	80	80
<b>Increase in plan paid (PSPM)</b>	\$0.00	\$0.60	\$1.00	\$1.30	\$2.30
<b>Increase in plan paid per year</b>	\$0.00	\$450,000	\$750,000	\$950,000	\$1,700,000

\* Physical Therapy / Occupational Therapy / Speech Therapy / Neurodevelopmental Therapy

- Dollar figures are rounded and represent estimated changes to PEBB Program UMP Classic non-Medicare – State Active plan paid amounts under various treatment limit options/scenarios
- Based on 2017 calendar year data

# Resolution SEBB 2018-52\*

## Self-Insured Plans Treatment Limitations

Amending Policy Resolutions SEBB 2018-20, SEBB 2018-21, and SEBB 2018-22 to change plan treatment limitations as follows:

- Chiropractic visits are limited to 16 per calendar year
- The combined physical therapy, occupational therapy, speech therapy, and neuromusculoskeletal therapy visits are limited to 80 per calendar year

\* *Original Resolution requested by certificated board members*

# Questions

Kim Wallace, SEBB Finance Manager

Financial Services Division

[Kim.Wallace@hca.wa.gov](mailto:Kim.Wallace@hca.wa.gov)

360-725-9817

# APPENDIX

Materials as presented at the October 4,  
2018 SEB Board Meeting

# Review of Treatment Limits Considered June – August 2018

# SEBB June 13, 2018

## Fiscal Impact of Increasing Services

	PEBB UMP Classic	SEBB	Percentage Change (Relative to UMP Classic Payment Rate)	\$ Amount of Percentage Change
Chiropractic Acupuncture Massage	<ul style="list-style-type: none"> <li>• C: 10 Visits</li> <li>• A: 16 Visits</li> <li>• M: 16 Visits</li> </ul>	<ul style="list-style-type: none"> <li>• C: 52 Visits</li> <li>• A: 52 Visits</li> <li>• M: 80 Visits</li> </ul>	<ul style="list-style-type: none"> <li>• 0.20% Increase in Paid Claims</li> </ul>	<ul style="list-style-type: none"> <li>• Approximately \$2 million per year</li> </ul>
PT / ST / OT/NDT Therapy	<ul style="list-style-type: none"> <li>• 60 visits per calendar year</li> </ul>	<ul style="list-style-type: none"> <li>• 80 visits per calendar year</li> </ul>	<ul style="list-style-type: none"> <li>• No change</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>

PT/ST/OT/NDT = Physical Therapy, Occupational Therapy, Speech Therapy, Neurodevelopmental Therapy

# SEBB July 30, 2018

## Illustration - Changes in Visit Limits

	Current State	Option #1	Option #2	Option #3	Option #4
<b>Visit Limits</b>					
Chiropractic	10	16	24	36	52
Acupuncture	16	16	24	36	52
Massage	16	16	24	36	52
PT/OT/ST/NDT*	60	80	80	80	80
<b>Increase in plan paid (PSPM**)</b>	\$0.00	\$0.60	\$1.00	\$1.30	\$2.30
<b>Increase in plan paid per year</b>	\$0.00	\$450,000	\$750,000	\$950,000	\$1,700,000

- Dollar figures are rounded and represent estimated changes to PEBB Program UMP Classic non-Medicare – State Active plan paid amounts under various treatment limit options/scenarios
- Based on 2017 calendar year data

\* Physical Therapy / Occupational Therapy / Speech Therapy / Neurodevelopmental Therapy

\*\* Per Subscriber Per Month

## Data and Methodology

- Figures shown are based on 2017 experience data; 2016 and 2015 data produced similar results.
- A small percentage of UMP members used CAM\* services, and of those who did, most did not reach the limits.
- Estimated increases in plan paid amounts assumed both increased utilization by members who had hit existing limits and new claimants due to increased limits, i.e., benefit induced utilization.
- Important notes:
  - Amounts shown represent a view of the order of magnitude increase that could be seen in a SEBB self-insured plan; they do not represent an estimate of the costs under a SEBB plan.
  - Amounts shown are well within the margin of error for SEBB Program modeling.

# SEBB August 30, 2018

## Benefit Change Impact Analysis Follow-up

- Due to data limitations, we are unable to duplicate the July 30 analysis using K-12 data
- Historical K-12 data shows the amount spent in 2017 per subscriber on CAM\* and therapy benefits were 40% lower for K-12 population than for UMP Classic Non-Medicare State Active population
- Average number of visits per claimant does not reach “current state” UMP treatment limits in either population

\*Chiropractic, Acupuncture, Massage

# Benefit Change Impact Analysis Follow-up (*cont.*)

- There are three key components needed to estimate the cost of benefits:
  - (1) Percentage of members who are claimants
  - (2) Average visits per claimant
  - (3) Average cost per service
- Percentage of members who are claimants and average visits per claimant are both lower in K-12 than in the UMP Classic Non-Medicare State Active population
- Average cost per service varied by service type and between UMP and K-12

# Comparison of Proposed Treatment Limits for Chiropractic, Acupuncture, Massage, and Therapies

# Comparison of Treatment Limits

## Proposed Fully Insured Medical Plans

Service	Limitation Range	
Acupuncture	12, 16, or 20	
Chiropractic	10, 12, 20, 52 or No limit listed	
Massage Therapy	Limited to 45 or 80 (depending on the plan).  No limit for NDT	12, 16, 20
Combined OT/PT/ST/NDT*		45 or 60 combined Per calendar year

\* Occupational Therapy / Physical Therapy / Speech  
Therapy / Neurodevelopmental Therapy

# Recommendation

## Align with Current State for 2020

	Current State	Option #1	Option #2	Option #3	Option #4
<b>Visit Limits</b>					
Chiropractic	10	16	24	36	52
Acupuncture	16	16	24	36	52
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PT/OT/ST/NDT*	60	80	80	80	80
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<b>Increase in plan paid per year</b>	\$0.00	\$450,000	\$750,000	\$950,000	\$1,700,000

- Dollar figures are rounded and represent estimated changes to PEBB Program UMP Classic non-Medicare – State Active plan paid amounts under various treatment limit options/scenarios
- Based on 2017 calendar year data

\* Physical Therapy / Occupational Therapy / Speech Therapy / Neurodevelopmental Therapy

\*\* Per Subscriber Per Month

**TAB 11**



# Disability Benefits

Betsy Cottle  
Contract Manager  
Employees & Retirees Benefits Division  
November 8, 2018

# Objective

Take action on disability plan designs presented at the September 17, 2018 SEB Board Meeting.

# September 17, 2018 Board Follow-up

- Disability Insurance Taxation
- WA Paid Family Medical Leave (PFML) Qualifying Period
- Disability Utilization

## Taxability of Disability Benefits

Disability insurance is taxed either at the time of purchase, or at the time of claim.

- Example 1:
  - Employer-paid basic disability insurance is a taxable benefit for the employee. Any claim for employer-paid basic disability will be taxed.\*
  - Employee-paid optional disability insurance is paid with post-tax dollars and any claim will be paid tax-free.
- Example 2:
  - Employee-paid optional disability insurance is paid with pre-tax dollars and any claim payment will be taxed.
  - Employer-paid basic disability insurance is not a taxable benefit for the employee. Any claim for employer-paid basic disability is paid tax-free.

*\*PEBB's employer-paid LTD benefits are taxed at the time of claim.*

## WA Paid Family Medical Leave Qualifying Period

- SEBB Program employees who work more than 630 hours per school year but less than 820 hours per school year will not qualify for the WA PFML benefit unless they accrue additional hours with another employer.

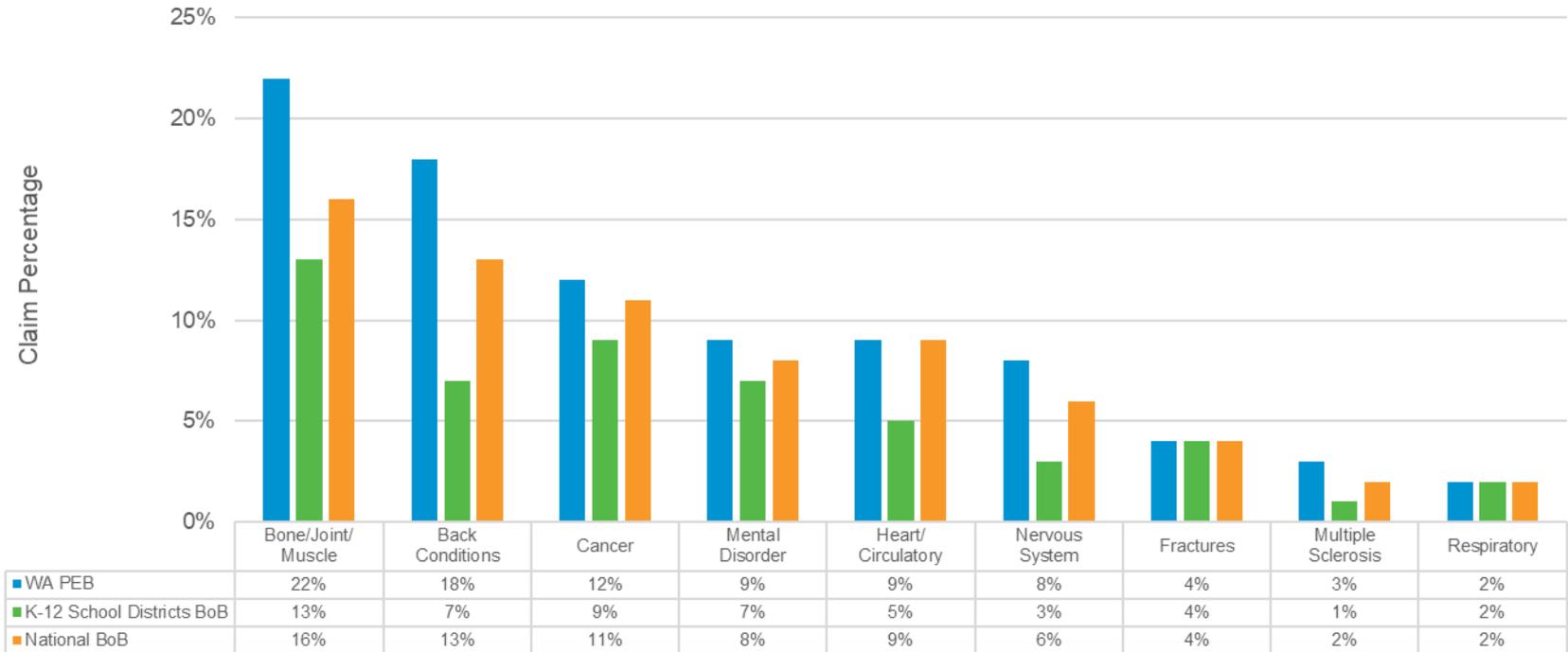
WA PFML						
Qualifying Period*						
	4 <sup>th</sup> Q/2020 (Oct.–Dec.)	1 <sup>st</sup> Q/2021 (Jan.–Mar.)	2 <sup>nd</sup> Q/2021 (Apr.–Jun.)	3 <sup>rd</sup> Q/2021 (Jul.–Sept.)	4 <sup>th</sup> Q/2021 (Oct.–Dec.)	TOTAL HOURS
Person 1		x	x	x	x	820
Person 2	x	x	x	x		820

*\*Clarification: An individual must work a continuous four quarters in the past five quarters.*

# Utilization

For the period January 1, 2013 – September 30, 2018

This graph shows LTD incidence (% of all claims filed) for WA PEBB Program's top 10 diagnostic categories compared to The Standard's book of business data



# Stakeholder Feedback

- The basic LTD amount is too low to be useful to most school employees and is lower than what many school employees currently receive.
- Recommended offering a supplemental LTD benefit only and putting the funds for Basic LTD toward increasing life insurance or another benefit.
  - *HCA Clarification: If the Board does not offer an employer-paid benefit, school districts do not have the authority to offer one.*

## Stakeholder Feedback (*cont.*)

- Concern expressed about sick leave being used prior to the waiting period beginning, forcing members to experience a period of no income. This comment was made for both the employer-paid and employee-paid benefit.
  - *HCA Clarification: The benefit waiting period begins the day of the incident that requires a disability claim, not after a member has used all their sick leave. A member who has accrued more sick leave than their waiting period will be required to exhaust this leave prior to receiving a disability benefit payment.*
- Participants support choice for pension because it allows a member the best options to manage their income during a disability.

# Short-Term Disability Insurance Recommendation

HCA recommends that the SEBB Program *does not* offer a Short-Term Disability benefit.

This recommendation is based on the following considerations:

- Offering a Short-Term Disability benefit would likely lead to confusion and redundancy. PFML is a required program that employees will already be paying for; offering Short-Term Disability insurance would largely be duplicative and would result in paying for a benefit that will be duplicative for most members.
  - There will be minimal gaps in coverage for employees who are either just starting employment in the state or exceed the maximum weekly salary.
  - As a result of PFML, it is assumed that the commercial Short-Term Disability market is going to constrict significantly.
- Enrollment in Short-Term Disability insurance has historically been very low.

## Resolution #2018-38

# Employer-Paid Basic Long-Term Disability

**Resolved that**, the SEBB Program will offer the following Employer-Paid LTD Plan to subscribers beginning January 1, 2020:

- Later of 90 days or End of the State Paid Family Medical Leave Benefit
- No Choice Sick Leave
- Choice Pension
- Maximum Monthly Benefit \$400 (60% of \$667)

# Resolution #2018-39

## Employee-Paid Supplemental Long-Term Disability

**Resolved that**, the SEBB Program will offer the following Employee-Paid Supplemental LTD Plan Design:

- Waiting Period - Later of 90 days or End of the State Paid Family Medical Leave Benefit
- No Choice Sick Leave
- Choice Pension
- Maximum Monthly Benefit \$10,000 (60% of \$16,667)

# Questions?

Betsy Cottle, Contract Manager  
Employees & Retirees Benefits Division

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Tel: 360-725-1098

**TAB 12**



# Dual Enrollment

Kim Wallace  
SEBB Finance Manager  
Financial Services Division  
November 8, 2018

# Objective

- Take action on Policy Resolution SEBB 2018-15 regarding dual enrollment in SEBB benefits

# Stakeholder Feedback

- Initial round of stakeholder feedback in May 2018
  - One stakeholder did not support this policy because it is significantly different from what employees in some districts have currently
    - School employees are used to dual enrollment to lower their out-of-pocket costs; the stakeholder suggests at least allowing dual enrollment for children
    - The stakeholder also suggests that the Board consider a separate policy for medical coverage compared to dental and vision

## Stakeholder Feedback (*cont.*)

- Following the October 4, 2018 SEBB Meeting, the proposed resolution was sent out for comment again
  - One stakeholder supported prohibiting dual enrollment for medical benefits but not for dental or vision

# Recommendation

Prohibit dual enrollment in SEBB benefits. Limit enrollment in SEBB medical, dental, and vision coverage to a single enrollment per individual.

# Policy Resolution SEBB 2018-15

## Dual enrollment in SEBB Benefits is prohibited

**Resolved that, School Employees Benefits Board (SEBB) medical, dental, and vision coverage is limited to a single enrollment per individual.**

# Questions

Kim Wallace

SEBB Finance Manager

Financial Services Division

[Kim.Wallace@hca.wa.gov](mailto:Kim.Wallace@hca.wa.gov)

360-725-9817

**TAB 13**



# Eligibility & Enrollment Policy Development

Barb Scott, Manager  
Policy, Rules, and Compliance Section  
Employees and Retirees Benefits Division  
November 8, 2018

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

# Introduction of Policy Resolutions

- SEBB 2018-53 School employee's may waive enrollment in medical
- SEBB 2018-54 Default enrollment for a school employee who fails to make a timely election

## RCW 41.05.740(7)

(7) School employees shall choose participation in one of the health care benefit plans developed by the school employees' benefits board. Individual school employees eligible for benefits under subsection (6)(d) of this section **may be permitted to waive coverage under terms and conditions established by the school employees' benefits board.**

## RCW 41.05.050(4)(d)

(4)(d) Beginning January 1, 2020, all school districts, educational service districts, and charter schools shall commence participation in the school employees' benefits board program established under RCW [41.05.740](#). All school districts, educational service districts, charter schools, and all school district employee groups participating in the public employees' benefits board plans before January 1, 2020, shall thereafter participate in the school employees' benefits board program administered by the authority. All school districts, educational service districts, and charter schools shall provide contributions to the authority for insurance and health care plans for school employees and their dependents. **These contributions must be provided to the authority for all eligible school employees eligible for benefits under RCW [41.05.740\(6\)\(d\)](#), including school employees who have waived their coverage; contributions to the authority are not required for individuals eligible for benefits under RCW [41.05.740\(6\)\(e\)](#) who waive their coverage.**

# Proposed Policy SEBB 2018-53

## School employee's may waive enrollment in medical

A school employee who is eligible for the employer contribution toward School Employees Benefits Board (SEBB) benefits may waive their enrollment in a medical plan if they are enrolled in other employer-based group medical.

# RCW 41.05.740(6)(d)

(6) The school employees' benefits board shall [...]

(c) Authorize premium contributions for a school employee and the employee's dependents in a manner that encourages the use of cost-efficient health care systems. For participating school employees, the required school employee share of the cost for family coverage premiums may not exceed three times the premiums for a school employee purchasing single coverage for the same coverage plan;

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

(i) The effective date of coverage following hire;

(ii) The benefits eligibility criteria, but the school employees' benefits board's criteria shall be no more restrictive than requiring that a school employee be anticipated to work at least six hundred thirty hours per school year to be benefits eligible; and

(iii) Coverage for dependents, including criteria for legal spouses; children up to age twenty-six; children of any age with disabilities, mental illness, or intellectual or other developmental disabilities; and state registered domestic partners, as defined in RCW 26.60.020, and others authorized by the legislature;

# Proposed Policy SEBB 2018-54

## Default enrollment for a school employee who fails to make a timely election

The default election for a school employee who fails to timely elect coverage will be as follows:

- Enrollment in employee only medical coverage;
- Enrollment in employee only dental coverage;
- Enrollment in employee only vision coverage;
- Enrollment in basic life insurance; and
- Enrollment in basic long-term disability insurance.

## Next Steps

- Incorporate Board feedback in the proposed policies
- Send the proposed policies to stakeholders (*after today's meeting*)
- Bring recommended policy resolutions to the Board to take action on at the December 13, 2018 Board Meeting

# Questions?

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

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