

# SEBB Update 3.07.19



## SEB Board passes seven resolutions

Policy resolutions address locally negotiated benefits and continuation coverage

### Policy resolutions

On March 7, 2019, the School Employees Benefits Board (SEB Board) approved the following policy resolutions:

#### Requirement to negotiate by group under RCW 41.05.740(6)(e) (SEBB 2019-01)

A SEBB Organization engaging in local negotiations regarding eligibility for school employees under RCW 41.05.740(6)(e) may only negotiate by group as described below:

- The entire SEBB Organization; or
- An entire collective bargaining unit; and/or
- A group containing all non-represented school employees.

#### Anticipated work hours eligibility range under RCW 41.05.740(6)(e) (SEBB 2019-02)

A SEBB Organization engaging in local negotiations regarding eligibility for school employees under RCW 41.05.740(6)(e) shall negotiate within the range of anticipated to work hours described below:

- No less than 180 hours per school year; and
- No more than the threshold to meet the SEB Board's eligibility established pursuant to RCW 41.05.740(6)(d).

**Note:** *The Board considered, but did not adopt, an amendment to SEBB 2019-02 that would have changed the minimum hours for eligibility to "no less than 450 hours per school year."*

#### SEBB benefits authorized under RCW 41.05.740(6)(e) (SEBB 2019-03)

A SEBB Organization engaging in local negotiations regarding eligibility for school employees under RCW 41.05.740(6)(e) must offer all of, and only, the following SEBB benefits to school employees and their dependents:

- Medical (includes the wellness incentive program);
- Dental;
- Vision; and
- Basic Life and Basic AD&D.



**Note:** *The Board considered, but did not adopt, a motion to delay the vote on SEBB 2019-03 to the April 10, 2019 SEB Board meeting.*

#### SEBB tier categories and premium tier ratios authorized under RCW 41.05.740(6)(e) (SEBB 2019-04)

A SEBB Organization engaging in local negotiations regarding eligibility for school employees under RCW 41.05.740(6)(e) must offer the same tier categories and premium tier ratios as adopted in SEBB 2018-14.

#### Employer share requirement under RCW 41.05.740(6)(e) (SEBB 2019-05)

A SEBB Organization must contribute:

- The employer medical contribution (EMC) used for a RCW 41.05.740 (6)(d) school employee multiplied by the applicable tier;

- 100% of the monthly premium, for all tiers, for the dental and vision plans as selected by the school employee;
- 100% of the monthly premium for the basic life and basic AD&D benefits;
- 100% of the monthly administration fee as charged by HCA; and
- 100% of the monthly K-12 remittance fee.

**Note:** *There is an important financial difference between employer contributions under 41.05.740(6)(d) and 41.05.740(6)(e). Under (6)(d), the employer contribution will be the SEBB funding rate, regardless of the benefit premium tier an employee selects (i.e. what dependents are enrolled). Under (6)(e), the employer contribution will vary for each SEBB organization, based on the medical benefit premium tiers selected by that SEBB organization's employees.*

### SEBB continuation coverage eligibility for school employees not eligible for benefits under the SEBB Program (SEBB 2019-06)

A school employee and their dependents who are enrolled in medical, dental, or vision under a group plan offered by a SEBB Organization on December 31, 2019, who lose eligibility because the school employee is not eligible under the SEBB Program, may elect to enroll in one or more of the following SEBB benefits: medical, dental, or vision coverage. These benefits will be provided for a maximum of 18 months on a self-pay basis.

### SEBB continuation coverage eligibility for dependents already on a SEBB Organization's continuation coverage

### (SEBB 2019-07)

A dependent of a school employee who is continuing medical, dental, or vision coverage through a SEBB Organization on December 31, 2019 may elect to finish out their remaining months, up to the maximum number of months authorized by COBRA for a similar event, by enrolling in a medical, dental, or vision plan offered through the SEBB Program on a self-pay basis.

### Meeting recap

The following informational items were presented to the SEB Board. To get all of the materials presented at the March 7 SEB Board meeting, [view the briefing book](#).

- Dave Iseminger, director of HCA's Employees and Retirees Benefits (ERB) Division, addressed follow-up Board questions from the January 24 meeting, including:
  - Respondents to a request for information for a virtual benefits fair;
  - Sharing a link to the online [Uniform Medical Plan \(UMP\) provider search tool](#);
  - Clarifications on the definitions of "dependents" and "SEBB Organizations";
  - A review of the rule-making timeline;
  - Information about tobacco cessation programs included in some of the possible SEBB medical plans; and
  - Provided a link to his January testimony before the Senate Ways and Means Committee.
- Megan Atkinson, HCA chief financial officer, and Kim Wallace, SEBB finance manager, presented the suggested SEBB funding rate as of March 1, 2019, which decreased from summer 2018 projections. The March

suggested funding rate lowers the estimated amount of additional school employee benefits funding by the state for the 2019–21 biennium to \$750 million. They also introduced the first not-to-exceed Uniform Medical Plan (UMP) monthly employee premiums.

- Cade Walker, special executive assistant to the ERB Division director, gave an update on legislation that could potentially impact the SEBB Program.
- Barb Scott, ERB Policy, Rules and Compliance section manager, gave a presentation on Consolidated Omnibus Budget Reconciliation Act (COBRA) continuation coverage, including the federal requirement for government health plans to provide continuation coverage to certain individuals, qualifying beneficiaries and events, and how COBRA continuation coverage applies to the SEBB Program.
- ERB Division Outreach and Training manager Jesse Paulsboe, ERB Division Customer Service Operations manager Alisa Richards, and HCA Chief Information Officer Jerry Britcher presented an overview of the SEBB Program’s readiness for training school benefits administrators.
- Rochelle Andrade, ERB communications consultant, presented an update of the member communications scheduled to inform benefits administrators and school employees about the changes coming to their health insurance and other benefits, and the SEBB Communications team’s media outreach strategy.
- Molly Christie, ERB strategic plan project manager, presented the third installment in her informational series, Pharmacy 101, about the prescription drug market and insurance strategies. Christie’s third

### Coming in April

On April 10, 2019, the SEB Board may vote on the following resolution:

#### Terms and Conditions for RCW 41.05.740(6)(e) (SEBB 2019-08)

- For school employees whose eligibility is established under RCW 41.05.740(6)(e), all SEBB Program rules within chapters 182-30, 182-31, and 182-32 WAC apply except for provisions within those rules governing benefits that are not authorized in SEBB 2019-03 to be offered to RCW 41.05.740(6)(e) employees.

presentation covered policy levers for the federal government, states, and health plans to manage the prescription drug trend.

- Lauren Johnston, ERB Division contract manager, gave an update on SEBB Program benefits, including:
  - Expansion of the vision carrier network; and
  - An update to the fully insured medical plan designs.
- Rob Parkman, with the ERB Policy, Rules and Compliance section, presented seven policy resolutions for action and later presented a new proposed policy resolution.

HCA will post meeting minutes on the [Meetings and materials webpage](#) after they are approved by the Board.