



April 27, 2018

Lesley Houghton
RFI Coordinator
Washington State Health Care Authority
PO Box 42702
Olympia, WA 98501

Dear Ms. Houghton,

One of the things we're most proud of at Kaiser Permanente is the trust placed in us by those who work daily to serve their fellow Washingtonians. [REDACTED]

As we look toward the prospect of serving the School Employees Benefits Board (SEBB), we are pleased to have the opportunity to continue our partnership with the HCA. In that regard, we submit on behalf of Kaiser Foundation Health Plan of Washington, Kaiser Foundation Health Plan of Washington Options, Inc. (Kaiser Permanente Washington) and Kaiser Foundation Health Plan of the Northwest the enclosed request for information (RFI). This includes SEBB and potentially any other programs administered by the Employees and Retirees Benefits (ERB) division of HCA.

There is no organization serving our state that is as uniquely positioned to offer care to public educators and their dependents as Kaiser Permanente. In addition to our innovative care model and the recognized excellence of our medical group, [REDACTED]

[REDACTED]. Additionally, Kaiser Permanente is taking on some of today's most pressing issues, assuming a leadership role by creating the Safe and Appropriate Opioid Prescription program, and making a \$2M investment in research to better understand the causes of gun violence.

[REDACTED]

At Kaiser Permanente, we understand schools are at the heart of every community, and we believe in helping to create healthy communities. Our patient-centered approach to care, our top-performing medical group, programs such as Healthy Schools, combined with our long-term investment in the state, all support the vision of the SEBB program: to provide high-quality, affordable, accessible health to our state's public educators and their families.

On behalf of all of us at Kaiser Permanente and the state's highest rated medical group, we appreciate the opportunity to submit this RFI. We look forward to working with the Health Care Authority to provide the highest quality product and services to our school employees. If you have any questions, feel free to contact either of us directly, susan.e.mullaney@kp.org, or ruth.williams-brinkley@kp.org

Sincerely,

Handwritten signature of Susan E. Mullaney in black ink.

Susan Mullaney
President, Kaiser Permanente Washington

Handwritten signature of Ruth W. Brinkley in black ink.

Ruth Williams Brinkley
President, Kaiser Permanente Northwest

cc: Lou McDermott, Deputy Director Health Care Authority, SEBB Chair

Washington State Health Care Authority Request for Information: Fully-Insured Group Medical Plans

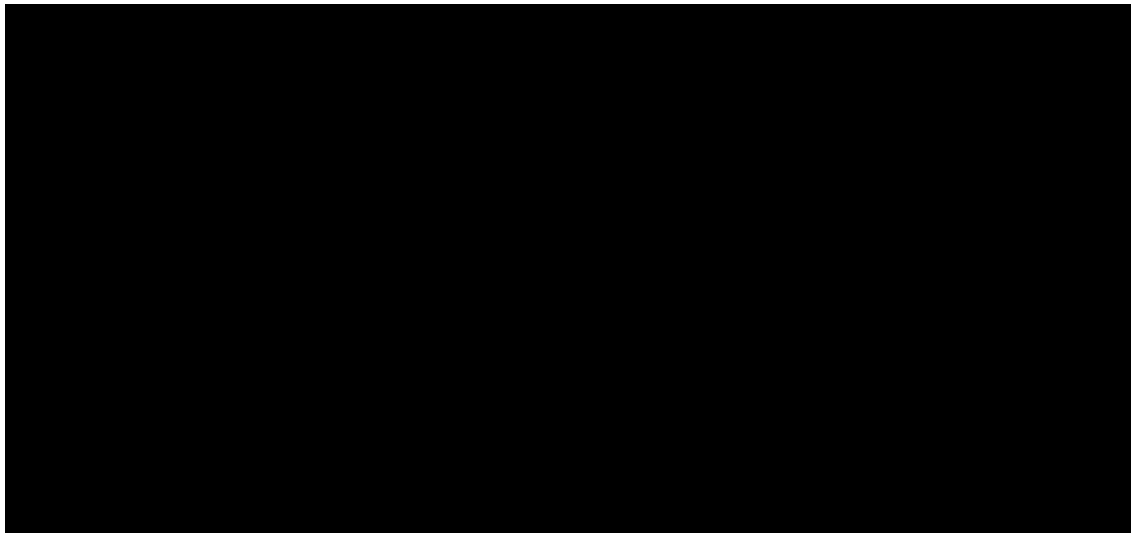
Section 4. Content of Responses

A. Types of Plans and Contracts (Mandatory)

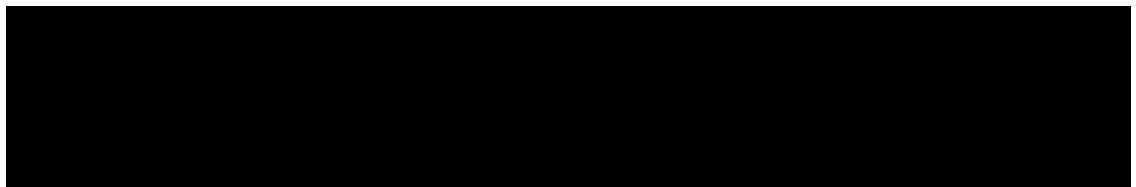
1. Identify all of the following plans that are offered by your organization: HMO, PPO, ACO, HDHP, High Performance Network, or other? If “other” please provide a brief description. Of the plans identified, which are offered in Washington State?

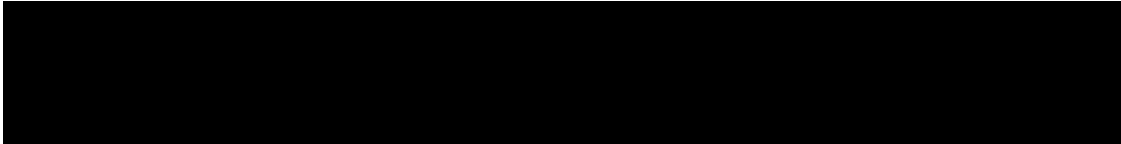
Kaiser Foundation Health Plan of Washington (Kaiser Permanente Washington) is a Washington-based nonprofit corporation registered as a health maintenance organization headquartered in Seattle Washington. Kaiser Permanente Washington offers HMO and high deductible health plan (HDHP) benefits within our Washington state service area.

2. Please identify how many accounts (employer and purchaser) you have for each type of plan, and the total number of covered lives for each plan. For purchaser contracts, please identify any limitations to providing employer level data.

A large black rectangular redaction box covering the response to item 2.

3. Given the response to item 2, does your organization have a preference for contracting as a fully-insured HMO or a fully-insured PPO plan under a consolidated statewide procurement? If yes, please explain your preference.

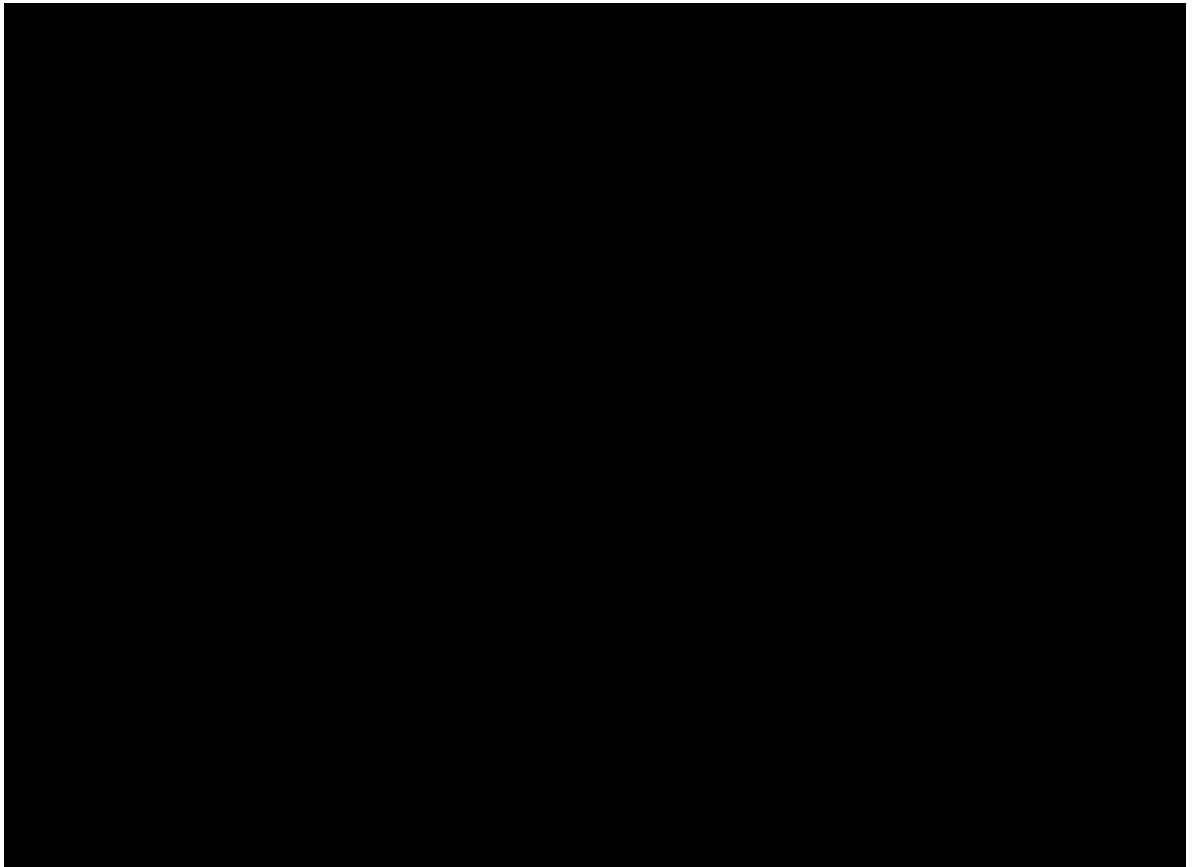
A black rectangular redaction box covering the response to item 3.

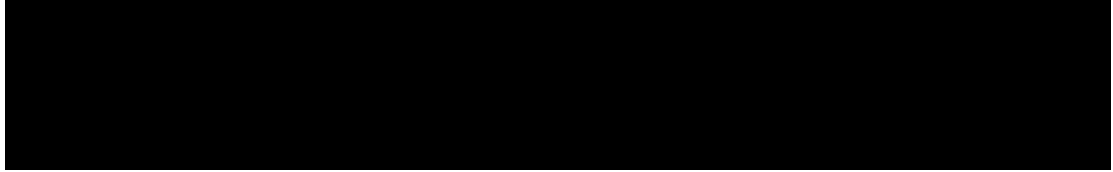


B. Cost and Plan Design (Mandatory)

1. Based on the assumptions listed in Exhibit 2 – Financial Assumptions, please provide premium quotes for each Sample Plan listed in Exhibit 3 – Cost Sharing, Benefits, and Covered Services (Table 1 and 2). To provide insight into the population used to develop premiums and the adjustments used to project required revenue for that population to calendar year 2020, please complete Exhibit 4 – SEBB Rate Form. Instructions for the rate form are contained within the Excel document. HCA acknowledges Carriers must make significant assumptions (e.g., with regard to the number of covered dependents that will enroll once the employee contribution methodology is changed) in completing the SEBB Rate Form. Please provide any additional assumptions or insights that inform your organization's RFI response.

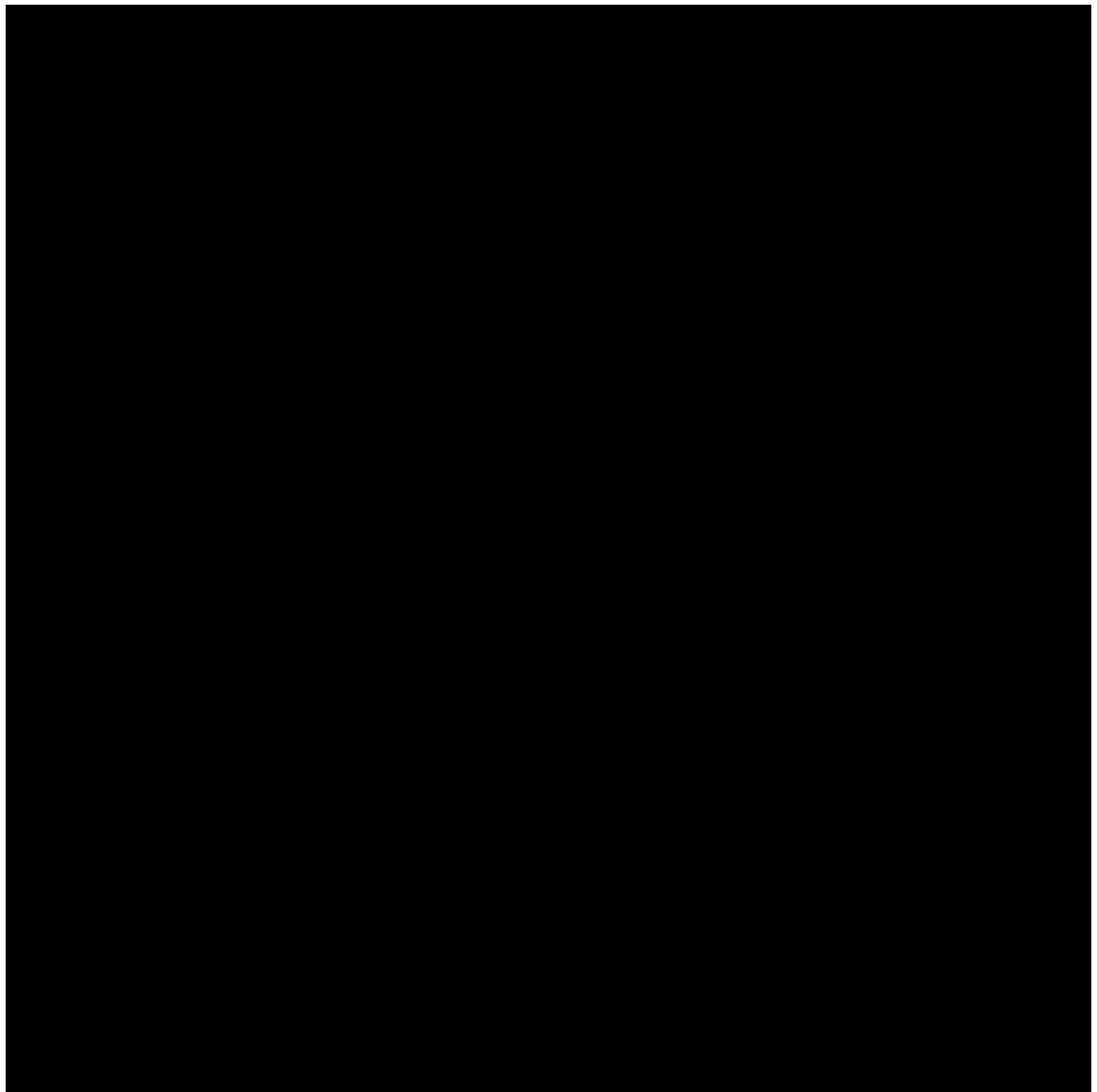
*****CONFIDENTIAL AND PROPRIETARY RESPONSE*****

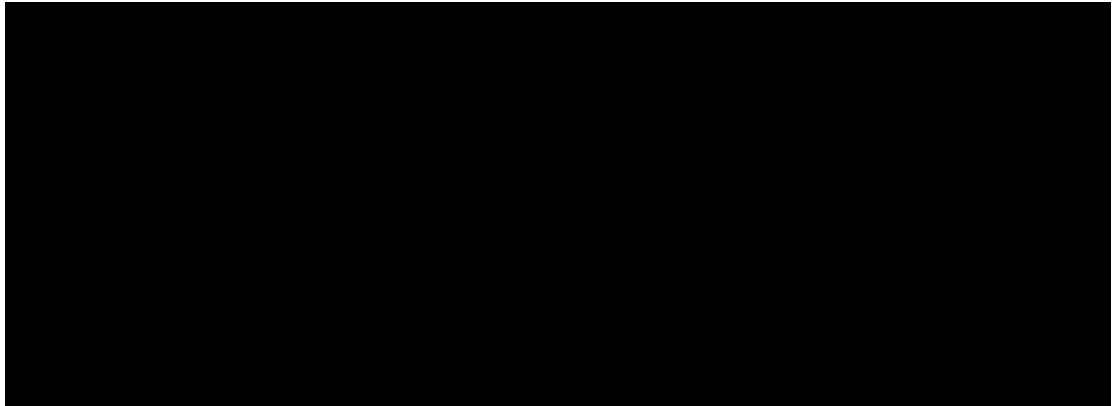




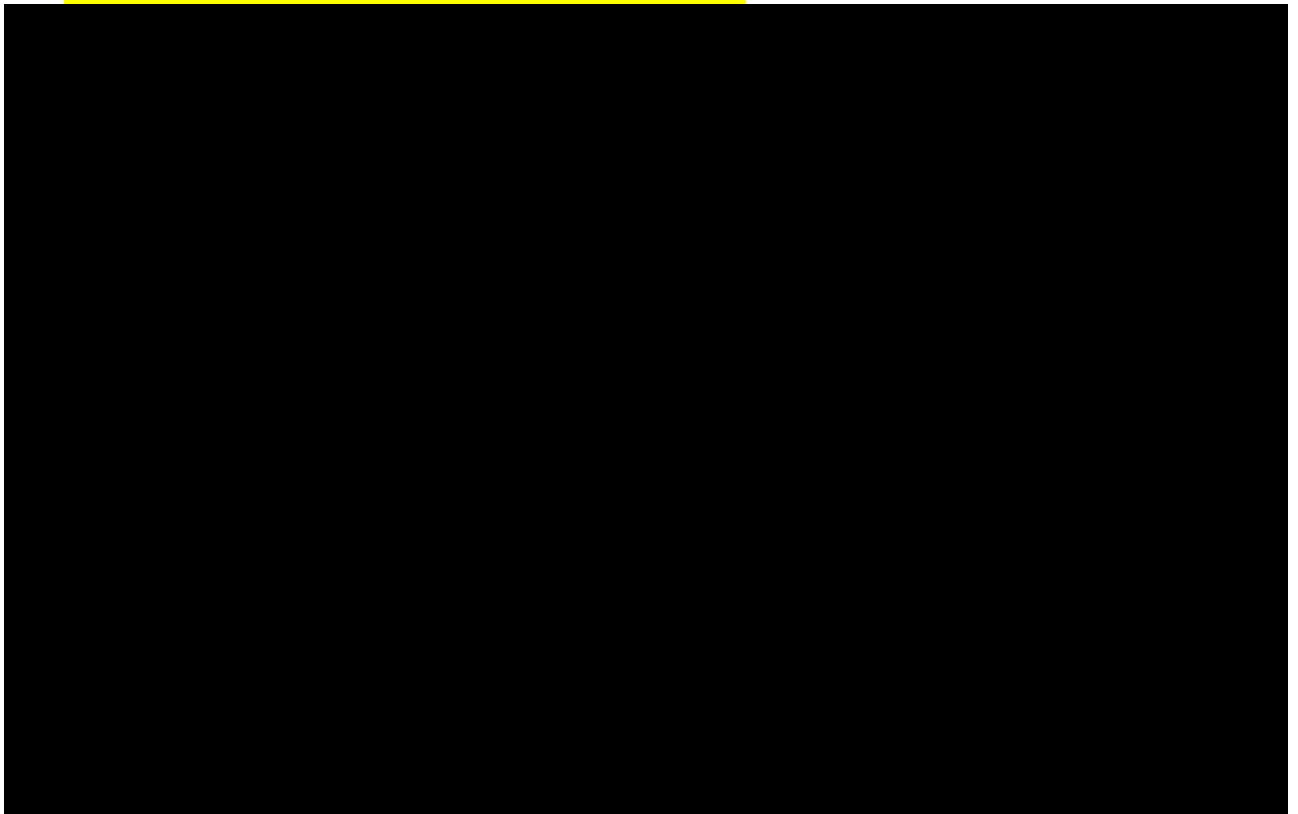
2. Based on the Assumptions in Exhibit 2 – Financial Assumptions, please provide up to four (4) plan options in addition to the Sample Plan quotes. At least one of the four (4) plan options must be a tax qualified High Deductible Health Plan (HDHP) with a health savings account (HAS). The benefits and covered services outlined in Exhibit 3 – Cost Sharing Benefits, and Covered Services (Table 2) is to be used as starting point. Any proposed carve-outs and additions to benefits and covered services must be included and captured in the attached SEBB Rate Form.

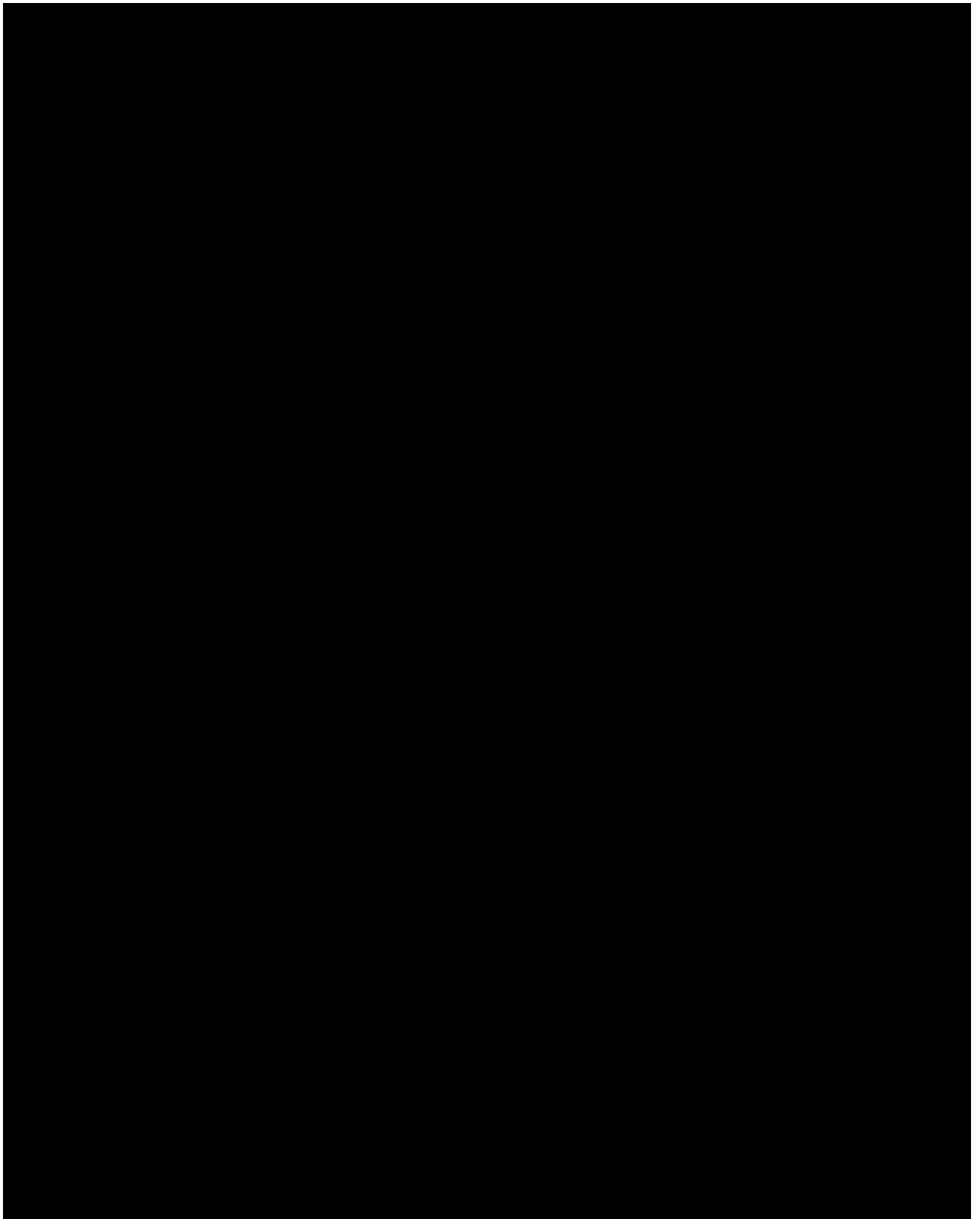
*****CONFIDENTIAL AND PROPRIETARY RESPONSE*****





3. **HCA currently uses the risk model by Verscend Technologies DxCG® Intelligence Commercial All-Medical Predicting Total Risk version 5.1.0 to measure morbidity differences within the PEBB Program population. Please provide feedback on the use of this model to adjust the plans' rates within the risk pool for the SEBB Program population and whether a concurrent or prospective risk score is preferred for 2020.**





C. Geographic Coverage (Mandatory)

1. HCA would like to know how many fully insured HMO, PPO, and other plan types your organization currently offers in Washington, Oregon, and Idaho counties, as well as any changes anticipated for the future. Please complete columns c-h in Exhibit 5 – County Coverage, with the information listed below. It is not HCA's intent to develop new markets in Oregon or Idaho, but it would not be unusual for a Washington State school employee to reside in one of those states. Only complete the Oregon and Idaho counties where you already have coverage or are anticipating adding coverage in those counties by January 1, 2020.
 - Column "c": The number of HMO plans you currently offer within each county listed;
 - Column "d": The number of PPO plans you currently offer within each county listed;
 - Column "e": The number of other plan types you currently offer within each county listed;
 - Column "f": The number of HMO plans you anticipate for 1/1/2020 within each county listed;
 - Column "g": The number of PPO plans you anticipate for 1/1/2020 within each county listed.
 - Column "h": The number of other plan types you anticipate for 1/1/2020 within each county listed.

Carriers that later choose to bid on an RFP for a SEBB insured health plan will not be locked into providing coverage in the counties they provide in their response to this RFI.

CONFIDENTIAL AND PROPRIETARY RESPONSE

Please refer to Exhibit 5 for our response to the geographic coverage by county.

D. Provider Network (Mandatory)

1. If a new client were transitioning members onto your plan(s), would your organization be open to the idea of adding providers to your current network(s)?

Kaiser Permanente Washington has the top rated medical group in the state of Washington and our HMO offering is our highest-performing plan in terms of quality and cost – due in part to its access to Washington Permanente Medical Group, the top-ranked medical group in Washington State¹. It is all part of our commitment to clinical excellence and providing the best possible care.

We routinely evaluate the need to add additional providers to our HMO network, particularly when awarded a contract for a client with significant membership. While this evaluation is based on the geographic location of the new members against our current network capacity, our primary concern is always how to offer quality care.

Today, Kaiser Permanente Washington proudly serves more than 32,000 K-12 school district members, and we do not foresee any access issues should we be fortunate enough to add new members under the SEBB program.

- 2. Please provide the typical timeframe for adding the following provider types to your network (e.g. 4-6 weeks, 2-3 months, etc.)?**

The timeframes noted below to add a provider to our network include the process to identify, recruit, credential, and contract (including reimbursement). The timespan to contract with a facility may vary depending on legal review of the contract.

a. Primary care physicians

4 to 6 months

b. Ancillary providers (physical therapists, occupational therapists, massage therapist, chiropractors, etc.)

4 to 6 months

c. Specialists

4 to 6 months

d. Urgent care

4 to 9 months

e. Hospitals

4 to 9 months

- 3. Do you add providers on a rolling basis throughout the year or only at set times during the year?**

Kaiser Permanente Washington adds providers to our network on a rolling basis. We are constantly evaluating our network needs and recruiting providers on an ongoing basis.

E. Administrative (Mandatory)

- 1. Is your organization NCQA/URAC accredited? If yes, for what certification period, and what is your organization's status? If not, what is your organization's plan, if any, to become accredited?**

Kaiser Permanente Washington is committed to continuous improvement in quality and safety. Our commercial HMO and Medicare Advantage HMO plans currently have a "Commendable" rating from NCQA. Our current accreditation expires on June 28, 2019.

- 2. Does your organization have experience in providing an employee assistance program (EAP) for subscribers to access through your fully-insured medical plans?**

Kaiser Permanente Washington does not provide an Employee Assistance Program (EAP) with our medical plans.

a. If yes, please provide a list of the types of EAP benefits you have experience providing (e.g. counseling/assessment/referral, management workplace consultation, employee workplace consultation, critical incident management and debriefing, training, additional work/life benefits such as legal or financial counseling, or other services).

Not applicable.

b. What is the per employee per month (PEPM) cost to employers for providing EAP services to subscribers?

Not applicable.

c. What is the average utilization rate of counseling services for school employees?

Not applicable.

3. Please answer the following hypothetical questions regarding implementation, assuming HCA is a new client (this information will help HCA in the development of a procurement and implementation schedule):

Kaiser Permanente Washington estimates that we can map, program and test the SEBB 834 eligibility file within 30 business days.

a. After being provided with a HIPAA 834 eligibility file, on average how long would it take to collaborate to build the group structure framework and data layouts, assuming there are six (6) subgroups (Reference Exhibit 6 – Group Structure Example)?

Based on our experience working with the HIPAA 834 eligibility file for the HCA's Public Employees Benefits Board, we estimate 7 to 10 business days to build the group structure framework and data layouts for the SEBB.

b. After completion of the group structure framework and data layouts, on average how long would it take to program the groups into your organization's IT systems?

Once the SEBB group structure framework and data layouts are complete, we estimate 14 business days to complete programming of the group into our system.

c. After completion of the programming, on average how long would it take your organization to test?

Testing of each 834 eligibility file can take up to 7 business days. Once the first file is acceptable and passes testing, we will implement the file into production. If the file does not pass or requires additional research by the TPA or group, a new test file will be requested. Each file that is tested can take up to 7 business to complete the testing process.

- 4. Does your organization contract directly with an HSA vendor to administer your subscribers' qualified HSA benefits? If so, which vendor do you use?**

HealthEquity is Kaiser Permanente Washington's preferred HSA vendor. We have extensive experience partnering with HealthEquity to provide health savings accounts when paired with our qualified high deductible health plans.

- 5. Please provide contact information (name, email, and phone number) for staff that HCA can follow up with for questions pertaining to this RFI.**

Inquiries regarding Kaiser Permanente Washington's response to the RFI can be directed to:

Molly McHugh
Senior Account Consultant, Strategic Accounts
mchugh.mt@ghc.org
(206) 630-4215

F. Additional Questions (Optional)

- 1. What factors would you consider as you look to expand coverage into a new county?**

Kaiser Permanente Washington's service area is currently composed of 19 full counties and 5 partial counties. Our medical offices are in 6 of these counties.

As a tightly managed HMO, the key factor for service area expansion is the feasibility for Kaiser Permanente Washington and Washington Permanente Medical Group to open medical offices in new markets.

- 2. What information would your organization typically need from a new client to be able to develop a proposal for a fully-insured group medical insurance plan (data requirements, file exchange requirements, claims and census data, timeline, etc.)?**

To provide a quote for a new client, Kaiser Permanente Washington requires the following information:

- Current and renewal rates
- Current and requested plan design(s)
- Employer and employee contribution amount
- Claims experience – rolling 24 months
- 4th quarter deductible carry over – included or not included
- Employee census (Excel format) including:
 - Date of birth
 - Zip code
 - Gender
 - Enrollment level (e.g., eligible employee, eligible spouse, etc.)
 - Enrollment status (e.g., active, COBRA, etc.)
- Probationary period for new hires

¹Washington Health Alliance, 2017 Community Checkup, published Dec. 2017, www.communitycheckup.org

Washington State Health Care Authority Request for Information: Fully-Insured Group Medical Plans

Section 6. Administrative Terms and Conditions

F. Public Records and Proprietary Information

Any information contained in the response that is proprietary or confidential must be clearly designated as such. The page and the particular exception(s) from disclosure must be identified. Each page claimed to be exempt from disclosure must be clearly identified by the word "confidential" or "proprietary" printed on the page. Marking the entire response as confidential will be neither accepted nor honored and may result in disclosure of the entire response.

Document	Question or Item	Protected from Disclosure
Section 4 Content of Responses	B.1. and B.2. Exhibit 4	Pursuant to RCW 42.56.270: contains proprietary, confidential, and trade secret information pertaining to Kaiser Permanente Washington's current and prospective health plan strategies, pricing/rates for services, unique methods of conducting business, and data associated with Kaiser Permanente Washington's strategies. This information includes, but is not limited to, Kaiser Permanente Washington's rates and plan details developed for SEBB.
Section 4 Content of Responses	B.3.	Pursuant to RCW 42.56.270: contains proprietary, confidential, and trade secret information pertaining to Kaiser Permanente Washington's current and prospective health plan strategies, pricing/rates for services, unique methods of conducting business, and data associated with Kaiser Permanente Washington's strategies. This information includes, but is not limited to, Kaiser Permanente Washington's current and prospective health plan strategies related to risk adjustment methodologies.

Section 4 Content of Responses	C.1. Exhibit 5	Pursuant to RCW 42.56.270: contains proprietary, confidential, and trade secret information pertaining to Kaiser Permanente Washington's current and prospective health plan strategies, pricing/rates for services, unique methods of conducting business, and data associated with Kaiser Permanente Washington's strategies. This information includes, but is not limited to, Kaiser Permanente Washington's future prospective health plan strategies related to expansion plans.
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Sample HMO Plan 1

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible?
 Apply Inpatient Copay per Day?
 Apply Skilled Nursing Facility Copay per Day?
 Use Separate MOOP for Medical and Drug Spending?
 Indicate if Plan Meets CSR or Expanded Bronze AV Standard?
 Desired Metal Tier

HSA/HRA Options	Tiered Network Option
HSA/HRA Employer Contribution?	Tiered Network Plan?
Annual Contribution Amount:	1st Tier Utilization: 2nd Tier Utilization:

	Tier 1 Plan Benefit Design		
	Medical	Drug	Combined
Deductible (\$)			
Coinsurance (% Insurer's Cost Share)			
MOOP (\$)			
MOOP if Separate (\$)			

	Tier 2 Plan Benefit Design		
	Medical	Drug	Combined
Deductible (\$)			
Coinsurance (% Insurer's Cost Share)			
MOOP (\$)			
MOOP if Separate (\$)			

[Click Here for Important Instructions](#)

Click Here for Important Instructions	Tier 1				Tier 2				Tier 1	Tier 2
Type of Benefit	Subject to	Subject to	Coinsurance, if	Copay, if	Subject to	Subject to	Coinsurance, if	Copay, if	Copay applies only after deductible?	
Medical										
Emergency Room Services										
All Inpatient Hospital Services (inc. MH/SUD)										
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)										
Specialist Visit										
Mental/Behavioral Health and Substance Use Disorder Outpatient Services										
Imaging (CT/PET Scans, MRIs)										
Speech Therapy										
Occupational and Physical Therapy										
Preventive Care/Screening/Immunization										
Laboratory Outpatient and Professional Services										
X-rays and Diagnostic Imaging										
Skilled Nursing Facility										
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)										
Outpatient Surgery Physician/Surgical Services										
Drugs										
Generics										
Preferred Brand Drugs										
Non-Preferred Brand Drugs										
Specialty Drugs (i.e. high-cost)										

Options for Additional Benefit Design Limits:		
Set a Maximum on Specialty Rx Coinsurance Payments?		
Specialty Rx Coinsurance Maximum:		
Set a Maximum Number of Days for Charging an IP Copay?		
# Days (1-10):		
Begin Primary Care Cost-Sharing After a Set Number of Visits?		
# Visits (1-10):		
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?		
# Copays (1-10):		

Plan Description:
 Name: Sample HMO Plan 1
 Plan HIOS ID:
 Issuer HIOS ID:

Output

Status/Error Messages:

Actuarial Value:

Metal Tier:

Calculation Successful.

Additional Notes:

Calculation Time:

0.1641 seconds

Final 2019 AV Calculator

Sample HMO Plan 2

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible?
 Apply Inpatient Copay per Day?
 Apply Skilled Nursing Facility Copay per Day?
 Use Separate MOOP for Medical and Drug Spending?
 Indicate if Plan Meets CSR or Expanded Bronze AV Standard?
 Desired Metal Tier

HSA/HRA Options	Tiered Network Option
HSA/HRA Employer Contribution?	Tiered Network Plan?
Annual Contribution Amount:	1st Tier Utilization: 2nd Tier Utilization:

	Tier 1 Plan Benefit Design		
	Medical	Drug	Combined
Deductible (\$)			
Coinsurance (% Insurer's Cost Share)			
MOOP (\$)			
MOOP if Separate (\$)			

	Tier 2 Plan Benefit Design		
	Medical	Drug	Combined
Deductible (\$)			
Coinsurance (% Insurer's Cost Share)			
MOOP (\$)			
MOOP if Separate (\$)			

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[Click Here for Important Instructions](#)

	Tier 1				Tier 2				Tier 1	Tier 2
Type of Benefit	Subject to	Subject to	Coinsurance, if	Copay, if	Subject to	Subject to	Coinsurance, if	Copay, if	Copay applies only after deductible?	
Medical										
Emergency Room Services										
All Inpatient Hospital Services (inc. MH/SUD)										
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)										
Specialist Visit										
Mental/Behavioral Health and Substance Use Disorder Outpatient Service										
Imaging (CT/PET Scans, MRIs)										
Speech Therapy										
Occupational and Physical Therapy										
Preventive Care/Screening/Immunization										
Laboratory Outpatient and Professional Services										
X-rays and Diagnostic Imaging										
Skilled Nursing Facility										
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)										
Outpatient Surgery Physician/Surgical Services										
Drugs										
Generics										
Preferred Brand Drugs										
Non-Preferred Brand Drugs										
Specialty Drugs (i.e. high-cost)										
Options for Additional Benefit Design Limits:										
Set a Maximum on Specialty Rx Coinsurance Payments:					Plan HIOS ID: Issuer HIOS ID:					
Specialty Rx Coinsurance Maximum:										
Set a Maximum Number of Days for Charging an IP Copay?										
# Days (1-10):										
Begin Primary Care Cost-Sharing After a Set Number of Visits?										
# Visits (1-10):										
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?										
# Copays (1-10):										

Output

Status/Error Messages:

Actuarial Value:

Metal Tier:

Additional Notes:

Calculation Time:

Final 2019 AV Calculator

Calculation Successful.

0.1484 seconds

Plan HIOS ID:

Issuer HIOS ID:

Sample HMO Plan 3

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible?
 Apply Inpatient Copay per Day?
 Apply Skilled Nursing Facility Copay per Day?
 Use Separate MOOP for Medical and Drug Spending?
 Indicate if Plan Meets CSR or Expanded Bronze AV Standard?
 Desired Metal Tier

HSA/HRA Options	Tiered Network Option
HSA/HRA Employer Contribution?	Tiered Network Plan?
Annual Contribution Amount:	1st Tier Utilization: 2nd Tier Utilization:

Tier 1 Plan Benefit Design		
Medical	Drug	Combined
Deductible (\$)		
Coinsurance (% Insurer's Cost Share)		
MOOP (\$)		
MOOP if Separate (\$)		

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

[Click Here for Important Instructions](#)

Type of Benefit	Tier 1				Tier 2				Tier 1	Tier 2
	Subject to	Subject to	Coinsurance, if	Copay, if	Subject to	Subject to	Coinsurance, if	Copay, if	Copay applies only after deductible?	
Medical										
Emergency Room Services										
All Inpatient Hospital Services (inc. MH/SUD)										
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)										
Specialist Visit										
Mental/Behavioral Health and Substance Use Disorder Outpatient Service										
Imaging (CT/PET Scans, MRIs)										
Speech Therapy										
Occupational and Physical Therapy										
Preventive Care/Screening/Immunization										
Laboratory Outpatient and Professional Services										
X-rays and Diagnostic Imaging										
Skilled Nursing Facility										
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)										
Outpatient Surgery Physician/Surgical Services										
Drugs										
Generics										
Preferred Brand Drugs										
Non-Preferred Brand Drugs										
Specialty Drugs (i.e. high-cost)										
Options for Additional Benefit Design Limits:										
Set a Maximum on Specialty Rx Coinsurance Payments										
Specialty Rx Coinsurance Maximum										
Set a Maximum Number of Days for Charging an IP Copay?										
# Days (1-10):										
Begin Primary Care Cost-Sharing After a Set Number of Visits?										
# Visits (1-10):										
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?										
# Copays (1-10):										

Output

Status/Error Messages:

Actuarial Value:

Metal Tier:

Additional Notes:

Calculation Time:

0.1836 seconds

Final 2019 AV Calculator

Issuer HIOS ID:

Alternative Plan 1 Core HMO

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible
 Apply Inpatient Copay per Day
 Apply Skilled Nursing Facility Copay per Day
 Use Separate MOOP for Medical and Drug Spending
 Indicate if Plan Meets CSR or Expanded Bronze AV Standard
 Desired Metal Tier

HSA/HRA Options	Tiered Network Option
HSA/HRA Employer Contribution?	Tiered Network Plan?
Annual Contribution Amount:	1st Tier Utilization: 2nd Tier Utilization:

Deductible (\$)
 Coinsurance (%; Insurer's Cost Share)
 MOOP (\$)
 MOOP if Separate (\$)

Tier 1 Plan Benefit Design		
Medical	Drug	Combined

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

[Click Here for Important Instructions](#)

Type of Benefit	Tier 1				Tier 2				Tier 1	Tier 2
	Subject to	Subject to	Coinsurance, if	Copay, if	Subject to	Subject to	Coinsurance, if	Copay, if	Copay applies only after deductible?	
Medical										
Emergency Room Services										
All Inpatient Hospital Services (inc. MH/SUD)										
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)										
Specialist Visit										
Mental/Behavioral Health and Substance Use Disorder Outpatient Services										
Imaging (CT/PET Scans, MRIs)										
Speech Therapy										
Occupational and Physical Therapy										
Preventive Care/Screening/Immunization										
Laboratory Outpatient and Professional Services										
X-rays and Diagnostic Imaging										
Skilled Nursing Facility										
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)										
Outpatient Surgery Physician/Surgical Services										
Drugs										
Generics										
Preferred Brand Drugs										
Non-Preferred Brand Drugs										
Specialty Drugs (i.e. high-cost)										

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	
# Copays (1-10):	

Name: Alternative Plan 1: Core HMO
 Plan HIOS ID:
 Issuer HIOS ID:

Output

Status/Error Messages:

Actuarial Value:

Metal Tier:

Additional Notes:

Calculation Time:

0.1289 seconds

Final 2019 AV Calculator

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible
Apply Inpatient Copay per Day
Apply Skilled Nursing Facility Copay per Day
Use Separate MOOP for Medical and Drug Spending
Indicate if Plan Meets CSR or Expanded Bronze AV Standard
Desired Metal Tier

HSA/HRA Options	Tiered Network Option
HSA/HRA Employer Contribution?	Tiered Network Plan?
Annual Contribution Amount:	1st Tier Utilization: 2nd Tier Utilization:

Tier 1 Plan Benefit Design		
Medical	Drug	

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

Deductible (\$)
Coinsurance (%; Insurer's Cost Share)
MOOP (\$)
MOOP if Separate (\$)

[Click Here for Important Instructions](#)

Type of Benefit	Tier 1				Tier 2				Tier 1	Tier 2
	Subject to	Subject to	Coinsurance, if	Copay, if	Subject to	Subject to	Coinsurance, if	Copay, if	Copay applies only after deductible?	
Medical										
Emergency Room Services										
All Inpatient Hospital Services (inc. MH/SUD)										
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)										
Specialist Visit										
Mental/Behavioral Health and Substance Use Disorder Outpatient Services										
Imaging (CT/PET Scans, MRIs)										
Speech Therapy										
Occupational and Physical Therapy										
Preventive Care/Screening/Immunization										
Laboratory Outpatient and Professional Services										
X-rays and Diagnostic Imaging										
Skilled Nursing Facility										
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)										
Outpatient Surgery Physician/Surgical Services										
Drugs										
Generics										
Preferred Brand Drugs										
Non-Preferred Brand Drugs										
Specialty Drugs (i.e. high-cost)										
Options for Additional Benefit Design Limits:										
Set a Maximum on Specialty Rx Coinsurance Payment:										
Specialty Rx Coinsurance Maximum:										
Set a Maximum Number of Days for Charging an IP Copay?										
# Days (1-10):										
Begin Primary Care Cost-Sharing After a Set Number of Visits?										
# Visits (1-10):										
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?										
# Copays (1-10):										

Plan HIOS ID:
Issuer HIOS ID:

Output

Status/Error Messages:

Actuarial Value:

Metal Tier:

Additional Notes:

Calculation Time:

Final 2019 AV Calculator

Calculation Successful

0.1289 seconds

Alternative Plan 3 CDHP HMO

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible
Apply Inpatient Copay per Day
Apply Skilled Nursing Facility Copay per Day
Use Separate MOOP for Medical and Drug Spending
Indicate if Plan Meets CSR or Expanded Bronze AV Standard
Desired Metal Tier

HSA/HRA Options	Tiered Network Option
HSA/HRA Employer Contribution?	Tiered Network Plan?
Annual Contribution Amount:	1st Tier Utilization: 2nd Tier Utilization:

Deductible (\$)
Coinsurance (%; Insurer's Cost Share)
MOOP (\$)
MOOP if Separate (\$)

Tier 1 Plan Benefit Design		
Medical	Drug	

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

[Click Here for Important Instructions](#)

Type of Benefit	Tier 1	Tier 2	Tier 1	Tier 2
Medical				
Emergency Room Services				
All Inpatient Hospital Services (inc. MH/SUD)				
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)				
Specialist Visit				
Mental/Behavioral Health and Substance Use Disorder Outpatient Services				
Imaging (CT/PET Scans, MRIs)				
Speech Therapy				
Occupational and Physical Therapy				
Preventive Care/Screening/Immunization				
Laboratory Outpatient and Professional Services				
X-rays and Diagnostic Imaging				
Skilled Nursing Facility				
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)				
Outpatient Surgery Physician/Surgical Services				
Drugs				
Generics				
Preferred Brand Drugs				
Non-Preferred Brand Drugs				
Specialty Drugs (i.e. high-cost)				
Options for Additional Benefit Design Limits:				
Set a Maximum on Specialty Rx Coinsurance Payment				
Specialty Rx Coinsurance Maximum:				
Set a Maximum Number of Days for Charging an IP Copay?				
# Days (1-10):				
Begin Primary Care Cost-Sharing After a Set Number of Visits?				
# Visits (1-10):				
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?				
# Copays (1-10):				

Plan HIOS ID:
Issuer HIOS ID:

Output

Status/Error Messages:

Actuarial Value:

Metal Tier:

Additional Notes:

Calculation Time:

Final 2019 AV Calculator

Calculation Successful

0.2031 seconds

**Washington State Health Care Authority
SEBB Bid Rate Form
Instructions**

*****CONFIDENTIAL AND PROPRIETARY RESPONSE*****

Worksheet 1 - Base Rate Development

(1) Base Period

Base period experience information for the population used to develop rates. Rates are to be developed based on a single population for all plans, with plan-based variation defined separately in Worksheet 2.

- (1a) Base Period Start Date: Start date for base period experience
- (1b) Base Period End Date: End date for base period experience
- (1c) Experience Allowed : Allowed claims incurred during the base period, completed for IBNP, excluding any other adjustments. Allowed claims are defined as claims after carrier discounts but before the deduction of member cost sharing.
- (1d) Member Months : Member Months during the base period
- (1e) Allowed PMPM : (1b) / (1c)

(2) Projection Factors

Standard projection adjustments between the base period and projection period (Calendar Year 2020).

- (2a) Utilization Trend : Secular utilization trend between base and projection period, including impact of service mix changes
- (2b) Management Adjustment : Expected change in claims costs due to changes in utilization management practices
- (2c) Unit Cost Trend: Secular unit cost trend between base and projection period, inflation component only
- (2d) Contracting Adjustment : Changes in claims costs due to updates to overall contracting

(3) Raw Projected PMPM: (1) * (2)

(4) PMPM Other Adjustments

Additional adjustments to projected PMPM. Please describe any additional adjustments and justify why they are necessary. HCA reserves the right to limit any adjustments (positive or negative) in the rates provided.

- (4a) Covered Benefits : Adjustment from covered benefits in the experience to required benefits in the sample plans (i.e. consistent with the PEBB Uniform Medical Plan Classic benefits)
- (4b) Morbidity : Placeholder - This adjustment will be made at a later time based upon a carrier specific adjustment relative to the risk pool
- (4c) Other 1 (please include a description)
- (4d) Other 2 (please include a description)

(5) Adjusted Projected Allowed PMPM: (3) * (4)

(6) Retention

Projected retention, expressed as a percentage of premium. The same percentage load will be applied to every plan in Worksheet 2.

- (6a) Administrative or Non-Benefit Expense (NBE): Projected administrative costs
- (6b) Quality Improvements (QI): As defined in the MLR calculation requirements for the individual ACA market
- (6c) Taxes and Fees
- (6d) Profit /Margin

(7) Total Retention: Sum of (6a) through (6d)

(8) Base Rate Tier Mix

Subscriber month counts in each tier for the base period experience. We understand that the tier mix could potentially be significantly different in the projection period than the base period. This section should reflect the base period tier mix. We also understand that many groups use different tier structures - please adjust subscriber month counts to conform to the tier structure definitions below.

- (8a) Employee Only
- (8b) Employee + Spouse
- (8c) Employee + Child(ren)
- (8d) Employee + Family

(9) MM/AU Ratio: Calculated based on (8)

Adult Units (AU) are defined by counting the tier factor for each subscriber. For example, a population with one employee only (tier factor = 1) and one employee + child(ren) (tier factor = 1.75) has 2.75 adult units.

Worksheet 2 - Plan-Level Details

(1) CY2020 Base Allowed: WS1 (5)

(2) Actuarial Value (Federal AV): As defined by the Federal Actuarial Value Calculator for the Individual ACA market. CDHP plans should include the proposed employer HSA contribution.

(3) Plan Factors

Plan-specific variation for allowed and paid claims.

(3a) Induced Utilization: Variation in plan specific allowed claims costs based on induced demand from higher or lower cost sharing

(3b) Actuarial Value (Pricing AV) : Variation in paid to allowed ratios based on plan cost sharing. Pricing AV can vary from the Federal AV and should consider all benefits covered. CDHP plans should not include the AV impact of proposed employer HSA contributions.

(4) Other Adjustments

Additional adjustments independent of plan benefit offerings. Please describe any additional adjustments and justify why they are necessary. HCA reserves the right to limit any additional adjustments in the rates provided.

(4a) Network: Utilization or contracting impacts based on network-specific considerations that serve a plan

(4b) Morbidity: Not used at this time

(4c) Other 1 (please include a description)

(4d) Other 2 (please include a description)

(5) Plan Paid: (2) * (3) * (4)

(6) Additional Benefits

Mandatory Carve outs

(6a) Vision

Optional Carve outs

(6b-6f) Additional carveouts (please include a description)

Optional Additions

(6g-6k) Additional included benefits (please include a description)

(7) Total Paid w/Alternatives: (5) + (6)

(8) Retention: WS1 (6)

(9) PMPM Payment: (7) / (1 - (8))

(10) MM/AU Ratio: WS1 (9)

(11) PAUPM Payment Rate: (9) * (10)

(12) HSA Contributions

Proposed employer contributions for CDHP Plans

(12a) Contributions for single employees

(12b) Contributions for families

(13) Expected Member Months

This section is for informational use only. Please provide an estimate of expected member distribution by plan and enrollment tier, based on the expectation that the ratio of employee contributions will match the tier factors in Worksheet 1.

Worksheet 3 - Base Population Demographics

Member month counts by age, gender, and employee/dependent for the population used in the base period experience, consistent with the categories in the OIC K-12 Carrier Data Call. Age should be defined based on the member's age at the conclusion of the base period.

Worksheet 5 - Base Population Area Distribution

Washington State Health Care Authority
SEBB Bid Rate Form
Worksheet 1
Base Rate Development

CONFIDENTIAL AND PROPRIETARY RESPONSE

Item Number

- (1) **Base Period**
(1a) Base Period Start Date
(1b) Base Period End Date
(1c) Experience Allowed
(1d) Member Months
(1e) Allowed PMPM
- (2) **Projection Factors¹**
(2a) Utilization Trend
(2b) Management Adjustment
(2c) Unit Cost Trend
(2d) Contracting Adjustment
- (3) **Raw Projected Allowed PMPM**
- (4) **Other Adjustments¹**
(4a) Covered Benefits
(4b) Morbidity
(4c) Other 1
(4d) Other 2
- (5) **Adjusted Projected Allowed PMPM**
- (6) **Retention**
(6a) Admin
(6b) QI
(6c) Taxes and Fees
(6d) Profit
- (7) **Total Retention**
- (8) **Tier Mix**
(8a) Employee Only
(8b) Employee + Spouse
(8c) Employee + Child(ren)
(8d) Employee + Family
- (9) **MM/AU Ratio**

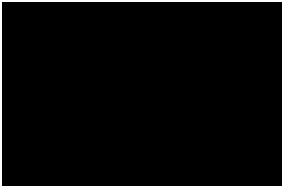
Notes:(1) Projected amounts should reflect calendar year 2020 values.



Description of Optional Adjustment

Demo Changes

Tier Factor



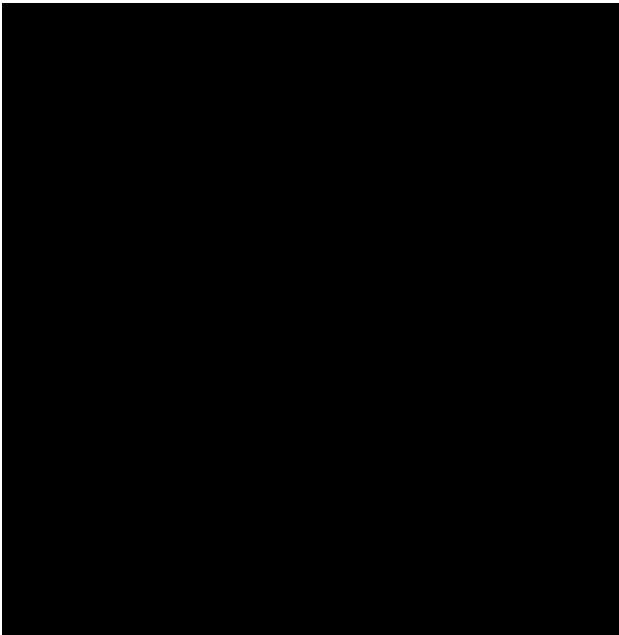
Washington State Health Care Authority
SEBB Bid Rate Form
Worksheet 2
Plan-Level Details

CONFIDENTIAL AND PROPRIETARY RESPONSE

Item Number

- (1) **CY2020 Base Allowed PMPM**
- (2) **Actuarial Value (Federal)**
- (3) **Plan Factors**
- (3a) Induced Utilization
- (3b) Actuarial Value (Pricing)
- (4) **Other Adjustments**
- (4a) Network
- (4b) Morbidity
- (4c) Formula Diff¹
- (4d) Excl Vision
- (5) Plan Paid
- (6) **Additional Benefits**
- Mandatory Carveouts*
- (6a) Vision
- Optional Carveouts*
- (6b) Benefit 2
- (6c) Benefit 3
- (6d) Benefit 4
- (6e) Benefit 5
- (6f) Benefit 6
- Optional Additions*
- (6g) Benefit 7
- (6h) Benefit 8
- (6i) Benefit 9
- (6j) Benefit 10
- (6k) Benefit 11
- (6f) **Total**
- (7) **Paid w/Alternatives**
- (8) **Retention**

- (9) **PMPM Payment**
- (10) **MM/AU Ratio**
- (11) **CY2020 PAUPM Payment Rate**
- (12) **HSA Contributions**
- (12a) Single Employee
- (12b) Family
- (12) **Expected Subscriber Months**
- (12a) Employee Only
- (12b) Employee + Spouse
- (12c) Employee + Child(ren)
- (12d) Employee + Family



Notes:

- 1) *Retention load adjustment due to fixed component in KPWA rating that is not impacted by benefit valuation*

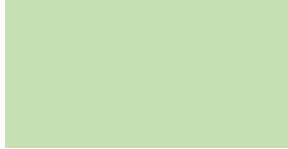


Plan

Sample Plan 3	Alternative Plan 1	Alternative Plan 2	Alternative Plan 3
			



Alternative Plan 4	Description of Optional Adjustment



Washington State Health Care Authority
SEBB Bid Rate Form
Worksheet 3
Base Population Demographics

CONFIDENTIAL AND PROPRIETARY RESPONSE

Age Band	Gender	Employee/Dependent	Member
0-19	F	Employee	
20-24	F	Employee	
25-29	F	Employee	
30-34	F	Employee	
35-39	F	Employee	
40-44	F	Employee	
45-49	F	Employee	
50-54	F	Employee	
55-59	F	Employee	
60-64	F	Employee	
65+	F	Employee	
0-19	M	Employee	
20-24	M	Employee	
25-29	M	Employee	
30-34	M	Employee	
35-39	M	Employee	
40-44	M	Employee	
45-49	M	Employee	
50-54	M	Employee	
55-59	M	Employee	
60-64	M	Employee	
65+	M	Employee	
0-19	F	Dependent	
20-24	F	Dependent	
25-29	F	Dependent	
30-34	F	Dependent	
35-39	F	Dependent	
40-44	F	Dependent	
45-49	F	Dependent	
50-54	F	Dependent	
55-59	F	Dependent	
60-64	F	Dependent	
65+	F	Dependent	
0-19	M	Dependent	
20-24	M	Dependent	
25-29	M	Dependent	
30-34	M	Dependent	
35-39	M	Dependent	
40-44	M	Dependent	
45-49	M	Dependent	
50-54	M	Dependent	
55-59	M	Dependent	
60-64	M	Dependent	
65+	M	Dependent	

Washington State Health Care Authority
SEBB Bid Rate Form
Worksheet 4
Base Population Area Distribution

CONFIDENTIAL AND PROPRIETARY RESPONSE

State	County
WA	Adams
WA	Asotin
WA	Benton
WA	Chelan
WA	Clallam
WA	Clark
WA	Columbia
WA	Cowlitz
WA	Douglas
WA	Ferry
WA	Franklin
WA	Garfield
WA	Grant
WA	Grays Harbor
WA	Island
WA	Jefferson
WA	King
WA	Kitsap
WA	Kittitas
WA	Klickitat
WA	Lewis
WA	Lincoln
WA	Mason
WA	Okanogan
WA	Pacific
WA	Pend Oreille
WA	Pierce
WA	San Juan
WA	Skagit
WA	Skamania
WA	Snohomish
WA	Spokane
WA	Stevens
WA	Thurston
WA	Wahkiakum
WA	Walla Walla
WA	Whatcom
WA	Whitman
WA	Yakima
OR	Clackamas
OR	Clatsop
OR	Columbia
OR	Gilliam
OR	Hood River
OR	Morrow
OR	Multnomah
OR	Sherman
OR	Umatilla



OR	Union
OR	Wallowa
OR	Wasco
OR	Washington
ID	Adams
ID	Benewah
ID	Bonner
ID	Boundary
ID	Idaho
ID	Kootenai
ID	Latah
ID	Lewis
ID	Nez Perce
Out of State	Other

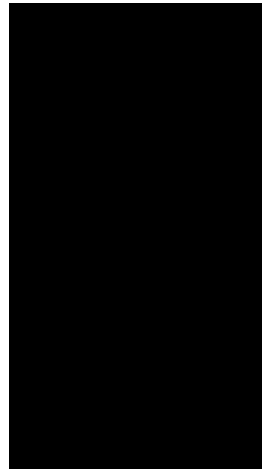


Exhibit 5 - County Coverage

CONFIDENTIAL AND PROPRIETARY RESPONSE

a. State	b. County	c. # of HMO Plans Currently Available	d. # of PPO Plans Currently Available	e. # of Other Plan Types Currently Available	f. # of HMO Plans Anticipated for 1/1/2020	g. # of PPO Plans Anticipated for 1/1/2020	h. # of Other Plan Types Anticipated for 1/1/2020
WA	Adams						
WA	Asotin						
WA	Benton						
WA	Chelan						
WA	Clallam						
WA	Clark						
WA	Columbia						
WA	Cowlitz						
WA	Douglas						
WA	Ferry						
WA	Franklin						
WA	Garfield						
WA	Grant						
WA	Grays Harbor						
WA	Island						
WA	Jefferson						
WA	King						
WA	Kitsap						
WA	Kittitas						
WA	Klickitat						
WA	Lewis						
WA	Lincoln						
WA	Mason						
WA	Okanogan						
WA	Pacific						
WA	Pend Oreille						
WA	Pierce						
WA	San Juan						
WA	Skagit						
WA	Skamania						
WA	Snohomish						
WA	Spokane						
WA	Stevens						
WA	Thurston						
WA	Wahkiakum						
WA	Walla Walla						
WA	Whatcom						
WA	Whitman						
WA	Yakima						
OR	Clackamas						
OR	Clatsop						
OR	Columbia						
OR	Gilliam						
OR	Hood River						
OR	Morrow						
OR	Multnomah						
OR	Sherman						
OR	Umatilla						
OR	Union						
OR	Wallowa						
OR	Wasco						
OR	Washington						
ID	Adams						
ID	Benewah						
ID	Bonner						
ID	Boundary						
ID	Idaho						
ID	Kootenai						
ID	Latah						
ID	Lewis						
ID	Nez Perce						

