

Public Employees Benefits Board Meeting

July 12, 2023

BRIEFING BOOK UPDATES

TAB 7 – Presentation updated.

TAB 8 – Presentation updated.

Public Employees Benefits Board

July 12, 2023

9:00 a.m. – 1:00 p.m.

This meeting will be hybrid with attendance options both in person and via Zoom

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

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TAB 1

Public Employees Benefits Board
July 12, 2023
9:00 a.m. – 1:00 p.m.

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

TO JOIN ZOOM MEETING – SEE INFORMATION BELOW

9:00 a.m.*	Welcome and Introductions		Lou McDermott, Chair Pro-Tem	
9:05 a.m.	Meeting Overview		Dave Iseminger, Director Employees & Retirees Benefits (ERB) Division	Information
9:10 a.m.	Approval of Meeting Minutes: • June 29, 2023	TAB 3	Lou McDermott, Chair Pro-Tem	Action
9:15 a.m.	2024 Medicare Premiums	TAB 4	Molly Christie, Fiscal Analyst Financial Services Division (FSD)	Action
10:00 a.m.	Medicare Update	TAB 5	Ellen Wolfhagen, Senior Account Manager Employees & Retirees Benefits (ERB) Division	Information/ Discussion
10:20 a.m.	Break			
10:30 a.m.	2024 Non-Medicare Benefits Changes	TAB 6	Beth Heston, Senior Account Manager Employees & Retirees Benefits (ERB) Division	Information/ Discussion
10:50 a.m.	2024 Non-Medicare Premiums	TAB 7	Tanya Deuel, ERB Finance Manager Financial Services Division (FSD)	Information/ Discussion
11:10 a.m.	Kaiser Permanente Insights	TAB 8	Kelly Meehan Cook, Director Kaiser Foundation Health Plan of Washington Jennifer Stacy, Interim Vice President Kaiser Foundation Plan of the Northwest	Information/ Discussion
11:30 a.m.	Procurements Insights	TAB 9	Shawna Lang, Section Manager Employees & Retirees Benefits (ERB) Division	Information/ Discussion
11:55 a.m.	SmartHealth: WebMD Implementation	TAB 10	Kristen Stoimenoff, Wellness Manager Employees & Retirees Benefits (ERB) Division	Information/ Discussion
12:15 p.m.	2024 Board Meeting Schedule	TAB 11	David Iseminger, Director Employees & Retirees Benefits (ERB) Division	Information/ Discussion
12:20 p.m.	General Public Comment			
12:55 p.m.	Closing			

1:00 p.m.

Adjourn

Lou McDermott, Chair Pro-Tem

***All Times Approximate**

The Public Employees Benefits Board will meet Wednesday, July 12, 2023 at the Washington State Health Care Authority, Sue Crystal Rooms A & B, 626 8th Avenue SE, Olympia, WA. Attendance for this meeting can be in person or via Zoom. Masks are optional.

The Board will consider all matters on the agenda plus any items that may normally come before them.

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

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

Materials will be posted at <http://www.pebb.hca.wa.gov/board/> by close of business on Monday, July 10, 2023.

Join Zoom Meeting

<https://us02web.zoom.us/j/81067937581?pwd=Tk9wU2h1WGRvNFExWEVySVlUGpldz09>

Meeting ID: 810 6793 7581

Passcode: 999011

One tap mobile

+12532158782,,81067937581#,,,,*999011# US (Tacoma)

+12532050468,,81067937581#,,,,*999011# US

Dial by your location

• +1 253 215 8782 US (Tacoma)

• +1 253 205 0468 US

• +1 719 359 4580 US

• +1 346 248 7799 US (Houston)

• +1 669 444 9171 US

• +1 669 900 6833 US (San Jose)

• +1 564 217 2000 US

• +1 646 931 3860 US

• +1 689 278 1000 US

• +1 929 205 6099 US (New York)

• +1 301 715 8592 US (Washington DC)

• +1 305 224 1968 US

• +1 309 205 3325 US

• +1 312 626 6799 US (Chicago)

• +1 360 209 5623 US

• +1 386 347 5053 US

• +1 507 473 4847 US

Meeting ID: 810 6793 7581

Passcode: 999011

Find your local number: <https://us02web.zoom.us/j/81067937581>

PEB Board Members

Name	Representing
Sue Birch, Director Health Care Authority 626 8 th Ave SE PO Box 42713 Olympia WA 98504-2713 V 360-725-2104 sue.birch@hca.wa.gov	Chair
Kurt Spiegel WA Federation of State Employees 1212 Jefferson ST SE #300 Olympia WA 98501 V 833-622-9373 PEBBoard@hca.wa.gov	State Employees
Elyette Weinstein 5000 Orvas CT SE Olympia WA 98501-4765 V 360-705-8388 PEBBoard@hca.wa.gov	State Retirees
Tom MacRobert 4527 Waldrick RD SE Olympia WA 98501 V 360-264-4450 PEBBoard@hca.wa.gov	K-12 Retirees
Michaela Doelman Office of Financial Management 302 Sid Snyder Ave Olympia WA 98501 C 360-790-8315 PEBBoard@hca.wa.gov	Benefits Management/Cost Containment

PEB Board Members

Name	Representing
Monica McLemore 10002 Aurora Ave N Seattle WA 98125 V 510-239-7162 PEBBoard@hca.wa.gov	Benefits Management/Cost Containment
John Comerford* 121 Vine ST Unit 1205 Seattle, WA V 206-625-3200 PEBBoard@hca.wa.gov	Benefits Management/Cost Containment
Harry Bossi 19619 23 rd DR SE Bothell WA 98012 V 360-689-9275 PEBBoard@hca.wa.gov	Benefits Management/Cost Containment
Legal Counsel Michael Tunick, Assistant Attorney General 7141 Cleanwater DR SW PO Box 40124 Olympia WA 98504-0124 V 360-586-6495 MichaelT4@atg.wa.gov	

*non-voting members

1/27/23



Washington State Health Care Authority
Public Employees Benefits Board
P.O. Box 42713 • Olympia, Washington 98504-2713
360-725-0856 • TTY 711 • FAX 360-586-9551 • www.pebb.hca.wa.gov

PEB BOARD MEETING SCHEDULE

2023 Public Employees Benefits (PEB) Board Meeting Schedule

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

February 2, 2023 (Board Retreat) 9:00 a.m. – 4:00 p.m.

March 9, 2023 - 9:00 a.m. – 1:30 p.m.

April 13, 2023 - 9:00 a.m. – 1:30 p.m.

May 11, 2023 - 9:00 a.m. – 1:30 p.m.

June 8, 2023 - 9:00 a.m. – 1:30 p.m.

June 29, 2023 – 9:00 a.m. – 1:30 p.m.

July 12, 2023 - 9:00 a.m. – 12:00 p.m.

July 19, 2023 - 9:00 a.m. – 12:00 p.m.

July 26, 2023 - 9:00 a.m. – 12:00 p.m.

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

7/5/22

OFFICE OF THE CODE REVISER
STATE OF WASHINGTON
FILED

DATE: July 12, 2022

TIME: 9:19 AM

WSR 22-15-022

TAB 2

PEB BOARD BY-LAWS

ARTICLE I

The Board and its Members

1. **Board Function**—The Public Employees Benefits Board (hereinafter “the PEBB” or “Board”) is created pursuant to RCW 41.05.055 within the Health Care Authority; the PEBB’s function is to design and approve insurance benefit plans and establish eligibility criteria for participation in insurance benefit plans for Higher Education and State employees, State retirees, and school retirees.
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 41.05.055. Board Members shall serve two-year terms. A Member whose term has expired but whose successor has not been appointed by the Governor may continue to serve until replaced.
4. **Non-Voting Member**—There shall be one non-voting Members appointed by the Governor because of their experience in health benefit management and cost containment.
5. **Privileges of Non-Voting Member**—The non-voting Member shall enjoy all the privileges of Board membership, except voting, including the right to sit with the Board, participate in discussions, and make and second motions.
6. **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 Administrator shall serve as Chair of the Board and shall preside at all meetings of the Board and shall have all powers and duties conferred by law and the Board’s By-laws. If the Chair cannot attend a regular or special meeting, he or she shall designate a Chair Pro-Tem to preside during such meeting.
2. **Other Officers**—(reserved)

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, except executive sessions *as permitted by law*, shall be conducted in accordance with the Open Public Meetings Act, Chapter 42.30 RCW.
2. Regular and Special Board Meetings—The Chair shall propose an annual schedule of regular Board meetings. 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 the 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 at the meeting for 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 PEBB Program, and from other interested parties. Time is reserved for public testimony at each regular meeting, generally at the end of the agenda. Opportunity for public testimony at Board meetings shall also be made available immediately before the Board’s vote on a resolution. At the direction of the Chair, opportunities for public testimony may also be made available at other times during Board meetings. The Chair has authority to limit the time for public testimony, including the time allotted to each speaker, depending on the time available and the number of persons wishing to speak.
5. Motions and Resolutions—All actions of the Board shall be expressed by motion or resolution. No motion or resolution shall have effect unless passed by the affirmative votes of a majority of the Board Members present and eligible to vote, or in the case of a proposed amendment to the By-laws, a 2/3 majority of the Board.
6. Representing the Board’s Position on an Issue—No Board Member may endorse or oppose an issue purporting to represent the Board or the opinion of the Board on an 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 Chair Pro-Tem designated by the Health Care Authority Director from voting.
8. 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. Board staff shall provide a copy of *Robert’s Rules* at all Board meetings.
9. 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.
10. 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.

ARTICLE VI
Amendments to the By-Laws and Rules of Construction

1. Two-thirds majority required to amend—The PEBB 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.

Last Revised March 9, 2023

TAB 3

Draft
Public Employees Benefits Board
Meeting Minutes

June 29, 2023
Health Care Authority
Sue Crystal Rooms A & B
Olympia, Washington
9:05 a.m. – 2:44 p.m.

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

Members Present in Olympia

Lou McDermott, Chair Pro-Tem
Elyette Weinstein
John Comerford
Harry Bossi
Tom MacRobert

Members Present via Zoom

Monica McLemore
Kurt Spiegel

Members Absent

Michaela Doelman

SEB Board Counsel

Michael Tunick, AAG

Call to Order

Lou McDermott, Chair Pro-Tem, called the meeting to order at 9:05 a.m. Sufficient members were present to allow a quorum. Board members and the public were able to attend either in person or virtually via Zoom.

Meeting Overview

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

Approval of Meeting Minutes

Elyette Weinstein moved, and Kurt Spiegel seconded a motion to approve the June 8, 2023 meeting minutes. Minutes were approved as amended by unanimous vote. Michaela Doelman was absent for voting.

UMP CDHP IRS Minimum Deductible

Janice McAlpin, Senior Account Manager in the Employees and Retirees Benefits (ERB) Division, presented a resolution to the Board for a vote regarding the UMP Consumer Health Directed Plan (CDHP) and setting the annual deductible for the plan to align with the minimum annual deductible level established by the Internal Revenue Service (IRS).

- *PEBB 2023-04 UMP Consumer-Directed Health Plan (CDHP) IRS Minimum Deductible.* Tom MacRobert moved, and John Comerford seconded a motion to approve the resolution. The resolution passed with a unanimous vote. Michaela Doelman was absent for voting.

UMP COVID-19 Over-The-Counter Test Coverage

Janice McAlpin, Senior Account Manager in the Employees and Retirees Benefits (ERB) Division, brought a resolution to the Board for a vote regarding UMP over-the-counter COVID-19 test coverage after the end of the federal public health emergency.

- *PEBB 2023-05 UMP COVID-19 Over-The-Counter Test Coverage.* Monica McLemore moved, and Elyette Weinstein seconded a motion to approve the resolution. The resolution passed with a unanimous vote. Michaela Doelman was absent for voting.

Pharmacy Formulary Development: From FDA Approval to Plan Coverage

Luke Dearden, Clinical Pharmacist in the Clinical Quality and Care Transformation (CQCT) Division, gave a presentation on information regarding the PEBB Program's pharmacy formulary development and how a drug goes from FDA approval to plan coverage. Details of the presentation included information on FDA approval, accelerated FDA approval, drug development, baseline requirements for coverage, the Pharmacy & Therapeutics (P&T) Committee, clinical and cost evaluation, implementation, information on preferred drugs, and Medicare Part D formulary guidelines.

Open Enrollment Member Communications Survey

Michelle George, Communications Manager in the Communications (COM) Division, provided information regarding the post-open enrollment member communications survey completed by the Health Care Authority (HCA) this past winter. Information in the presentation included the reason for the survey, how subscribers receive newsletters, survey design, survey promotion, survey respondent data, what HCA learned, and next steps.

PEBB Program Benefit Cycles

John Partin, Benefits Strategy & Design Section Manager in the Employees and Retirees Benefits (ERB) Division, gave an overview of the PEBB Program's benefit cycles. Details of the presentation included development of benefit designs, the PEBB Program contracts renewal cycle, and three examples of these cycles using home COVID-19 tests and vision hardware benefits changes, and the wellness platform procurement from the PEBB Program.

2024 Medicare Premiums

Molly Christie, Fiscal Analyst in the Financial Services Division (FSD), presented the 2024 Medicare premiums, related financial information, and introduced related premiums resolutions. Details of the presentation included PEBB Medicare subsidies, cost of retiree drug subsidy, PEBB Program Medicare retiree enrollment summary, UMP Classic Medicare rate increase details, challenges to maintaining a self-insured coordination of benefits (COB) plan, and benefit changes for PEBB Program Medicare fully-insured plans.

Introduced premiums resolutions included the following:

- *PEBB 2023-06 – Medicare Explicit Subsidy*
- *PEBB 2023-07 – Kaiser Northwest Medicare Premiums*
- *PEBB 2023-08 – Kaiser Washington Medicare Premiums*
- *PEBB 2023-09 – UnitedHealthcare Medicare Premiums*
- *PEBB 2023-10 – Premera Medicare Premiums*
- *PEBB 2023-11 – UMP Medicare Premiums*

No action was taken, and voting is scheduled to occur on these resolutions at the July 12, 2023 PEB Board meeting.

Medicare Update

Ellen Wolfhagen, Senior Account Manager in the Employees and Retirees Benefits (ERB) Division, provided a Medicare Update by reviewing some of the work done by the agency over the past year and next steps for future continued work. Information in the presentation included a list of Medicare-related Board presentation topics in the 2023 season, agency activities related to Medicare offerings since last Board season, details regarding the Congressional delegation letter that was sent, upcoming agency activities, and influencing factors. The presentation also included a copy of the Congressional delegation letter in the appendix.

Public Comment

The following members of the public provided comments:

- **Carol Dotlich**
- **Aruna Bhuta**
- **Amy Fortier**
- **Linnea Mulder**
- **Katie Johnson**
- **Laurie Weidner**
- **Sharon Etheridge**
- **Annette Barca**

- **Marcos [no last name given]**

Topics brought forth during public comments included comments regarding the 2024 Medicare premiums, retiree listening sessions, acknowledgements of staff presentations, pharmacy benefit manager questions, concerns regarding Kaiser's first fill program, UnitedHealthcare assistance, and Medicare Part D questions.

Their testimonies can be found in the audio recording for the June 29, 2023 PEB Board meeting at:

<https://www.hca.wa.gov/about-hca/programs-and-initiatives/public-employees-benefits-board-pebb-program/meetings-and-materials#meeting-materials>

Next Meeting

July 12, 2023

9:00 a.m. – 1:30 p.m.

Preview of July 12, 2023 PEB Board Meeting

Dave Iseminger, Director, Employees and Retirees Benefits (ERB) Division, provided an overview of potential agenda topics for the July 12, 2023 PEB Board Meeting.

Executive Session

Pursuant to RCW 42.30.110(1)(L), the Board met in in Executive Session to consider proprietary or confidential nonpublished information related to the development, acquisition, or implementation of state purchased health care services as provided in RCW 41.05.026. The Executive Session began at 12:35 p.m. and concluded at 2:43 p.m.

Meeting was adjourned at 2:44 p.m.

TAB 4

2024 PEBB Program Medicare Premiums

Molly Christie
Fiscal Information & Data Analyst
Financial Services Division
July 12, 2023

2024 PEBB Medicare Retiree Premiums

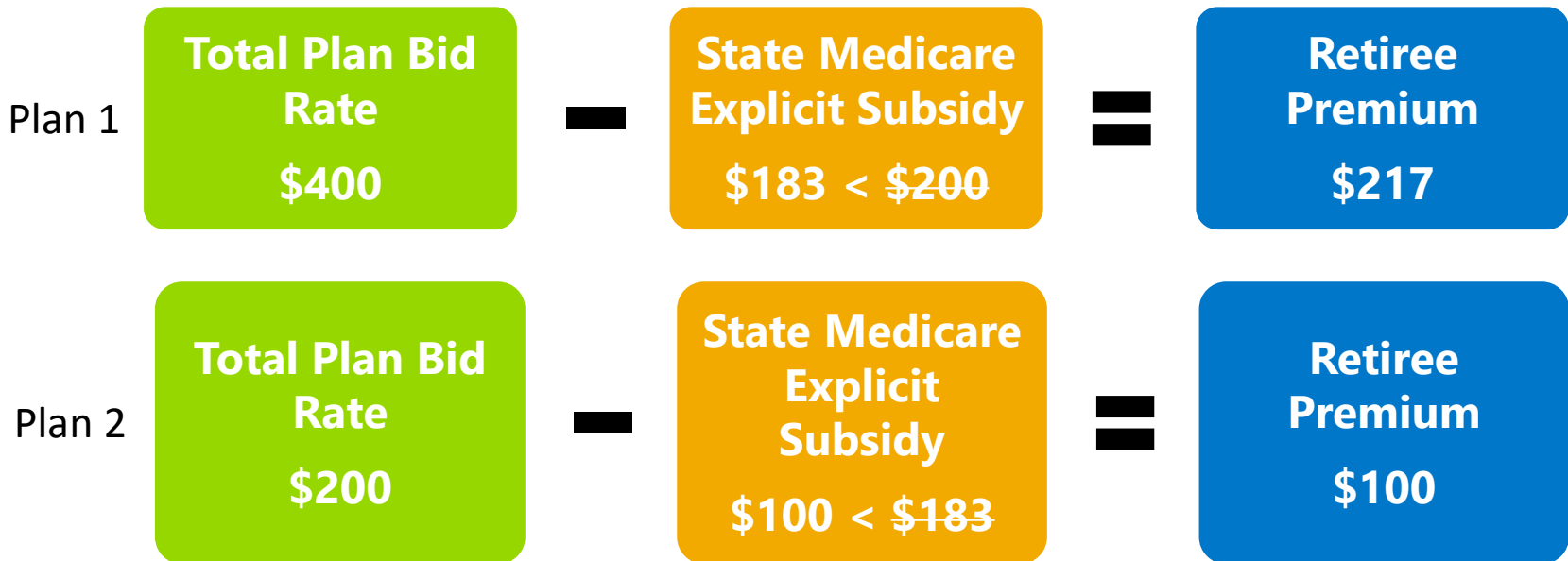
PEBB Retiree Monthly Premium Calculation



Note: 2024 Medicare Explicit Subsidy is proposed to be set at \$183 or 50% of the premium, whichever is less. Final premium also includes an administrative fee, which is \$5.96 for 2024.

State Medicare Explicit Subsidy - Illustration

Proposed 2024 State Medicare Explicit Subsidy = \$183 or 50% of the premium, whichever is less



PEBB Medicare Retiree 2024 Premiums

	Single Subscriber Premium*		Change in Single Subscriber Premium	
	2023 Final	2024 Proposed	%	\$
Kaiser NW Senior Advantage Proposed	\$176.13	\$193.95	10%	\$18
Kaiser WA Medicare Advantage & Original Medicare Proposed	\$174.59	\$188.62	8%	\$14
UMP Classic Medicare Proposed	\$438.34	\$532.94	22%	\$95
UnitedHealthcare (MA-PD) PEBB Complete Proposed	\$145.63	\$160.58	10%	\$15
UnitedHealthcare (MA-PD) PEBB Balance Proposed	\$122.94	\$135.65	10%	\$13
Premera Medicare Supplement Plan F Retired	\$115.16	\$119.05	3%	\$4
Premera Medicare Supplement Plan F Disabled	\$196.69	\$207.45	5%	\$11
Premera Medicare Supplement Plan G Retired	\$98.53	\$101.99	4%	\$3
Premera Medicare Supplement Plan G Disabled	\$164.05	\$169.20	3%	\$5

*Premium after Medicare Explicit Subsidy, proposed at \$183 or 50% of the premium, whichever is less for the 2024 plan year. Includes administrative fee of \$5.96 for 2024.

Annualized 2024 Premiums

	Annual Single Subscriber Premium
Kaiser NW Senior Advantage Proposed	\$2,327.40
Kaiser WA Medicare Advantage & Original Medicare Proposed	\$2,263.44
UMP Classic Medicare Proposed	\$6,395.28
UnitedHealthcare (MA-PD) PEBB Complete Proposed	\$1,926.96
UnitedHealthcare (MA-PD) PEBB Balance Proposed	\$1,627.80
Premera Medicare Supplement Plan F Retired	\$1,428.60
Premera Medicare Supplement Plan F Disabled	\$2,489.40
Premera Medicare Supplement Plan G Retired	\$1,223.88
Premera Medicare Supplement Plan G Disabled	\$2,030.40

*Premium after Medicare Explicit Subsidy, proposed at \$183 or 50% of the premium, whichever is less for the 2024 plan year. Includes administrative fee of \$5.96 for 2024.

Medicare Subscriber + Medicare Spouse/SRDP** 2024 Premiums

	Monthly Single Subscriber Premium*	Monthly Subscriber + Spouse Premium
Kaiser NW Senior Advantage Proposed	\$193.95	\$381.94
Kaiser WA Medicare Advantage & Original Medicare Proposed	\$188.62	\$371.28
UMP Classic Medicare Proposed	\$532.94	\$1,059.92
UnitedHealthcare (MA-PD) PEBB Complete Proposed	\$160.58	\$315.20
UnitedHealthcare (MA-PD) PEBB Balance Proposed	\$135.65	\$265.34
Premera Medicare Supplement Plan F Retired	\$119.05	\$232.14
Premera Medicare Supplement Plan F Disabled	\$207.45	\$408.94
Premera Medicare Supplement Plan G Retired	\$101.99	\$198.02
Premera Medicare Supplement Plan G Disabled	\$169.20	\$332.44

*Premium after Medicare Explicit Subsidy, proposed at \$183 or 50% of the premium, whichever is less for the 2024 plan year. Includes administrative fee of \$5.96 for 2024.

**SRDP – State Registered Domestic Partner

Medicare Explicit Subsidy Amount by Plan

	Monthly Single Subscriber Premium*	Medicare Explicit Subsidy	Composite Rate
Kaiser NW Senior Advantage Proposed	\$193.95	\$183.00	\$376.95
Kaiser WA Medicare Advantage & Original Medicare Proposed	\$188.62	\$182.67	\$371.29
UMP Classic Medicare Proposed	\$532.94	\$183.00	\$715.94
UnitedHealthcare (MA-PD) PEBB Complete Proposed	\$160.58	\$154.63	\$315.21
UnitedHealthcare (MA-PD) PEBB Balance Proposed	\$135.65	\$129.69	\$265.34
Premera Medicare Supplement Plan F Retired	\$119.05	\$113.09	\$232.14
Premera Medicare Supplement Plan F Disabled	\$207.45	\$183.00	\$390.45
Premera Medicare Supplement Plan G Retired	\$101.99	\$96.03	\$198.02
Premera Medicare Supplement Plan G Disabled	\$169.20	\$163.25	\$332.45

*Premium after Medicare Explicit Subsidy, proposed at \$183 or 50% of the premium, whichever is less for the 2024 plan year. Includes administrative fee of \$5.96 for 2024.

2024 PEBB Medicare Premium Resolutions

Resolution PEBB 2023-06

Medicare Explicit Subsidy

Resolved that, the PEB Board endorses the calendar year 2024 monthly Medicare Explicit Subsidy of \$183 or 50% of premium, whichever is less.

Resolution Titles Clarified

The only change to resolutions PEBB 2023-7 through PEBB 2023-11, compared to their introduction at the June 29, 2023 Board meeting, was adding a reference to 2024 in each resolution's title

Resolution PEBB 2023-07

Kaiser NW Medicare 2024 Premiums

Resolved that, the PEB Board endorses the Kaiser Foundation Health Plan of the Northwest Medicare plan premiums.

Resolution PEBB 2023-08

Kaiser WA Medicare 2024 Premiums

Resolved that, the PEB Board endorses the Kaiser Foundation Health Plan of Washington Medicare plan premiums.

Resolution PEBB 2023-09

UHC Medicare 2024 Premiums

Resolved that, the PEB Board endorses the UnitedHealthcare Medicare plan premiums.

Resolution PEBB 2023-10

Premera Medicare 2024 Premiums

Resolved that, the PEB Board endorses the Premera Medicare Supplement plan premiums.

Resolution PEBB 2023-11

UMP Medicare 2024 Premiums

Resolved that, the PEB Board endorses the Uniform Medical Plan (UMP) Classic Medicare plan premiums.

Questions?

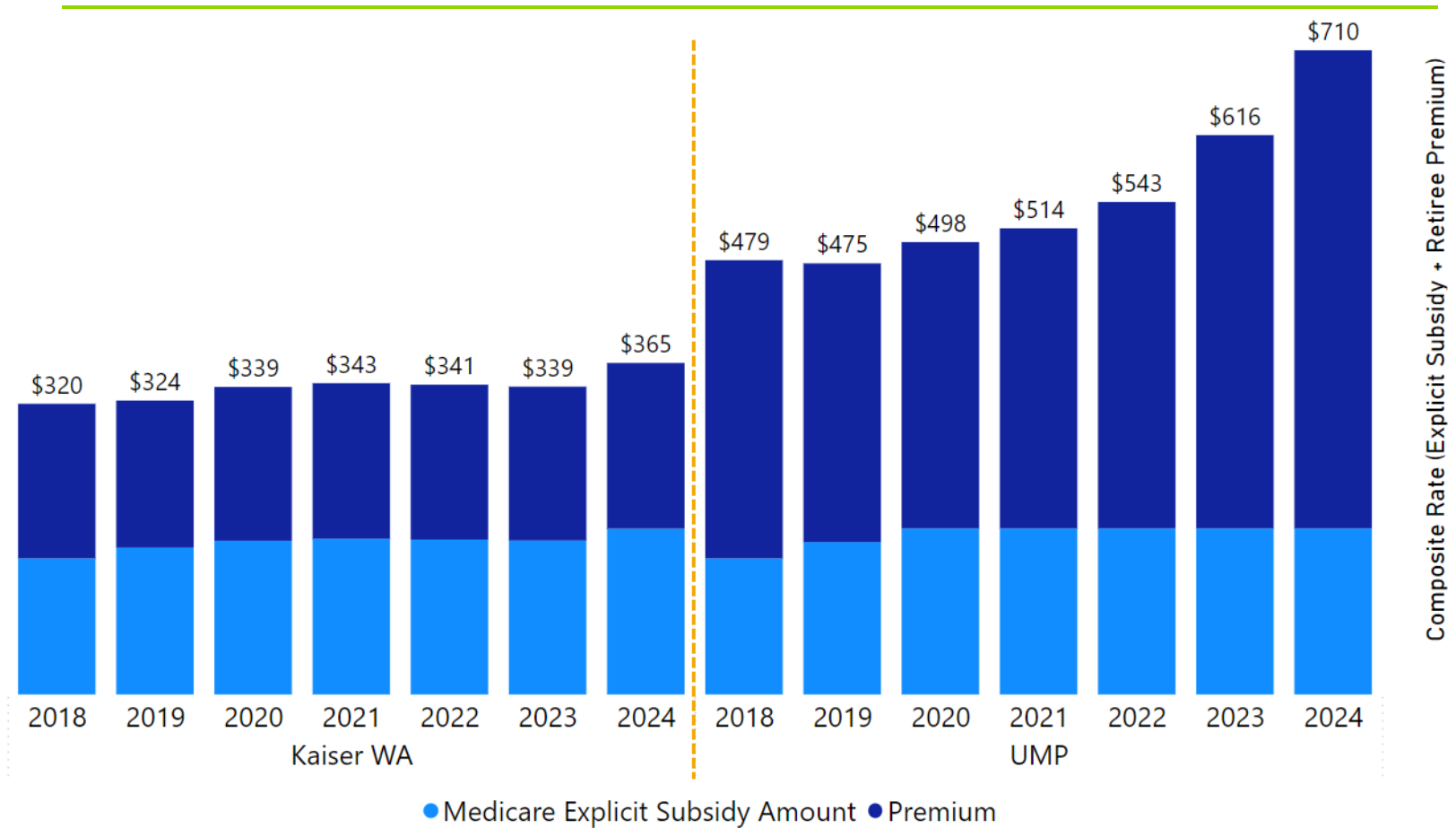
Molly Christie, Fiscal Information & Data Analyst

Financial Services Division

Molly.Christie@hca.wa.gov

Appendix

Effect of Rate on Medicare Subsidy & Retiree Premium



*Premiums exclude ~\$5 administrative fee

Enrollment Summary

Plan	Total	Percentage of Total
Kaiser Permanente NW Senior Advantage	2,364	2.2%
Kaiser WA Medicare Advantage & Original Medicare	23,877	22.4%
Uniform Medical Plan Classic Medicare	43,848	41.1%
UnitedHealthcare PEBB Complete	14,735	13.8%
UnitedHealthcare PEBB Balance	362	0.3%
Premera Blue Cross Medicare Supplement F	14,333	13.4%
Premera Blue Cross Medicare Supplement G	7,202	6.7%
Grand Total	106,721	

*Based on February 2023 enrollment

UMP Classic Medicare Rate Detail

UMP Classic Medicare Rate Development

- ▶ Goal: set rates based on required cost to pay claims and administer UMP Classic Medicare
- ▶ Method: use actual historical claims experience to project future costs per member per month
 - ▶ HCA sets rates in consultation with contracted actuaries at Milliman; Regence does not set rates for UMP
 - ▶ Self-insured plan means **no profit margin** – only retain enough to cover actual costs to administer the plan, including statutorily mandated reserves
- ▶ Impacts: changes in health care costs, utilization, and benefits may increase or decrease cost assumptions used to set rates

UMP Classic Medicare Rate Components

- ▶ Pharmacy 60% of plan cost and trend remains in double digits
 - ▶ Only payer on pharmacy – no Medicare payments for non-Part D prescription drug coverage
 - ▶ Specialty drugs continue to drive overall cost and future trend
- ▶ Rich medical coverage with coordination of benefits (COB) savings bank
 - ▶ Supplemental benefits (e.g., vision, hearing) not covered by traditional Medicare
 - ▶ Most retirees pay \$0 out-of-pocket costs and deductible reimbursed with COB savings bank

Challenges to Maintaining a Self-Insured COB Plan

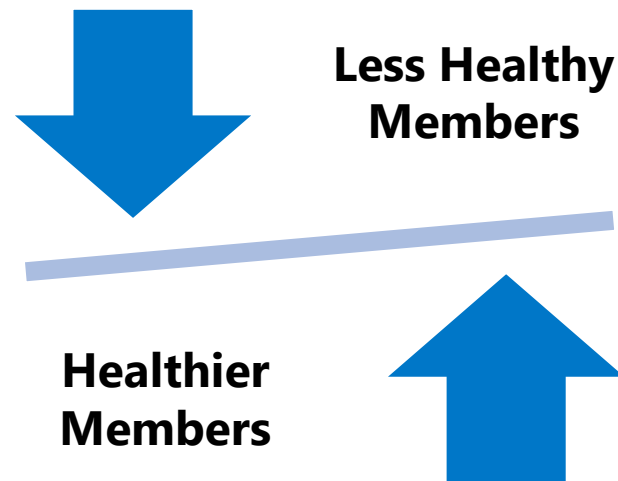
- ▶ WA is one of only 6 states that has been able to maintain a self-insured Medicare COB plan among its offerings, and has some of the richest benefits
 - ▶ Steps have been taken to try to mitigate premium increases while minimizing benefit reductions
- ▶ COB plans do not have the advantage of the same federal subsidies provided to Part C & D plans
- ▶ The premium cost of UMP Classic is not expected to decrease in future years based on enrollment and cost trends

UMP Classic Medicare Rate Drivers

Projected to Actual 2022 Base Claim Experience PMPM		
Medical	(\$5)	
Pharmacy	(\$1)	
Change in reserves, admin, etc.	\$3	
Total Claim Experience Impact	(\$3)	A
Trend (Med + Rx) PMPM		
2022 to 2023	\$5	
2023 to 2024	\$52	
Total Trend Impact	\$57	B
Enrollment Shift PMPM		
2022 to 2023	\$21	
2023 to 2024	\$26	
Enrollment Shift Impact	\$47	C
Total Impact PMPM	\$101	D = A + B + C
Hearing Aid Benefit limit of \$3,000 per ear	(\$6)	E
Final Impact with Hearing Aid Benefit Adjustment PMPM	\$95	F = D - E

Enrollment Shift Analysis

- ▶ Nearly 10,000 members exited UMP Classic Medicare for plan year 2023
- ▶ Milliman used a clinical risk grouping tool to determine the health of the members who were retained, and their relative costs
- ▶ The cost impact of this enrollment shift is included in the 2024 UMP Classic Medicare rate



Benefit Changes for PEBB Medicare Fully-insured Plans

Kaiser Foundation Health Plan of the Northwest (KPNW)

- ▶ **Hearing aid benefit enhancement:** Change the benefit renewal period from 60 months to 36 months in partial alignment with UMP Classic Medicare

Current Benefit

Proposed Benefit

Hearing Aid Enhancement

\$1,400 per ear every 60 months

\$1,400 per ear every 36 months

Kaiser Foundation Health Plan of Washington (KPWA)

	Current Benefit	Proposed Benefit
Hearing Aid Enhancement		
	\$1,400 per ear every 60 months	\$1,400 per ear every 36 months
Chiropractic, Acupuncture, Massage Enhancement		
Chiropractic	12 visits/yr	24 visits/yr
Acupuncture	12 visits/yr	24 visits/yr
	<u>Original Medicare</u>	
	60 visits/yr (combined with PT, OT, ST, NDT, pulmonary and cardiadic rehabilitation)	
Massage		24 visits/yr
	<u>Medicare Advantage</u>	
	10 visits/yr	

*Deductible waived on hearing aids for the KPWA Original Medicare Plan; deductible applies for KPWA Medicare Advantage

**KPWA Medicare Advantage 24 visits/yr non-spinal manipulation; unlimited visits for spinal manipulation

Kaiser Foundation Health Plan of Washington (KPWA) (*cont.*)

Current Benefit

Proposed Benefit

Pharmacy

First Fill

After the first prescription filled at a network retail pharmacy, maintenance drugs must be filled at a KPWA Clinic or through KPWA mail order

Remove First Fill program. Members may refill maintenance drugs at a network retail pharmacy.

UnitedHealthcare (UHC)

Current Benefit

Proposed Benefit

Hearing Aid Enhancement

Partial UMP Alignment	\$2,500 combined both ears every 60 months	\$2,500 combined both ears every 36 months
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TAB 5

Medicare Update

Ellen Wolfhagen
Senior Account Manager
Employees and Retirees Benefits Division
July 12, 2023

Presentation Topics

- ▶ Follow Up
- ▶ ACO Reach Implications
- ▶ UHC Appeals Overview

Follow Up

COVID-19 Vaccines

- ▶ COVID-19 vaccines are covered by Medicare **Part B**
- ▶ Covered as a **medical** expense under Uniform Medical Plan (UMP)
- ▶ There are no copays or deductibles for the vaccine in any plan

Accountable Care Organization (ACO) Reach

- ▶ ACO is an Accountable Care Organization
- ▶ Term of art used by the Center for Medicare and Medicaid Services (CMS) for its direct contracted relationship with providers regarding different alternative payment models
- ▶ These arrangements are not part of the negotiation or administration of the PEBB Program Medicare portfolio plans
- ▶ Group of providers/facilities who work together to improve the quality and experience of care

Accountable Care Organization (ACO) Reach (*cont.*)

- ▶ The Medicare website provides a list of Medicare providers and whether they are part of an ACO
- ▶ www.Medicare.gov/care-compare
- ▶ Known ACOs in Washington:
 - ▶ Peace Health
 - ▶ Northwest Momentum Health Partners
- ▶ Members can use a provider in an ACO or choose a new provider; there is no difference in what their benefits or cost share would be

ACO Reach and Medicare

▶ Per the www.Medicare.gov* website:

“An ACO won’t limit your choice of health care providers. It **isn’t** a Medicare Advantage Plan, HMO plan, or an insurance plan of any kind. Only people with Original Medicare can be assigned to an ACO. If your doctor or other provider is part of an ACO, you still have the right to visit any doctor, hospital, or other provider that accepts Medicare at any time, and your Original Medicare benefits won't change.”

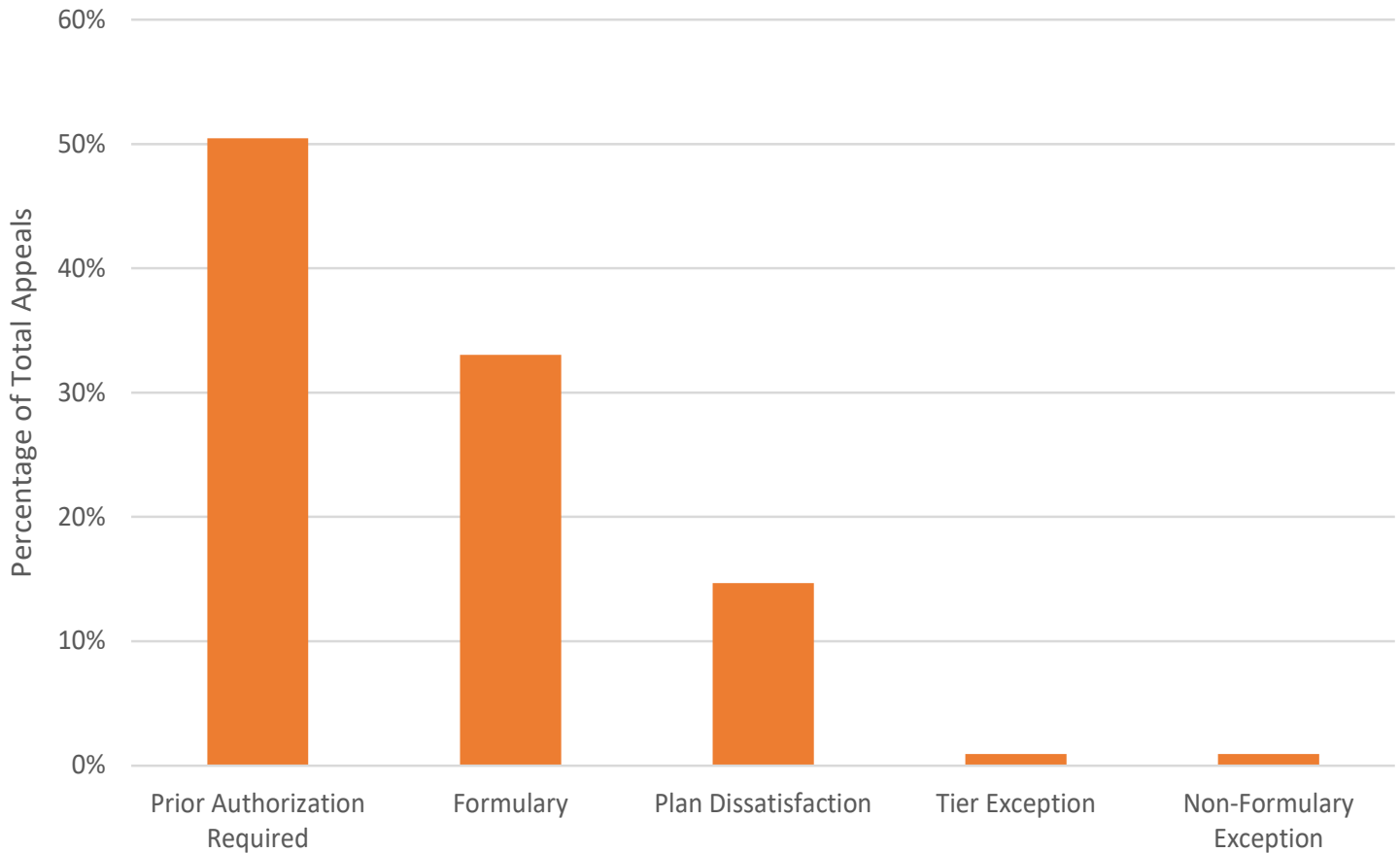
*<https://www.medicare.gov/manage-your-health/coordinating-your-care/accountable-care-organizations>

UnitedHealthcare (UHC) Appeals

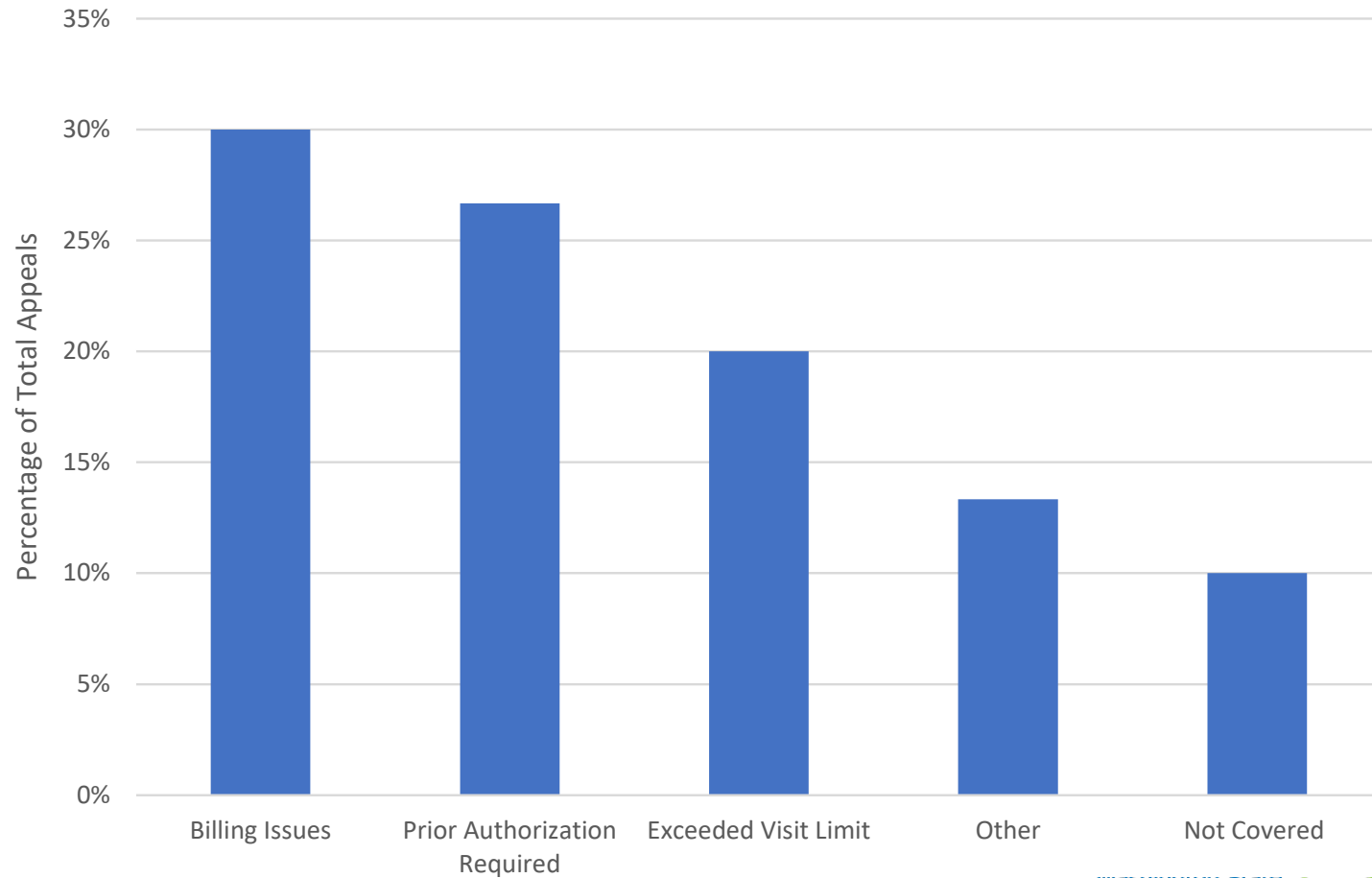
	2021 Plan Year		2022 Plan Year	
	Medical	Pharmacy	Medical	Pharmacy
Initial Denials	22	113	60	113
Appeals	19	45	60	91
Granted	19	37	41	77

- ▶ Reminder, enrollment in UHC plans increased 155% between plan year 2021 and 2022

Top 2022 Pharmacy Appeal Reasons



Top 2022 Medical Appeal Reasons



Questions?

Ellen Wolfhagen, Senior Account Manager
Employees and Retirees Benefits Division

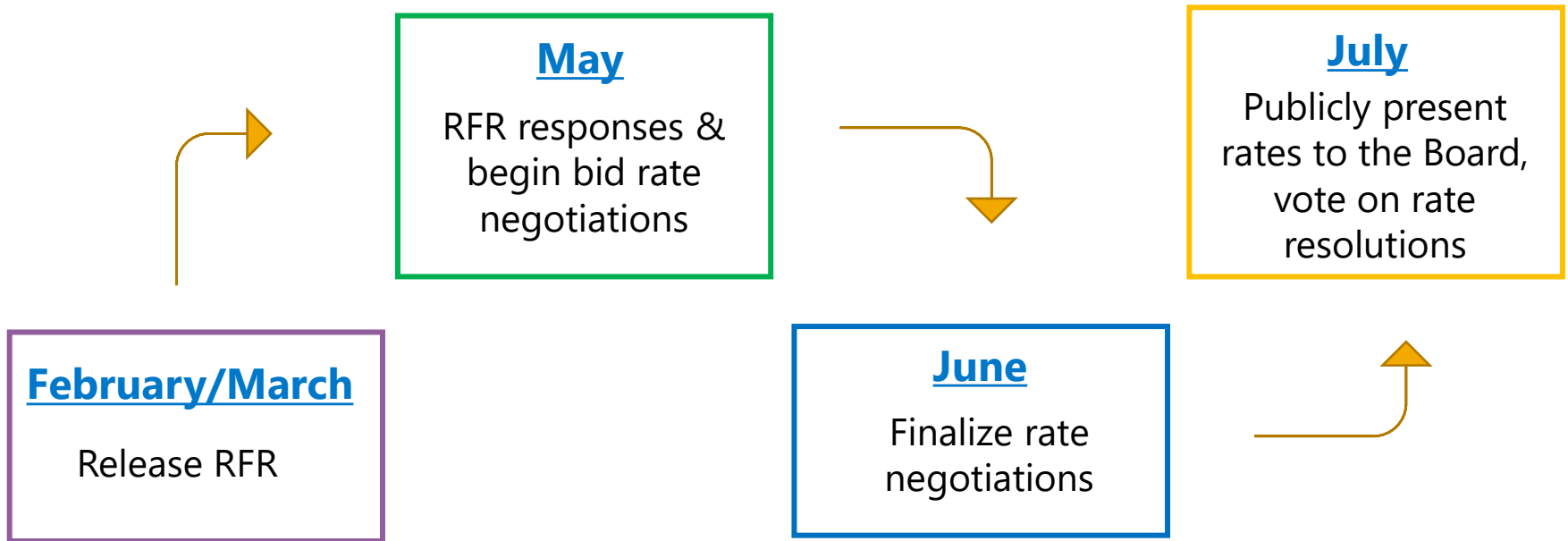
HCAPEBBMedicare@hca.wa.gov

TAB 6

2024 Non-Medicare Benefits Changes

Beth Heston
Procurement Manager
Employees and Retirees Benefits Division
July 12, 2023

Annual Renewal Timeline



*RFR: Request for Renewal

Kaiser Foundation Health Plan of the Northwest (KPNW) Benefit Changes

KPNW Non-Medicare Benefit Changes

- ▶ State legislative mandated changes:
 - ▶ House Bill 1222 - Hearing instruments
 - ▶ Providing coverage at no less than \$3,000 per ear every 36 months
 - ▶ Senate Bill 5242 - Prohibiting cost sharing for abortion
 - ▶ Senate Bill 5396 - Diagnostic and supplemental breast exams cost sharing
- ▶ Federal mandated changes:
 - ▶ Increase to deductible for KPNW Consumer Directed Health Plan (CDHP)

Kaiser Foundation Health Plan of Washington (KPWA) Benefit Changes

KPWA Non-Medicare Benefit Changes

- ▶ State legislative mandated changes:
 - ▶ House Bill 1222 - Hearing instruments
 - ▶ Providing coverage at no less than \$3,000 per ear every 36 months
 - ▶ Senate Bill 5242 - Prohibiting cost sharing for abortion
 - ▶ Senate Bill 5396 - Diagnostic and supplemental breast exams cost sharing
- ▶ Federal mandated changes:
 - ▶ Increase to deductible for KPWA CDHP

KPWA Non-Medicare Benefit Changes (*cont.*)

- ▶ Proposed benefit changes:
 - ▶ Chiropractic/manipulative, acupuncture, massage therapy
 - Increase to 24 visits per year per service category
 - ▶ Remove first fill program
 - ▶ Add \$10 co-pay for telehealth
 - ▶ Add \$20 primary care office visit copay for SoundChoice

Uniform Medical Plan (Regence BlueShield) Benefit Changes

UMP 2024 Benefit Changes

- ▶ State legislative mandated changes:
 - ▶ House Bill 1222 - Hearing instruments
 - ▶ Providing coverage at no less than \$3,000 per ear every 36 months
 - ▶ PEB Board Resolution: 2023-03
 - ▶ Senate Bill 5242 - Prohibiting cost sharing for abortion
- ▶ Federal mandated changes:
 - ▶ Increase to deductible for UMP CDHP
 - ▶ PEB Board Resolution: 2023-04

Dental Plans

- ▶ No Benefit Changes
 - ▶ DeltaCare
 - ▶ Uniform Dental Plan (UDP)
 - ▶ Willamette Dental Plan

Questions?

Beth Heston, Procurement Manager
Employees & Retirees Benefits Division

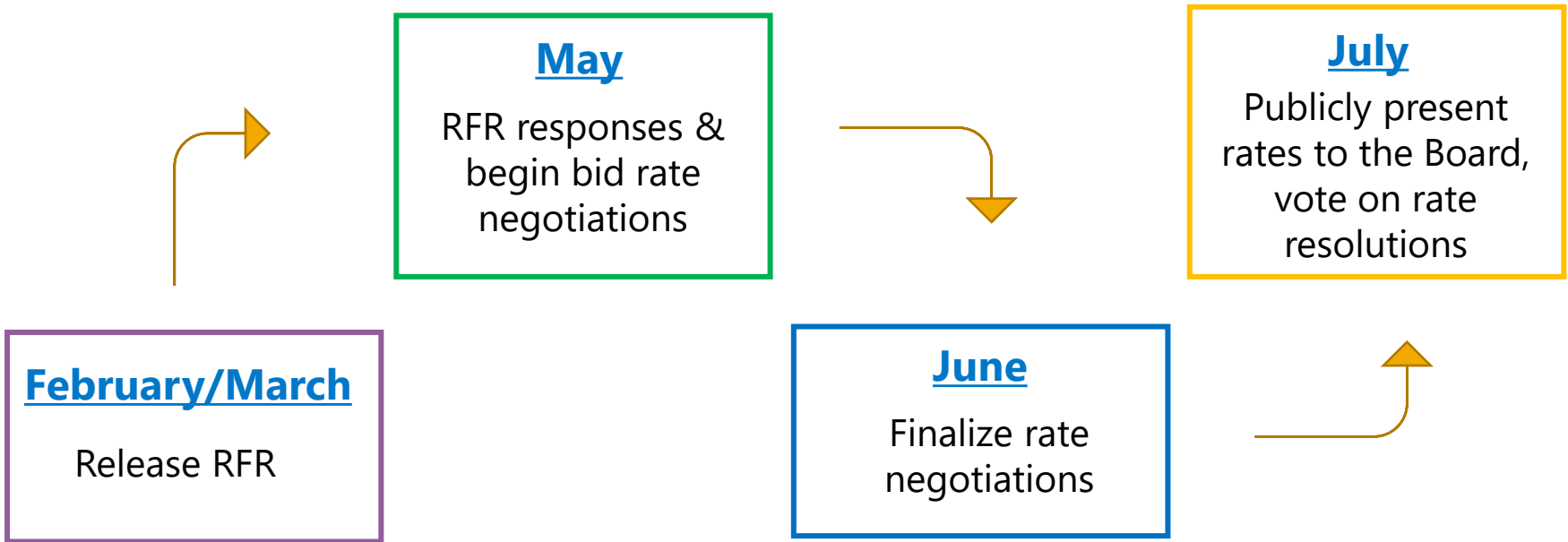
Beth.Heston@hca.wa.gov

TAB 7

2024 Non-Medicare Premiums

Tanya Deuel
ERB Finance Manager
Financial Services Division
July 12, 2023

Annual Renewal Timeline

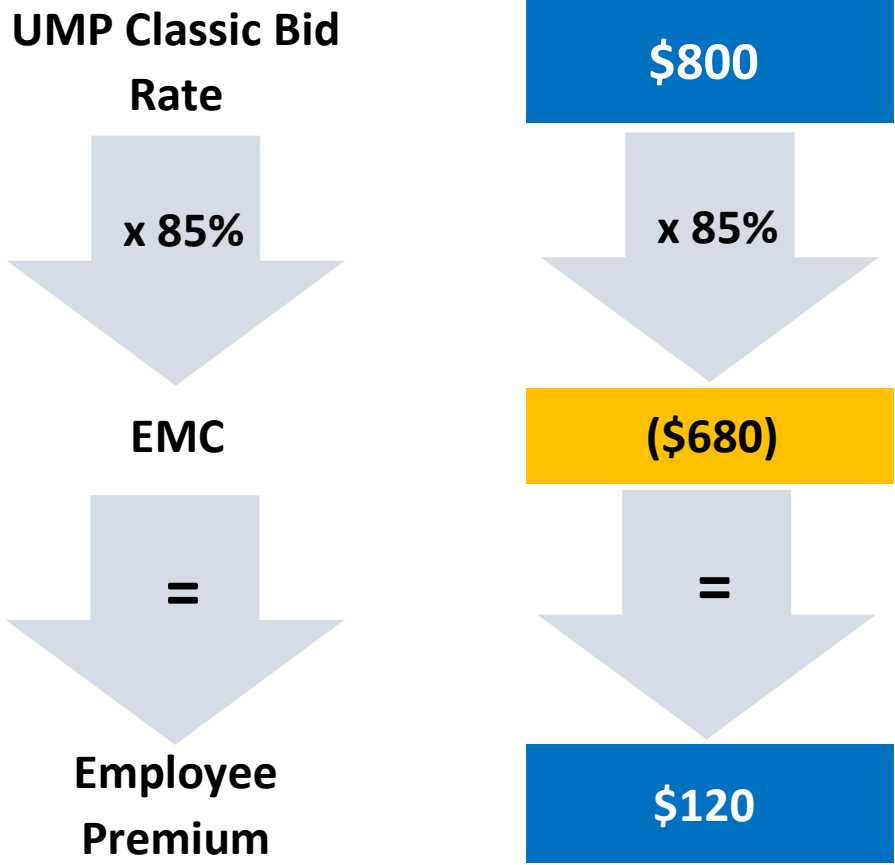


*RFR: Request for Renewal

Employee Premiums

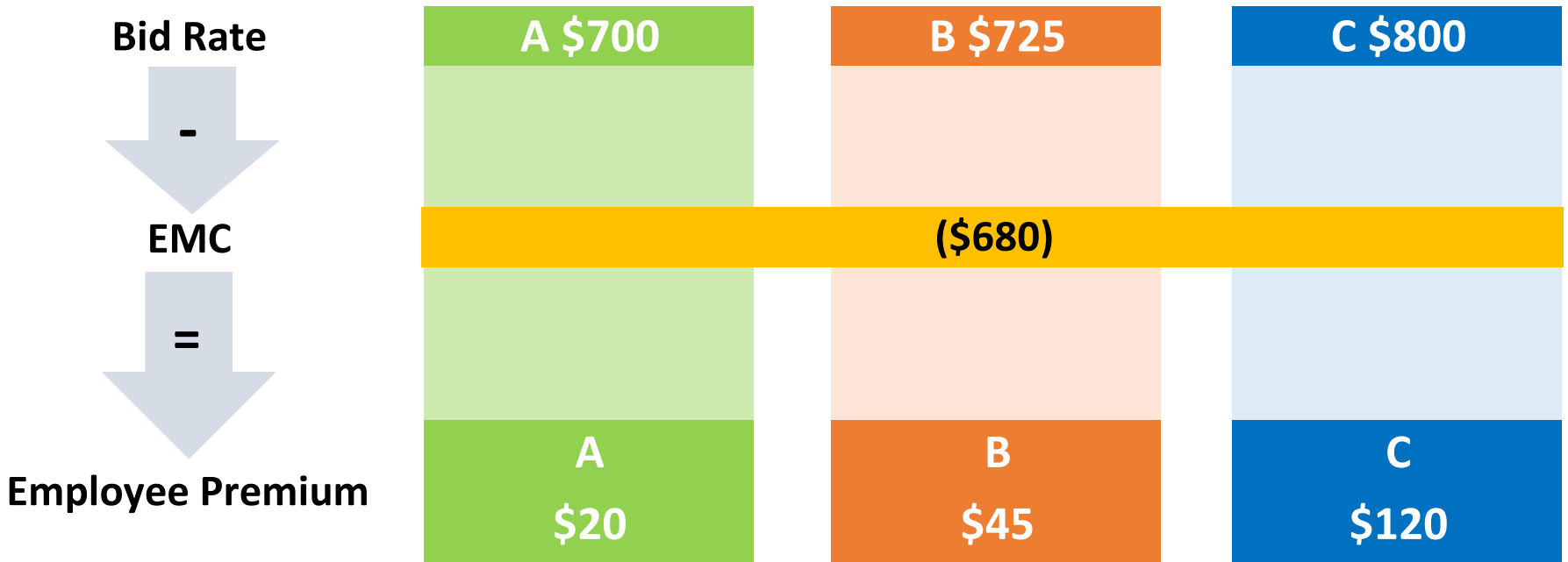
Employer Medical Contribution (EMC)

Sample Illustration



Determining Employee Premiums

Sample Illustration



Proposed 2024 Employee Premiums & Employer Contribution

	Proposed 2024 Employee Premium (Single Subscriber)	Proposed 2024 Employer Contribution (aka Employer Medical Contribution)	Proposed 2024 Bid Rate
Kaiser NW Classic	\$347	\$702	\$1,049
Kaiser NW CDHP	\$207	\$702	\$909
Kaiser WA Classic	\$226	\$702	\$928
Kaiser WA Value	\$211	\$702	\$913
Kaiser WA SoundChoice	\$69	\$702	\$771
Kaiser WA CDHP	\$26	\$702	\$728
UMP Classic	\$124	\$702	\$826
UMP Plus	\$109	\$702	\$811
UMP Select	\$59	\$702	\$761
UMP CDHP	\$35	\$702	\$737

- Consumer Directed Health Plans' (CDHP) composites include Health Savings Account (HSA) deposits
- Bid rate includes Wellness administrative fee
- Include the state active reduction of \$1.00 Per Adult Unit Per Member (PAUPM) for the employer group surcharge
- Rounded to the nearest dollar

Proposed Employee 2024 Premiums

	Subscriber		2023 to 2024 Change in Subscriber Rate		Enrollment (PEBB Actives)	
	2023	Proposed 2024	%	\$	Subscribers	% of Total Enrollment
Kaiser NW Classic	\$172	\$347	101.7%	+ \$175	1,498	1.1%
Kaiser NW CDHP	\$25	\$207	728.0%	+ \$182	340	0.2%
Kaiser WA Classic	\$167	\$226	35.3%	+ \$59	10,994	7.8%
Kaiser WA Value	\$94	\$211	124.5%	+ \$117	11,092	7.9%
Kaiser WA SoundChoice	\$46	\$69	50.0%	+ \$23	6,191	4.4%
Kaiser WA CDHP	\$24	\$26	8.3%	+ \$2	2,736	1.9%
UMP Classic	\$135	\$124	-8.1%	- \$11	73,896	52.3%
UMP Plus	\$97	\$109	12.4%	+ \$12	15,826	11.2%
UMP Select	\$59	\$59	0.0%	+ \$0	6,062	4.3%
UMP CDHP	\$29	\$35	20.7%	+ \$6	12,604	8.9%

- Rounded to the nearest dollar
- Composites include the state active reduction of \$1.00 PAUPM for the employer group surcharge

Proposed Employee 2024 Premiums by Tier

	Subscriber	Subscriber & Spouse/SRDP*	Subscriber & Child(ren)	Subscriber, Spouse/SRDP*, and Child(ren)
Kaiser NW Classic	\$347	\$694	\$607	\$954
Kaiser NW CDHP	\$207	\$414	\$362	\$569
Kaiser WA Classic	\$226	\$452	\$396	\$622
Kaiser WA Value	\$211	\$422	\$369	\$580
Kaiser WA SoundChoice	\$69	\$138	\$121	\$190
Kaiser WA CDHP	\$26	\$52	\$46	\$72
UMP Classic	\$124	\$248	\$217	\$341
UMP Plus	\$109	\$218	\$191	\$300
UMP Select	\$59	\$118	\$103	\$162
UMP CDHP	\$35	\$70	\$61	\$96
Subscribers may be subject to the following surcharges				
Tobacco Surcharge	\$25	\$25	\$25	\$25
Spousal Surcharge	N/A	\$50	N/A	\$50

- Rounded to the nearest dollar
- Composites include the state active reduction of \$1.00 PAUPM for the employer group surcharge

Non-Medicare Retiree Premiums

Proposed Non-Medicare Retiree 2024 Premiums by Tier

	Subscriber		Subscriber & Spouse/SRDP*		Subscriber & Child(ren)		Subscriber, Spouse/SRDP*, and Child(ren)		2023 to 2024 Change in Subscriber Rate	
	2023	Proposed 2024	2023	Proposed 2024	2023	Proposed 2024	2023	Proposed 2024	%	\$
Kaiser NW Classic	\$842	\$1,055	\$1,679	\$2,104	\$1,469	\$1,842	\$2,306	\$2,891	25.3%	\$213
Kaiser NW CDHP	\$700	\$921	\$1,394	\$1,834	\$1,235	\$1,620	\$1,871	\$2,475	31.4%	\$220
Kaiser WA Classic	\$837	\$934	\$1,668	\$1,861	\$1,460	\$1,629	\$2,292	\$2,557	11.6%	\$97
Kaiser WA Value	\$764	\$919	\$1,523	\$1,833	\$1,333	\$1,604	\$2,093	\$2,518	20.3%	\$155
Kaiser WA SoundChoice	\$716	\$777	\$1,426	\$1,549	\$1,249	\$1,356	\$1,959	\$2,127	8.6%	\$62
Kaiser WA CDHP	\$700	\$739	\$1,393	\$1,471	\$1,234	\$1,302	\$1,869	\$1,976	5.6%	\$39
UMP Classic	\$805	\$832	\$1,606	\$1,657	\$1,406	\$1,451	\$2,206	\$2,277	3.3%	\$26
UMP Plus	\$767	\$817	\$1,529	\$1,627	\$1,338	\$1,424	\$2,100	\$2,235	6.5%	\$50
UMP Select	\$729	\$767	\$1,453	\$1,527	\$1,272	\$1,337	\$1,996	\$2,098	5.1%	\$37
UMP CDHP	\$704	\$748	\$1,402	\$1,488	\$1,242	\$1,318	\$1,882	\$2,000	6.2%	\$43
Subscribers may be subject to the following surcharges										
Tobacco Surcharge	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25		
Spousal Surcharge	N/A	N/A	\$50	\$50	N/A	N/A	\$50	\$50		

- Includes administrative fee
- Rounded to the nearest dollar
- State-Registered Domestic Partner (SRDP)

Other Benefits

Dental 2024 Premiums

	Subscriber Premium		2023 to 2024 Change in Subscriber Premium	
	2023	2024	%	\$
DeltaCare	\$41.50	\$41.50	0.0%	\$0.00
Uniform Dental Plan	\$48.56	\$48.92	0.7%	\$0.36
Willamette Dental Group	\$44.45	\$48.87	9.9%	\$4.42

- Premiums are paid 100% by the employer for all tiers
- No benefit changes included in premiums

Life and AD&D, and Long-Term Disability (LTD) 2024 Premiums

- ▶ Basic Life and AD&D, and employer-paid LTD:
 - ▶ Employer funded
 - ▶ No rate change for 2024
- ▶ Supplemental Life and AD&D, and employee-paid LTD:
 - ▶ Employee funded
 - ▶ No rate change for 2024

Proposed Resolutions

Proposed Resolution PEBB 2023-12

Kaiser Foundation Health Plan of the Northwest (KPNW) Non-Medicare 2024 Premiums

The PEB Board endorses the Kaiser Foundation Health Plan of the Northwest employee and Non-Medicare retiree premiums.

Proposed Resolution PEBB 2023-13

Kaiser Foundation Health Plan of WA (KPWA) Non-Medicare 2024 Premiums

The PEB Board endorses the Kaiser Foundation Health Plan of Washington employee and Non-Medicare retiree premiums.

Proposed Resolution PEBB 2023-14

Uniform Medical Plan (UMP) Non-Medicare 2024 Premiums

The PEB Board endorses the Uniform Medical Plan (UMP) employee and Non-Medicare retiree premiums.

Next Steps

HCA will ask the Board to take action on these premium resolutions at the July 19, 2023 meeting

Questions?

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

TAB 8

Kaiser Permanente Insights

Kelly Meehan Cook
Director, Strategic Account
Management
Kaiser Foundation Health
Plan of Washington

Jennifer Stacy
Interim Vice President, Marketing,
Sales, & Business Development
Kaiser Foundation Health
Plan of the Northwest

Health Care Costs Are Increasing



Inflation & supply chain disruptions

A combination of inflation for goods and services and labor shortages have driven a 10.4% increase in health care sector costs in 2022.¹



Labor shortages

Hospitals and providers are seeing labor costs increase at every level. Total expenses per adjusted discharge rose 3% month over month and 7% through October 2022.²



Increased demand for care

Within Kaiser Permanente's system, we've seen significant increases in care volume, particularly outpatient services.



Provider challenges

Health care providers nationwide are facing significant upward pressure on the costs to deliver care. By many accounts, 2022 was the worst financial year for hospitals in decades.³



The impacts of inflation, supply chain disruptions, historic labor shortages, and rebounds in care demand are creating economic challenges for the entire health care sector.

1. *National Hospital Flash Report*, Kaufman, Hall & Associates, LLC, June 2022. 2. "October's labor woes drive higher costs, worsened margins for hospitals: Kaufman Hall" *Fierce Healthcare*, October 2022. 3. "Hospitals on Track for Worst Financial Year in Decades" *Becker's Hospital Review*, October 2022.

You can trust in our track record to deliver members the best long-term value for their health care dollar



Commitment to high-quality care

- Washington Health Alliance ranked Kaiser Permanente Washington as the overall leader in quality and total cost of care.
- Medicare Stars – 4.5, highest in Washington
- 90 Kaiser Permanente physicians recognized as “Top Doctor” in Washington.



On-going focus on cost effectiveness

For the past decade (2012-2022), Kaiser Permanente has delivered year over year lower average commercial rate increases than the comparable medical cost trends.¹



Improving healthcare in our communities

- We have over 5,000 care professionals practicing medicine in Washington
- We have a Research Institute – first COVID immunization, HPV at home testing, Alzheimer’s lifestyle studies
- Kaiser Permanente built a medical school to help train future healthcare providers – our first class just graduated

1. Data comparison between Kaiser Permanente’s historical CRI averages and PwC Health Research Institute medical cost trends, 2012-2022

TAB 9

Procurements Insights

Shawna Lang
Portfolio Management Monitoring Section Manager
Employees and Retirees Benefits Division
July 12, 2023

Standard Contract Timeframe

- ▶ Typically 10 years duration
- ▶ Four-year initial period
- ▶ Followed by:
 - ▶ Six 1-year renewals, or
 - ▶ Renewals at HCA's discretion
- ▶ The typical procurement takes 18 months or longer
- ▶ In consideration of staff workloads, procurements are staggered rather than simultaneous

What Starts A Procurement?

- ▶ A new benefit or program
- ▶ Expiring contracts
- ▶ Vendor performance
- ▶ Market changes
- ▶ A benefit addition, change, or refresh
- ▶ Other business needs

Procurement Considerations

▶ Other Governmental Stakeholders

- ▶ Legislature, Governor's Office, PEB & SEB Boards
- ▶ Office of Financial Management, Office of the Insurance Commissioner, Office of the Attorney General

▶ Internal Stakeholders

- ▶ Clinical, communications, finance, legal, policy
- ▶ Information Technology, Data Utilization Committee, Security Design Review
- ▶ Third Party Administrator (TPA) or Pharmacy Benefit Manager (PBM) impact/Involvement or reporting or data sharing

Procurement Considerations (*cont.*)

▶ Design Elements

- ▶ Financial
- ▶ Operational
- ▶ Clinical

▶ Performance Guarantees

- ▶ High impact contractual outcomes
 - Percentage of fees at risk

Why Does It Take So Long?

If the contract go-live is slated for January 1, 202X, then . . .

2-3 years earlier:

- ▶ Drafting the Request for Proposal (RFP)— 3-12 months
- ▶ Bidder Submission Period— 2-3 months
- ▶ HCA Bid Review— 2-3 months
- ▶ Contract Negotiations— 3 to 9 months
- ▶ Implementation— 9-12 months
 - ▶ Account management
 - ▶ Communications
 - ▶ Operations & Technical systems
 - ▶ Reporting
 - ▶ Ensuring the contract is good to go for a 1/1 start

Could A Benefit Decision Made Today Go-Live On 1/1/2025?

2023						2024												2025	
JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	
Decision	Draft the RFP			Bidder Submission		HCA Bid Review		Contract Negotiations			Implementation								Go-Live



Annual
Open
Enrollment

- ▶ Decision made by all necessary parties today
- ▶ Each stage of the procurement consumes the minimum time
- ▶ Implementation would begin with only a few months left before Open Enrollment
- ▶ Unlikely, but possible if the procurement is not overly complex and encounters minimal complications or delays
- ▶ By building adequate time into the process, HCA mitigates significant risks to its procurement efforts and member experience

Other Factors Impacting Timeframes

- ▶ Legislative sessions
 - ▶ January-April sessions, prepping for sessions, deadlines
- ▶ Annual budget cycle
 - ▶ Based on fiscal years
- ▶ Stakeholder engagement
- ▶ Data management & security
 - ▶ Office of the Chief Information Officer (OCIO)
 - ▶ State standards and policies
 - ▶ Oversight and alignment
 - ▶ HCA Data Utilization Committee (DUC)
 - ▶ Reviews requests for new contracts
 - ▶ Addresses contractual data exchanges
- ▶ Staffing

Example #1

Navia Benefit Solutions

10-year contract ends 12/31/2023

Issued Procurement:	June 7, 2022
Proposals due:	August 4, 2022
Announce ASB*:	September 30, 2022
Contract Negotiations:	November 2022 - May 2023**
Implementation:	Ongoing - December 2023

*Apparently Successful Bidder

**Timeframe is due to staff absences and extended data security review

UMP Contractual Timeframes

- ▶ 10-17 years duration
- ▶ 5-7 year initial period
- ▶ Followed by:
 - ▶ 1-year renewals, or
 - ▶ Renewals at mutual agreement
- ▶ The self-insured medical procurements take 3-5 years
- ▶ State takes on the financial risk of these contracts
- ▶ Self-insured contracts are for the UMP third party administrator (Regence), UMP pharmacy benefit administrator (Moda), Centers of Excellence and the UMP Plus Accountable Care networks

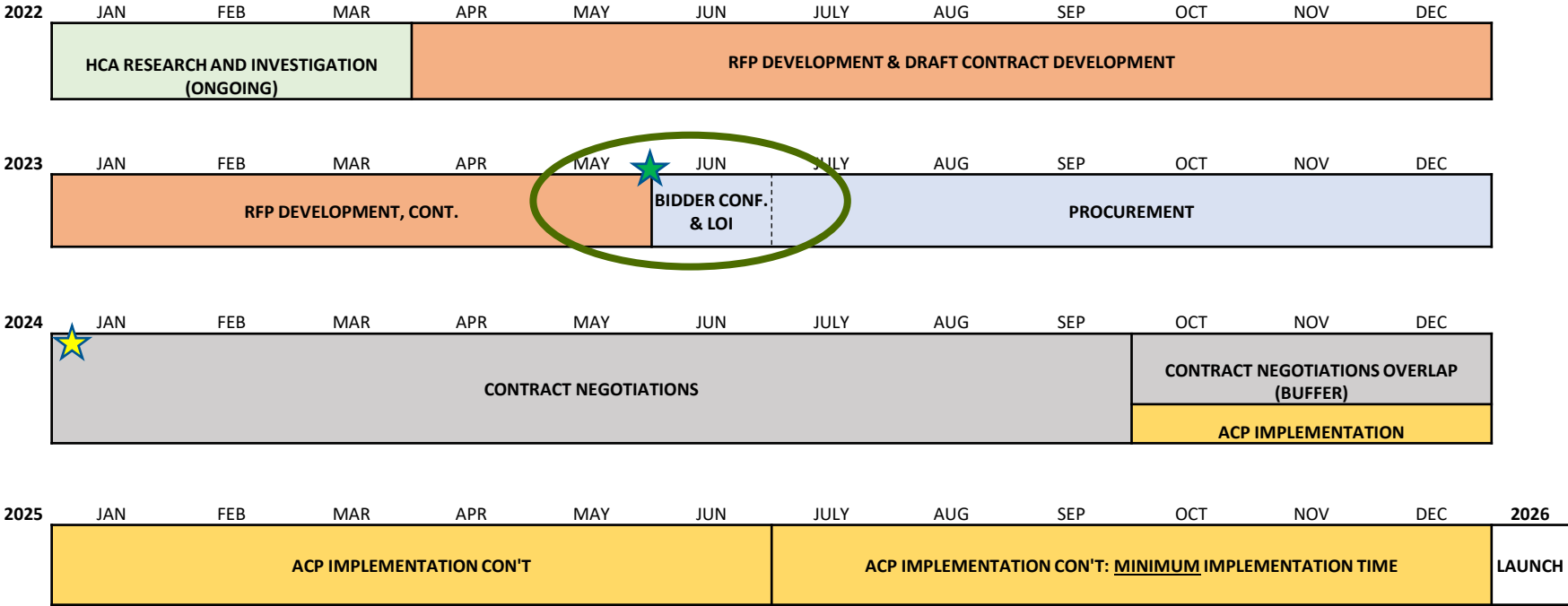
Example #2

Accountable Care Program (UMP Plus)

Current contract ends 12/31/2025

Research:	Jan 2022 – April 2022
Procurement drafting:	April 2022 – June 2023
Issued RFP:	June 1, 2023
Bidders conference:	June 15, 2023
Bidder Q&A:	July 10, 2023
Proposal Due:	August 2023
Announce ASB:	January 2024
Contract Negotiations:	January 2024 – Dec 2024
Contract Implementation:	January 2025- Dec 2025

ACP Procurement Project Overall Timeline



*Timeline estimated and subject to change based on decisions by the PEGB/SEBB Board, the Legislature, OFM, or HCA.

★ **June 1, 2023: Targeted RFP Release Date**

★ **January 4, 2024: Announce Apparently Successful Bidder(s)**



Questions?

Shawna Lang, Portfolio Management and
Monitoring Section Manager

Employees and Retirees Benefits Division

Shawna.Lang@hca.wa.gov

TAB 10

SmartHealth: WebMD Implementation

Kristen Stoimenoff
Washington Wellness Manager
Employees and Retirees Benefits Division
July 12, 2023

Presentation Overview

- ▶ April meeting follow-up
- ▶ SmartHealth transition to WebMD

April Meeting Follow-Up

- ▶ 2022 SmartHealth Participation
 - ▶ Lower overall participation and incentive qualification
 - ▶ Challenging transitions

April Meeting Follow-Up (*cont.*)

▶ 2023 Strategies:

- ▶ Incentive reminder in May For Your Benefit newsletter
- ▶ Well-Being Assessment “nudge” on SmartHealth home page
- ▶ June 28 email to registered SmartHealth users
 - Incentive deadline reminder
 - SAW reminder
 - Accessing SmartHealth guide
- ▶ Business Resource Group collaborations
- ▶ OFM collaboration discussions
- ▶ Giving campaign
- ▶ Benefit fairs final push

WebMD Transition

- ▶ WebMD will be the SmartHealth vendor effective January 1, 2024
- ▶ What's **not** changing
 - ▶ Incentive eligibility, value, requirements, deadlines
 - ▶ SmartHealth activities/challenges
 - ▶ SmartHealth name and branding
- ▶ What **is** changing
 - ▶ Shift from Limeade to WebMD web-based platform
 - ▶ Shift from Limeade to WebMD mobile app
 - ▶ New features



Welcome

Username *

WADemoUser01

Password *

●●●●●●●●●●●●●●



SIGN IN

[Forgot username or password?](#)

Language: English

Don't have an account yet?

CREATE ACCOUNT


What is WebMD ONE?

WebMD ONE is a partnership between your sponsor and WebMD to help you bring out your best. Based on your personal needs and interests, it will help you set goals, track your progress, keep you motivated, and provide valuable information along the way. Simply register to get started with our programs and services.

New SmartHealth Features

- ▶ Daily Habits
- ▶ Health Tracker
- ▶ Mental Health Podcasts
- ▶ Wellness Videos
- ▶ Curated WebMD Articles

Daily Habits

 Today's Status



Balance Your Diet



Keep Stress In Check

+ Add A New Plan

Today's Status



MISSED



TODAY



UPCOMING

Health Trackers



Diet
Today

A Little Off



Exercise
a hour ago

45 mins



Hours of Sleep/Day
a day ago

7 hours



Mindfulness Minutes
a hour ago

5 mins



Steps
2 days ago

7,969 steps

EXPLORE & LEARN

Our well-being learn center will help you discover your favorite ways to live healthier

PODCASTS

BEYOND WELL PODCASTS

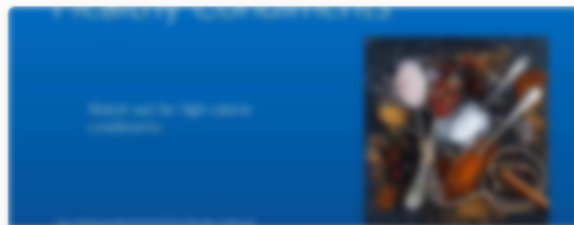
Mental Health Podcasts

These short podcasts help reduce stress, prevent burnout, and increase your mental health literacy.


 LISTEN

VIDEOS

[EXPLORE ALL VIDEOS >](#)



Healthy Condiments

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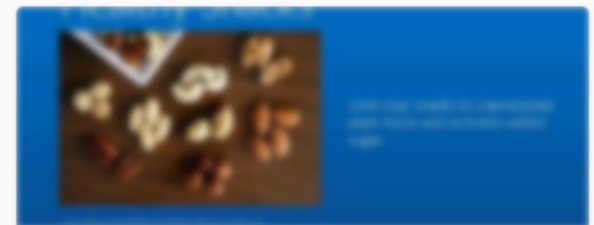
 PLAY



Core Exercises for Obliques

 1:08

 PLAY



Healthy Snacks

 1:27

 PLAY

ARTICLES



Heart Disease and Diabetes

Diabetes greatly increases the risk of heart disease. Learn about the risk factors and how to lower them.

 4 min  13

[READ MORE](#)



How Secure Is Your Health or Fitness App?

Researchers have a warning for those who use health and fitness apps -- your privacy and personal information may be at ...

 2 min  40

[READ MORE](#)



Stress and Cholesterol: Is There a Link?

Could long-term stress lead to high cholesterol?

 4 min  23

[READ MORE](#)



The Complex Link Between Depression and Weight

Does depression cause weight gain or weight loss? Does weight gain or weight loss cause depression? WebMD helps to unrav...

 3 min  122

[READ MORE](#)



RA: Exercises That Are Easy On Your Joints

Strengthen muscle and improve joint pain with these arthritis-friendly exercises.

 4 min  28

[READ MORE](#)



Understanding Heart Attack: Diagnosis and Treatmen...

Learn more from WebMD about heart attacks, from diagnosis and treatment to long-term recovery.

 5 min  3

[READ MORE](#)

WebMD Health Services to Acquire Limeade

- ▶ June 8 announcement
- ▶ Expected during this quarter
- ▶ No anticipated changes to current transition process

Questions?

Kristen Stoimenoff, Washington Wellness Program Manager
Employees and Retirees Benefits Division

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TAB 11



STATE OF WASHINGTON
HEALTH CARE AUTHORITY
626 8th Avenue SE • PO Box 45502 • Olympia, Washington 98504-5502

PEB BOARD MEETING SCHEDULE

2024 Public Employees Benefits (PEB) Board Meeting Schedule

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

February 1, 2024 (Board Retreat) - starting at 9:00 a.m.*

March 21, 2024 - starting at 9:00 a.m.

April 11, 2024 - starting at 9:00 a.m.

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

June 13, 2024 - starting at 9:00 a.m.

June 27, 2024 – starting at 9:00 a.m.

July 11, 2024 - starting at 9:00 a.m.

July 18, 2024 - starting at 9:00 a.m.

July 25, 2024 - starting at 9:00 a.m.

August 1, 2024 - starting at 9:00 a.m.

*Meeting times are tentative

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