

Public Employees Benefits Board Retreat
Meeting Minutes

January 30, 2020
Health Care Authority
Sue Crystal Rooms A & B
Olympia, Washington
9:00 p.m. – 3:34 p.m.

Members Present:

Sue Birch, Chair
Tom MacRobert
Harry Bossi
John Comerford
Yvonne Tate
Tim Barclay

Members Absent:

Greg Devereux

PEB Board Counsel:

Michael Tunick, Assistant Attorney General

Call to Order

Sue Birch, Chair, called the meeting to order at 9:00 a.m. Today's meeting was the Annual Retreat where the Board is presented with broader health care topics that impact the membership. No action taken at the Retreat. Audience and Board self-introductions followed.

Chair Birch introduced our newest Board Member, John Comerford, appointed to a position that has been vacant for some time.

Carol Dotlich completed her term on the Board and we expect her replacement to be appointed by the Governor's Office before our March 18 Board Meeting.

Greg Devereux was unable to attend the Retreat, but called in for a few minutes to introduce his replacement at the WFSE, Leanne Kunze. Greg also wanted to acknowledge his work retirement on January 31 and his retirement from the PEB Board after 25 years of service. There was much accomplished in those 25 years! Sue thanked Greg for all his contributions. The Board and audience applauded Greg's many years of service and gave him a standing ovation.

Meeting Overview

Marcia Peterson, Manager, Benefit Strategy and Design Section, Employees and Retirees Benefits Division (ERB), provided an overview of today's Retreat agenda.

PEB Board Clinical Update

Dr. Emily Transue, Associate Medical Director for the Health Care Authority, provided a clinical update for the Board. Her presentation spoke to roles and opportunities of improving care, experience, and value for the PEBB Program; market transformation using HCA's influence and market share to improve health care for all Washingtonians; and expanding choices, improving care, and empowering consumers.

She focused on primary care, shared decision making, Hepatitis C elimination, and public option/Cascade Care.

Behavioral Health Panel

Marcia Peterson, moderated a panel on Behavioral Health. The panel consisted of: Keri Waterland, Ph.D, MAOB, Assistant Director of the Behavioral Health and Recovery Division, Health Care Authority; Charissa Fotinos, M.D., Deputy Chief Medical Officer, Health Care Authority; Michael Garrett, MS,CCM, CVE,NCP, BCPA, Mercer; Dustin Howard, LMHC, MBA, Program Director of Behavioral Health, Regence Health Plans; and Alicia Eng, RN, MBA, MHO, Vice President of Clinical Operations for Western Washington, Kaiser Permanente of Washington.

There was an emphasis on whole-person care. There is a need to build a foundation for integrated care that's patient-centered and provides case management. Privacy concerns in the current system not being able to share information.

The panel members expressed the goal of removing the stigma that accompanies a diagnosis associated with behavioral health. It would be great to lose the term of "Behavioral Health" and treat all patients the same, regardless of diagnosis by treating the whole-person.

Tim Barclay asked if the Board should do a targeted attempt at solutions now as a PEBB Board or continue to look at the big picture.

Charissa Fotinos suggest targeting the program. Identify people. The highest risk is the intervention point. The Board could ask its members what their challenges are by doing focus groups or a survey.

Sue Birch: What should we think about this year as a Board? What data do we need? What can we provide the family for help – case management? Think about universal consent. And how are we going to generate funds as a Board? What do we need to keep going?

2020 PEBB Program Open Enrollment Summary

Renee Bourbeau, Benefits Account Section Manager, shared information on the Open Enrollment that concluded on November 30, 2019. Renee provided engagement information, changes going into effect January 1, 2020, customer service strategies, and improvements from last year's open enrollment.

Customer Service improvements included lowering the wait time for a member on the phone from 24 minutes and 44 seconds to 12 minutes; the number of calls answered improved by 17%, and Customer Service satisfaction improved by 18%.

SEBB Program Update

David Iseminger, Director, Employees and Retirees Benefits Division, provided an update of the School Employees Benefits Board Program. The new SEBB Program launched January 1, 2020. Their Open Enrollment was October 1 through November 15, 2019. Agency staff spent two years preparing for this launch. It took 23 SEB Board Meetings with action on 68 policy resolutions. Three procurements took place with contract negotiations with 24 vendors. IT systems were built, tested, and rolled out.

The Legislature established the funding rate and SEBB Program medical plans' rates and premiums were set. Prior to the SEBB Program, some school employees could not afford to cover dependents or had monthly premiums of \$1,500 - \$2,000 to cover them.

2020 Supplemental Governor's Budget Update - PEBB

Tanya Deuel, ERB Finance Manager, Financial Services Division, provided an update on the proposed supplemental budget. The funding rate for fiscal year 2020 stayed the same at \$939. The funding rate for fiscal year 2021 increased from \$976 to \$980, which is adequate to maintain the current level of benefits.

The Medicare Explicit Subsidy maintained the level from calendar year 2020, which is \$183 per Medicare retiree per month.

2020 Legislative Session Debrief

Cade Walker, ERB Division Executive Special Assistant, debriefed the Board on what's happening with the Legislature. Topical areas introduced were: provider/health carrier credentialing, pharmacy regarding diabetes medication and prescription tourism, and expanded durable medical equipment coverage like hearing aids and prosthetics/orthotics.

Several bills had impacts to the SEBB Program. They were:

- SB 6189 – Eligibility for school employees' benefits board coverage
- SB 6290 – Contribution to and eligibility for school employee benefit plans
- SB 6296 – Health care benefits for public school employees
- HB 2458/SB6479 – Optional benefits offered by school districts

Leveraging SEBB Medical Plan Contracts in PEBB Program

Lauren Johnston, SEBB Procurement Manager, informed the Board of advantages and disadvantages to future leveraging the SEBB Program fully insured medical plan contracts for the PEBB Program (non-Medicare).

The SEB Board Medical Plans are: four fully insured medical carriers – Kaiser Northwest (3 plans), Kaiser Washington (4 plans), Kaiser Washington Options (3 plans), and one self-insured option – Uniform Medical Plan (5 plans).

Advantages to members could be more plan options with different cost share levels and two more preferred provider organizations to choose from, Kaiser Washington Options and Premera Blue Cross.

Disadvantages could be too many plan options and not being able to distinguish the differences between them.

Impacts to the Program are the ability to leverage provisions that are in the SEBB Program contracts, which are not in the PEBB Program contracts; potential to eliminate confusion; and the potential need for an active open enrollment.

Examples of differences between the two programs are:

- Deductible, out-of-pocket maximums and coinsurance and copayment amounts.
- Chiropractic, acupuncture, and massage therapy visit limits.
- Physical, occupational, speech, and neurodevelopmental therapy visit limits.

Expanding PEBB Program Medicare Options Procurement Update

Ellen Wolfhagen, Senior Account Manager, ERB Division, shared the Health Care Authority's progress on bringing options to the PEB Board about expanding Medicare retiree plan choices.

Apparently successful bidders (ASBs) from our Request for Proposal, were selected and are in contract negotiations with the Health Care Authority for Medicare Advantage plus Prescription Drug (MA-PD) plans. The ASBs are United Healthcare and Regence BlueShield. These are national and regional MA-PD PPO plans to supplement the current PEBB Program Medicare retiree portfolio.

UMP Formulary Update

Ryan Pistorosi, HCA's Assistant Chief Pharmacy Officer and two of our colleagues from MODA, **Sital Patel** and **Cole Ahnberg**, provided an update on the implementation of the UMP formulary the Board approved last year.

One of the goals of the UMP formulary is to provide value-based purchasing to get the highest value and most affordable prescription drugs.

MODA sent a drug specific letter to members informing them of the changes to the UMP formulary. Changes were also published in Open Enrollment information, communicated in PEBB and UMP newsletters, the Certificate of Coverage, and the UMP website.

Annual Rate Process

Tanya Deuel, ERB Finance Manager, Financial Services Division, proposed a new resolution for the Health Care Authority rate development process. Proposed Resolution PEBB 2020-01 identifies that the "PEB Board will not review or consider unsolicited revised rates after proposed employee premium contributions are published publicly by the Health Care Authority on its website."

This proposed resolution will go out to stakeholders to get their thoughts on the verbiage and will then come back to the Board for action at the March 18 PEB Board Meeting.

Board Discussion: Policies for Next Year

Marcia Peterson, Benefits Strategy and Design Section Manager, ERB Division, shared the annual benefits planning cycle with the Board to give them an idea of what needs to happen for changes to become effective January 1, 2022 in the PEB Board plans?

Sue Birch: Some new ideas are case management, respite care, peer support. How can we help families?

What disruptions keep members from going to work? Climate control, corona virus, global risk (emergent infectious diseases) are a few.

Tim Barclay: \$1,250 deductible UMP plan is another thought could possibly fund long-term disability. An 83% actuarial value (AV) would be a 5% AV savings to tie the benefits together.

Tom MacRobert: Meditation is another potential benefit. If a doctor prescribes meditation, it should be covered.

John Comerford: Long-term care / concierge, education plan, end-of-life planning. If a dementia diagnosis, resources to find care.

Sue Birch: Evidence-based home visitation models for low income, first-time moms, in addition to their doctor visits.

Personal Health Record = IT modernization = digital. Need a modern technological platform.

Public Comment

There were no requests for public comment.

Next Meeting

March 18, 2020

12:00 p.m. – 5:00 p.m.

Meeting adjourned at 3:24 p.m.