

Public Employees Benefits Board
Meeting Minutes

March 21, 2024
Health Care Authority
Sue Crystal Rooms A & B
Olympia, Washington
9:00 a.m. – 3:15 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
John Comerford
Elyette Weinstein
Sharon Laing
Michaela Doelman
Harry Bossi

Members Present via Zoom

Tom MacRobert
Kurt Spiegel

Members Absent

None

SEB Board Counsel

Michael Tunick, AAG (in person)

Call to Order

Lou McDermott, Chair Pro-Tem, called the meeting to order at 9:02 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 Michaela Doelman seconded a motion to approve the July 19, 2023 meeting minutes. Minutes were approved by unanimous vote.

Harry Bossi moved, and both Elyette Weinstein and Tom MacRobert seconded a motion to approve the February 1, 2024 Board retreat minutes. Minutes were approved by unanimous vote.

February Retreat Follow Up

David Iseminger, Director, Employees and Retirees Benefits (ERB) Division gave a verbal update regarding the Benefits 24/7 application and its launch earlier in the year. Details of the update included information regarding issues identified since the Board's retreat with the new application and ongoing stabilization efforts.

Legislative Session Debrief

Cade Walker, Policy, Rules, and Compliance Section Manager in the Employees and Retirees Benefits Division provided a debrief of the 2024 legislative session. The debrief included bill analyses by the ERB Division, agency requested legislation, and passed legislation.

Pharmacy Retail Consolidation

Jenny Switzer, Senior Account Manager in the Employees and Retirees Benefits (ERB) Division provided some information regarding pharmacy retail consolidation marketplace trends. The information included details regarding United States pharmacy types, UMP network pharmacy changes from 2019-2024, pharmacy closures, UMP's response, Rite Aid bankruptcy, Washington state closures, distance to the nearest network pharmacies, and outreach to members.

Behavioral Health Network Adequacy

Andrea Philhower, Fully Insured Team Manager in the Employees and Retirees Benefits (ERB) Division presented more information as follow up to the February PEBB Board retreat presentation. The follow up included a correction regarding the definition of actuarial value, as well as information regarding access to behavioral health appointments, and complaints to carriers.

Policy and Rules Development

Stella Ng, Policy and Rules Coordinator and **Emily Duchaine**, Regulatory Analyst in the Employees and Retirees Benefits (ERB) Division introduced 11 policy resolutions for the PEBB Program.

- PEBB 2024-01: Amending Resolution PEBB 2021-02 Employees may waive enrollment in medical.
- PEBB 2024-02: Amending Resolution PEBB 2021-03 PEBB benefit enrollment requirements when SEBB benefits are waived.

- PEBB 2024-03: Amending Resolution PEBB 2021-04 Resolving dual enrollment when an employee's only medical enrollment is in SEBB.
- PEBB 2024-04: Amending Resolution PEBB 2021-05 Resolving dual enrollment involving dual subscriber eligibility.
- PEBB 2024-05: Amending Resolution PEBB 2021-06 Resolving dual enrollment involving a PEBB dependent with multiple medical enrollments.
- PEBB 2024-06: Amending Resolution PEBB 2021-07 Resolving dual enrollment involving a member with multiple medical enrollments as a dependent.
- PEBB 2024-07: Amending Resolution PEBB 2021-08 PEBB benefit automatic enrollments when SEBB benefits are auto-disenrolled.
- PEBB 2024-08: Amending Resolution PEBB 2021-09 Enrollment requirements when an employee loses dependent coverage in SEBB benefits.
- PEBB 2024-09: Amending Resolution PEBB 2021-05 PEBB continuation coverage eligibility for employees' dependents.
- PEBB 2024-10: Rescinding Resolution PEBB 2022-02 Employees may waive enrollment in dental.
- PEBB 2024-11: Amending PEBB 2022-04 Deferring PEBB retiree insurance coverage when the subscriber becomes eligible for the employer contribution.

Stakeholders will be consulted before the next Board meeting and action on these resolutions will be planned for the April PEB Board meeting.

Vision Benefit Design Implementation

Beth Heston, Procurement Manager and **Stella Ng**, Policy and Rules Coordinator in the Employees and Retirees Benefits (ERB) Division, provided an update on the vision benefits and changes occurring in the PEBB Program for plan year 2025. Details of the update included background of vision benefits, proposed changes for the PEBB Program, medical benefits for eye disease, vision benefit for employees and non-Medicare retirees, PEBB vision plan lens enhancements member costs, pediatric vision coverage, pediatric lens enhancements, in-network retail locations, and the communications plan. The presentation also included proposed resolutions.

- PEBB 2024-12: Fully insured vision plans.
- PEBB 2024-13: Default enrollment if an employee did not enroll in a PEBB vision plan during the annual open enrollment in 2024.
- PEBB 2024-14: Non-Medicare retiree enrollment requirement.
- PEBB 2024-15: Amending PEBB 2021-12 (amending Resolution PEBB 2020-04 Relating to default enrollments for an employee who fails to make a timely election).
- PEBB 2024-16: Amending PEBB policy resolution "error correction" adopted on July 16, 2014.

Stakeholders will be consulted before the next Board meeting and action on these resolutions will be planned for the April PEB Board meeting.

SmartHealth Update

Kristen Stoimenoff, Washington Wellness Manager in the Employees and Retirees Benefits (ERB) Division gave a presentation on SmartHealth and included an update on information about the transition to the new SmartHealth vendor, WebMD.

Inflation Reduction Act Update

Luke Dearden, Clinical Pharmacist in the Clinical Quality and Care Transformation Division presented some information regarding the Inflation Reduction Act (IRA). The presentation included an overview of the IRA, Part D benefit design, drug price negotiations, drugs picked under the IRA for 2026, drug price increase protection, and a cap on insulin cost-share.

2025 UMP Medicare Plan Option

Ellen Wolfhagen, Retiree Benefits Manager in the Employees and Retirees Benefits (ERB) Division, **Molly Christie**, Fiscal Analyst in the Financial Services Division, **Luke Dearden**, Clinical Pharmacist from the Clinical Quality and Care Transformation Division, and **Stella Ng**, Policy and Rules Coordinator in the Employees and Retirees Benefits Division came together to present some more information regarding the 2025 UMP Medicare plan option that was discussed in the February Board retreat.

The presentation included information regarding communication efforts so far, feedback themes from stakeholders, refined financial insights, history of the “donut hole,” current Part D coverage phases, IRA eliminates Part D coverage gap for 2025, cost-share structure comparison, 90-day drug supply comparisons, personalized stakeholder outreach plans, step therapy, prior authorization information, continuity of care, compounded drugs, drug copay coupons, and information about the historical context of the Part D idea . The presentation also included proposed resolutions.

- PEBB 20204-17: UMP Classic Medicare Part D coverage.
- PEBB 2024-18: Automatic enrollment – UMP Classic Medicare – annual open enrollment 2024.
- PEBB 2024-19: UMP Classic Medicare enrollment.
- PEBB 2024-20: UMP Classic Medicare enrollment during gap month(s).
- PEBB 2024-21: Amending PEBB 2022-03 Medicare Advantage Prescription Drug plan enrollment during gap month(s).
- PEBB 2024-22: When a subscriber is involuntarily terminated by a Medicare Part D plan.

Stakeholders will be consulted before the next Board meeting and action on these resolutions will be planned for the April PEB Board meeting.

General Public Comment

The following members of the public provided comments:

- **Laurie Weidner**
- **Fred Yancey**
- **Linnea Mulder**
- **Sharon Etheridge**

Topics brought forth during public comments included comments regarding support of the 2025 UMP Medicare plan option, appreciation of retiree personal outreach by Ellen Wolfhagen, as well as questions about pharmacy step therapy and the \$2,000 out-of-pocket maximum.

Their testimonies can be found in the audio recording for the March 21, 2024 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

April 11, 2024

Starting time 9:00 a.m.

Preview of April 11, 2024 PEB Board Meeting

Dave Iseminger, Director, Employees and Retirees Benefits (ERB) Division, provided an overview of potential agenda topics for the March 21, 2024 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 3:05 p.m. and concluded at 3:49 p.m.

Meeting was adjourned at 3:50 p.m.