



Oregon Educators Benefit Board Retreat September 14, 2007

The Oregon Educators Benefit Board held a retreat on September 14, 2007, at the DAS General Services Building, 1225 Ferry Street in Salem, Oregon. The retreat began at 9:30 a.m.

Attendees

Board Members:

Steve H. McNannay, Chair
Brett M. Yancey, Vice Chair
Mylia Christensen
Richard T. Clarke
Ron A. Gallinat
Thomas A. Husted
Alison S. Little, MD
Victor S. Musial
Peter M. Tarzian

Board Members Absent:

Michael Cannerella

OEBB Staff:

Jean Thorne, PEBB/OEBB Administrator
Denise Hall, OEBB Deputy Administrator
Carolyn Bader, Contracts Coordinator
Glenn Baly, Program/Policy Analyst
Ali Hassoun, Financial Coordinator
Scott Rupp, Communications Coordinator
Rose Mann, Executive Assistant

Consultants:

Geoff Brown, Watson Wyatt
Steve Carlson, Watson Wyatt
Anne Thompson, Watson Wyatt

Guests:

Diane Lovell, PEBB Chair

Facilitator:

Connie Green, Willis, Green and Associates



1. Welcome ([info](#))

Steve McNannay welcomed everyone to the retreat.

Overview of Meeting ([info](#))

Denise Hall provided an overview of the retreat.

The PEBB Perspective ([info](#) / [discussion](#))

Diane Lovell, Chair of the Public Employees' Benefit Board (PEBB) presented information on PEBB. PEBB was created out of two existing benefit boards, the SEIU Local 503 Benefits Council and the State Employees Benefit Board. PEBB initially established several subcommittees -- Communications, Plan Design, Operations. As things progressed some of the subcommittees were eliminated.

Diane recommended that OEGB really think about the roles for the leadership of the Board. She also emphasized the importance of building trust within the Board. Have discussions about what the members see as their roles as board members while still keeping in mind that they represent various constituents. Be cognizant of staying on target and don't get bogged down in the minutia ("getting lost in the weeds"). The Chair is responsible for keeping everyone on track and the members should have a discussion about the way that should happen.

Based on the experiences of PEBB Diane suggested OEGB:

- Keep the stakeholders you represent as board members informed and engaged in a way that builds their trust with the Board. Help them understand the "why" and this will also help them help you to make the best decisions.
- Stay open to the next horizon as you move past the initial start-up phase.
- Partner with others for collaboration and learning opportunities (stakeholders, Oregon Health Fund, other state agencies, etc). This will help them understand and support OEGB's efforts.
- Engage stakeholders in subcommittees and workgroups.

Jean Thorne stated that PEBB sees their role as not only addressing the issues of the members, but also as a role model for other purchasers.

Richard Clarke asked how quickly the Board should communicate that this is about changing the way healthcare is delivered. Diane recommended that the Board begin communicating to the stakeholders immediately how the vision of OEGB will be beneficial to them.

Steve McNannay asked how difficult has it been for PEBB to address evidence-based medicine.

Diane Lovell stated it has been a challenge and there has been some push-back on some issues.

Jean Thorne explained the challenge has been when benefits are taken away or premiums have increased, based on evidence-based medicine. The challenge is in explaining the reasons why a member's benefits are changing based on evidence-based medicine.

2. Guiding Principles (Discussion)

Connie Green led a discussion on the guiding principles the Board would use as it designed and administered the OEBB benefits program consistent with requirements under Section 4(1) of SB 426. The Board agreed that the following should be used to develop definitions and guiding principles relating to the nine elements included in the Bill:

- Employee Choice Among High-quality Plans
 - Affordable
 - Bring down trends
 - Save Money
 - Employer/Employee Share costs
 - Rates comparable to today
 - Total cost of premium/plan
- Encouragement of a competitive market place
 - Costs
 - Quality
 - Performance
 - Service
- Plan performance and information
 - Useful metrics
 - ✓ Appeal
 - ✓ Financial performance
 - ✓ Customer service
 - ✓ Quality - build in quality measures up front
 - ✓ Costs
- District Flexibility in plan design and contracting
 - Range of plans/costs
 - May change/narrow over time
- Quality Customer Service
 - Plan
 - Providers
 - Employers
 - Meets customers' needs
 - Monitor and evaluate
- Creativity and Innovation
 - Evidence-based - milestones
 - Use creativity in all areas:
 - ✓ Purchasing
 - ✓ Contracting
 - ✓ Communication

- Plan benefits as part of total employee compensation
 - Be aware of impact on CBA
 - Communicate with employees on rising cost of healthcare
- Improvement in employee health
 - Wellness – Disease management included in plan
 - Case management (if have measurable results)
- Costs affordable to districts and employees
 - Difference between cost of plan and employee affordability
 - Range of plans – allow choice
 - Affordability – member out-of-pocket

At the conclusion of the discussion the Board agreed on the following long-term goals:

- continue to be innovative and creative;
- promote wellness programs; and
- recognize that some staging will need to occur.

3. Processes, roles and responsibilities (Discussion)

Connie Green facilitated a discussion regarding processes, roles and responsibilities of the Board based on the survey sent out prior to the retreat. The Board came to consensus regarding the following:

- The Board will operate as a cohesive unit that provides for open discussion on topics.
- The Board will operate in a transparent manner that fosters public trust, input and understanding of OEBB decisions and policies.

Specific roles of the Board are to:

- Provide strategic direction and vision.
- Provide direction and context for the development of options.
- Prioritize and focus work of Board, workgroups, staff and consultants.
- Make decisions that align with the intent and mandate of SB 426

Interaction with staff and consultants:

- Staff and consultants should feel free to suggest direction to the Board (at least as a starting point) rather than only waiting for the Board to determine its desired direction.
- Staff and consultants should feel free to identify implications for the Board if they believe that the Board may be going in a direction that may not be wise or may require more resources than anticipated to accomplish.
- Consultants should provide leadership in identifying issues, options, and timelines necessary to accomplish the work.
- Requests for additional research or work by staff or consultants will be directed to the Chair or come through the workgroups.

Workgroup roles:

- Workgroups will undertake further analysis, discussion and development of options/recommendations for Board decision.
- Each workgroup will contain one to two Board members along with representatives from select stakeholder groups.
- Workgroups should provide periodic updates to the Board.

Board decision-making processes:

- The Board should strive to reach consensus on general direction, strategies and final decisions, but the use of parliamentary process is acceptable for final decision-making.
- Board members should strive to raise concerns about specific issues or items prior to final decision-making.
- Board members disagreeing with a final decision are free to express their views to stakeholder groups, but should respect the final decision of the Board and not campaign to undermine it.
- Public explanation of Board decisions will be conducted by the Chair or designated OEBC staff.
- Requests for reconsideration or to table decisions will be directed to the Chair through parliamentary procedure.
- Board members concerned with methods or processes of addressing issues should direct their concerns to the Chair.

The retreat adjourned at 3:40 p.m.