



Oregon Educators Benefit Board Minutes September 13, 2007

The Oregon Educators Benefit Board held a regular meeting on September 13, 2007, at the DAS General Services Building, 1225 Ferry Street in Salem, Oregon. Chair Steve McNannay called the meeting to order at 9:35 a.m.

Attendees

Board Members:

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

OEBB Staff:

Jean Thorne, PEBB/OEBB Administrator
Denise Hall, OEBB Deputy Administrator
Carolyn Bader, Contracts Coordinator
Glenn Baly, Program/Policy Development Coordinator
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:

Lisa Trussel, HealthNet of Oregon
Brian Riney, Providence Health Plans
Janie McCollister, CCI Services

Approved September 27, 2007

Scott Florsheim, American Fidelity
Heidi Franklin, Portland Public Schools
Doug Franz, Regence
Steve Schmick, Kaiser Permanente
Laura Pavlat, Springfield Schools
Pam Bybee, PPS Health and Welfare Trust
Renee McDonald, Regence
Christine Wells, Willamette Dental
Shelia Jameson, OEA Choice



Steve McNannay welcomed Board members, OEBC staff and guests.

1. Approval of August 23, 2007 meeting minutes (Attachment 1)

Peter Tarzian moved to approve the minutes of August 23, 2007 as amended to show an accurate description of the agreed upon workgroups. Thomas Husted seconded the motion. The motion carried 10 - 0.

2. Overview of Meeting - Denise Hall

Denise Hall provided an overview of the meeting agenda.

3. Staff Report

Denise Hall provided a staff update and reintroduced existing staff members and introduced new staff members; Glenn Baly, Program/Policy Development Coordinator and Carolyn Bader, Contracts Officer. A handout was provided with staff biographies and responsibilities. (Attached)

4. Retreat Update

Jean Thorne stated she sent out the agenda for the Board retreat on September 14, 2007 and thanked the Board members for responding to the survey. Dianne Lovell, Chair of the OEBC Board will attend the retreat and share with the board some of the lessons OEBC learned as it was formed and moved forward. Connie Green from Willis, Green & Associates will be the facilitator of the retreat. The agenda and survey were prepared by a sub-group of three Board members that included Mylia Christensen, Richard Clarke and Michael Cannarella. Jean Thorne coordinated the efforts of the sub-group. The majority of the retreat will focus on the eight considerations the Board must emphasize when entering into benefit plan contracts as outlined in Section 4(1) of SB 426. Connie will help

guide the board members through a discussion on what each of the considerations mean to them and help develop guiding principles for plan and carrier selection. Connie Green will also facilitate the portion of the retreat that will focus on roles and responsibilities of the Board, staff and consultants. The survey was used to gather board members' perspectives of how specific scenarios should be addressed.

5. OEBC Work Plan Update (Handout attached)

Ann Thompson provided an update on the work plan and stated things are moving along as planned.

Geoff Brown stated the most important task of the day would be reaching a consensus on defining comparability.

Richard Clarke asked if the work plan would be posted to the web page or if the Board members would have copies at Board meetings.

Geoff Brown suggested that due to the volume of the plan that OEBC post it to the OEBC web page. He will send it to OEBC next week.

Denise Hall presented an overview of the current environment (handout provided). There are 197 school districts and 20 education service districts located throughout Oregon. It is estimated that there are 65,000 employees in these districts.

Currently there are three entities that provide group health coverage for most of the school districts and education service districts and some community college districts – OSBA Health Trust, OEA Choice Trust and OSEA Choice.

About 2.4% of the district employees are covered under a plan offered by a district that is self-insured.

It is estimated that approximately 15% of the district employees are covered under plans that are contracted directly by the district.

Victor Musial asked if these numbers include charter schools – Camas Valley, Ione and Paisley.

Denise Hall stated that this information does not include charter schools, but she is in the process of gathering that information.

Richard Clark asked what the process is for adopting rules.

Denise Hall explained OEBC can file temporary rules for the purpose of getting RFPs completed. Temporary rules are valid for up to 180 days. To be in effect beyond that, permanent rules must be filed. This process provides for public input through hearings and requests for public comment. She will be looking at

ways for more individuals to be able to participate in the public comment process.

The Board agreed that giving the public more opportunities to review documents and information relating to the new OEBC benefits program is very important.

Denise Hall asked the Board if they would like to have all of the attachments they receive in preparation for a Board meeting placed on the web page at the same time the Board receives them. The consensus of the Board is that this will allow stakeholders to have more time to let the Board know which agenda items they want to comment on.

Jean Thorne suggested that when the public signs the public comment sheet at meetings that the Board hear those comments as they proceed through the agenda.

Jean Thorne asked for a clarification of education service districts – are they cross counties?

Peter Tarzian explained the education service districts have very close relationships with their component schools, they are the communications conduit for superintendents, and they provide technology services to their component schools and to other school districts throughout the state.

Jean Thorne stated that the ESDs may be a good way to get communications and information out to the superintendents.

6. Options for Comparability (Attachment 4)

Steve Carlson explained WW looked at the specific language in SB 426 and identified some key components of comparability:

- Timing
- Scope
- Design
- Cost

Peter Tarzian asked if the challenge would be to evaluate one or the other – value of the plan or premium rates and how they compare.

Geoff Brown explained that as OEBC/WW evaluates the bandwidth of plans, identify the plan that is the most populated, assign a value and represent other plans on what their relative value is compared to that baseline. Then use a nationally recognized tool that goes beyond WW and will stand the test of credibility.

Richard Clarke stated that it is important for OEBC to be creative and innovative. Comparability does not mean the Board has to just replicate what is already out there – the Board has the opportunity to create better plans.

Brett Yancy stated that when all is said and done, what the Board does will be judged by 65,000 employees.

Jean Thorne stated that everyone is going to be looking at this in different ways and the communication piece is going to be extremely important in explaining the plans.

Peter Tarzian stated that the Board should attempt to find plans that will fit the different stakeholder groups; family-friendly, people without kids, retirees. Plans should be innovative enough to consider all of aspects and needs of the stakeholders.

7. Instrument for surveying districts for plan and enrollment information (Attachment 5)

Steve Carlson explained WW received information from OEA Choice Trust, OSBA Health Trust and OSEA Choice. It is estimated that this represents 45,000 employees of approximately 65,000 employees. WW plans to send out a survey out to districts that purchase benefits plans through other means to gather information regarding the plans they offer. The survey will be distributed electronically. WW provided an additional handout showing two pie charts showing medical plans grouped by deductible and pharmacy plans grouped by co-pay level (attached).

8. Temporary Rules for Phase-in of Districts (Attachment #6)

Denise Hall presented draft temporary rules Division 10, 20 and 50 for review.

There was a discussion about the definition for eligible employee being different than the definition under SB 426. The Board agreed that the definition should reflect the language in the bill at this time.

Victor Musial moved to adopt temporary rules Division 10, 20 and 50 as amended. Michael Cannarella seconded the motion. The motion carried 9 -1. Mylia Christensen voted nay.

LUNCH 12:30 to 1:10 p.m.

9. Future Workgroups (Attachment 7)

Geoff Brown explained the proposed composition of the workgroups. The workgroups should be made up of three to five members, representing staff, Board, a representative from Watson Wyatt, and stakeholders. The purpose is to

provide an assessment and make recommendations to the Board. Each group will have a defined scope and short and longer range goals. Workgroups may consult with other resources including members of other groups as appropriate. Workgroups may need to meet two or three times in order to reach the short-term goals.

The Plan Design Workgroup's immediate goal is to bring plan design recommendations to the Board for review and target approval by October 25, 2007. The long-term goals are to review experimental and investigational procedures, medical evidence and generally collaborate with the Health, Wellness and Quality Workgroup.

The Administration Workgroup's immediate goal is to identify the preferred method of administering OEBC at implementation on October 1, 2008. This recommendation needs to happen by November 1, 2007. The long-term goals are to consider alternative systems that could potentially automate and streamline administration.

The Health, Wellness and Quality Workgroup's immediate goal is to recommend program requirements for initial RFP and/or implementation by November 1, 2007. The long term goals are to develop a three-year plan and defining attributes of a disease burden analysis.

The Communication/Change Management Workgroup's immediate goal is to recommend a pre-implementation communication plan by October 11, 2007. The long-term goal is to address enrollment requirements and requirements to support wellness and quality programs.

Richard Clarke expressed concern regarding the deadline on plan design before there is a consensus on the definition of comparability.

Steve McNannay stated the comparability issue will be further discussed at the retreat on September 14.

The following Board members, staff, and Watson Wyatt consultants will serve on the following workgroups:

Administration:

Board - Steve McNannay, Brett Yancy and Richard Clarke

Staff - Heidi Williams and Ali Hassoun

WW Consultant - Mike Marion

Plan Design:

Board - Steve McNannay, Ron Gallinat and Mylia Christensen

Staff - Denise Hall

WW Consultant – Steve Carlson

Health, Wellness, Quality:

Board – Victor Musial, Alison Little and Peter Tarzian

Staff – Glenn Baly and Jean Thorne

WW Consultant – Michael Wood

Communications and Change Management:

Board – Victor Musial, Michael Cannarella, Tom Husted and Peter Tarzian

Staff – Scott Rupp

WW Consultant – Carol Butterfield

Geoff Brown will float among each of the workgroups.

Jean Thorne reminded the Board that all workgroup meetings are considered public meetings and the public meetings laws apply.

Brett Yancey stated that the workgroups are important and critical to the stakeholders.

Victor Musial suggested the workgroups meet either before or after Board meetings and the Board meetings be shortened.

Steve McNannay asked how the Board will identify interested stakeholders.

10. Short-term Communication Plan (Attachment 8)

Denise Hall and Scott Rupp presented information for the short-term communications plan that sets forth preliminary communication options that will inform the OEBC Board, members, stakeholders and staff of OEBC development, and establish a preliminary plan of action required to inform and address questions and concerns of the OEBC members and stakeholders. The plan also serves as an outline for the OEBC Web site and off-line communications policies. The Board was given a handout showing the OEBC web site as it is now and the proposed web site. Scott proposes to have the changes to the web site up within a month.

Denise Hall asked what would be the best way to communicate to school districts. **Brett Yancey** stated that most of the districts have listservs.

Peter Tarzian asked how often the newsletter would go out. **Scott Rupp** replied it would go out once a month.

Steve McNannay suggested hot links be placed on the web page and that the information is updated and kept current.

Victor Musial asked if there would be a policy regarding an official spokesperson for the Board that would be discussed with the Board. **Scott Rupp** replied that he would like to talk to the Board about that policy.

Denise Hall stated that staff will begin to work on policies and procedures in the next six to eight weeks.

Victor Musial suggested adding a glossary for the acronyms or terms used in health care with which they may not be familiar.

11. Value-based Purchasing - PEBB & eValue8 (Attachments 9 and 9A)

Jean Thorne presented information on eValue8. eValue8 is used by business health coalitions, their purchaser members and national employers to assess and manage the quality of their health care vendors. Eight Oregon health plans participated in the program in 2006.

The eValue8 tool uses a standard annual request for information survey to gather hundreds of benchmarks in critical areas such as adoption of health information technology, member and provider communications, disease management, program administration, provider performance, patient safety, pharmacy management, behavioral health and financial stability. Standardized performance reports are prepared for HMO plans as well as for PPO plans and networks. Content for the survey is coordinated using input from purchasers, coalitions, and health plans and incorporates guidance from experts from the Centers of Disease Control, the Substance Abuse and Mental Health Services Administration, George Washington University and others in public health and academia. eValue8 also works in concert with accrediting bodies, including the National Committee on Quality Assurance and the Joint Commission for the Accreditation of Healthcare Organizations, to prevent redundancy and build on existing standards.

Jean suggested that OEBB may want to use this information in making decisions regarding plan design or when requesting bids for coverage.

12. Public Comment

There were no public comments.

13. Other Business

There being no further business before the Board the meeting adjourned at 3:40 p.m.