

**Washington State Health Insurance Pool  
Board Meeting Minutes (Approved 9-27-17)  
Wednesday, May 10, 2017, 9:00 a.m. to 12:00 p.m.  
Talaris Conference Center, Willow Room**

**Board Members Present:**

Shaun Koos, Chair	Lisa Matthews	Sheela Tallman
Roger Bairstow	Alison Mondt	Kristen Walter Wright (by phone)
Jamie Clark	Scott Plack	
AnnaLisa Gellermann	Mark Rose	

**Board Members Absent:** Andi Bailey

**Also Present:**

Sharon Becker, WSHIP Executive Director  
Anita Wuellner, WSHIP Executive Assistant  
Anne Redman, Legal Counsel, Perkins Coie LLP

**Guests:**

BML (via telephone): Bernie Jamieson, Debbie McCormick and Denise Wilkens  
Express Scripts: Harris Zeyae and (via telephone) Amy Daily  
Leif Associates (via telephone): Liz Leif

**Audience Members:**

Michael Dunlop, Evergreen Health Insurance Program  
Wendy Galloway, Office of the Insurance Commissioner  
Anthony Moore, Northwest Kidney Centers

The meeting was called to order by Chair Shaun Koos at 9:02 a.m.

1. **Introductions, Review Agenda.** Board members, staff, guests and members of the audience introduced themselves.
2. **Consent Agenda (ACTION):**
  - A. **Minutes of March 8, 2017**
  - B. **2017 Board Schedule and Work Plan**

**MOTION: It was moved and seconded to approve the Consent Agenda. The motion carried.**

3. **Executive Director's Report:** Sharon Becker reviewed the Executive Director's Report included in the meeting materials.
4. **Administrator's Report:** Debbie McCormick reviewed the Administrator's Report for March 2017 included in the meeting materials, pointing out comparisons to March 2016.
  - A. **Monthly Operations report – March 2017:** Ms. McCormick reviewed the March 2017 Operations Report included in the meeting materials. Discussion ensued.

**B. Enrollment Update:** Ms. McCormick reviewed the April 2017 Enrollment Update included in the meeting materials.

**5. Treasurer's Report:** Scott Plack pointed out the highlights of the Treasurer's report included in the meeting materials, noting that as a result of updated projections, the assessment will be reduced from \$33 million to \$29 million.

**A. March 2017 WSHIP Financials (ACTION):** Denise Wilkens reviewed the March 2017 WSHIP Financials included in the meeting materials. She pointed out the assumptions noted on the cash flow forecast. Of particular note is that the July assessment was reduced from \$11 million to \$8 million.

Liz Leif reviewed her projections, the resulting assumptions, and the revised forecast. She noted membership projections are slightly lower than last projections, and medical and pharmacy trends have improved for both Medicare and non-Medicare.

**MOTION: It was moved and seconded to accept the March 2017 WSHIP Financials as presented. The motion carried.**

**B. 2015 Assessment Issues (ACTION):** Bernie Jamieson reviewed the BML (Benefit Management LLC) memo dated April 5, 2017 included in the meeting materials, explaining the two cases and putting forth the two true-up options. Discussion ensued. Ms. Becker advised that the Executive Committee recommends approving Option 1.

**MOTION: It was moved and seconded to resolve these issues by depositing the additional assessment amounts which will reduce the next assessment amount that will be spread among the member plans based on market share as recommended by the Executive Committee. The motion carried.**

**C. Interim II Assessment (in July) (ACTION):** An assessment amount of \$8 million was presented and discussed.

**MOTION: It was moved and seconded to approve the 2017 Interim Assessment II in the amount of \$8 million as presented. The motion carried.**

Ms. Becker advised that information included in the meeting materials regarding the projected 2018 WSHIP assessment as set forth in the Notification was sent to member plans in late March.

**Public Comment:** Wendy Galloway requested follow-up information on the appeals indicated on the Administrator's Report, particularly why there were no second level appeals for the denials. Discussion ensued. Debbie McCormick will provide follow-up regarding the number of appeals being higher than usual.

(A break was taken from 9:51 a.m. to 10:11 a.m.)

**6. Governance Committee Report:**

**A. Member Plan Meeting – Board Election Results:** Kristen Walter Wright announced the results of the Member Plan Meeting held just prior to the Board meeting. The incumbent Jamie Clark

was re-elected for a term ending May 31, 2020 for the Class A Board Position 7 representing Disability/Stop Loss member plans.

- B. Recommended Updates to Executive Committee Charter (ACTION):** Ms. Walter-Wright advised that the Ad hoc Nominating Committee and Governance Committee recommend updating the Executive Committee Charter as indicated in the redlined draft included in the meeting materials, noting it will serve to allow the Secretary/Treasurer position to be one or two positions. Separating it into two positions for the upcoming term will allow for broad representation on the Executive Committee and ease workload. Discussion ensued.

**MOTION: It was moved and seconded to approve the changes to the Executive Committee Charter as presented. The motion carried.**

- C. Board Officer Nomination Recommendations and Election (ACTION):** Ms. Walter Wright advised that since the committee was considering her for an officer position, she recused herself from discussions and voting on the Ad hoc Nominating Committee. AnnaLisa Gellermann provided an update on the Committee's meetings and discussions. She advised that the committee recommends the nominations of Kristen Walter Wright as Chair, Mark Rose as Vice Chair, Scott Plack as Treasurer and Alison Mondt as Secretary for a term of June 1, 2017 through May 31, 2018. Mr. Koos asked for additional nominations, of which there were none. He then called for the vote.

**MOTION: It was moved and seconded to approve the elections of Kristen Walter Wright as Chair, Mark Rose as Vice Chair, Scott Plack as Treasurer and Alison Mondt as Secretary for a June 1, 2017 through May 31, 2018 term. The motion carried.**

- 7. Executive Committee Report:** Mr. Koos provided an update on the recent Executive Committee meeting, noting that a pharmacy audit has been undertaken with Express Scripts. Ms. Becker advised it is nearly completed.

- A. Rate-setting Principles:** Mr. Koos reviewed the Rate-setting Principles included in the meeting materials. He noted Section B speaks to those areas that are at the discretion of the WSHIP Board and advised that the Executive Committee reviewed them and recommends no changes. He asked the Board for their comments. Discussion ensued.

**MOTION: It was moved and seconded to approve maintaining the rate-setting principles as written. The motion carried.**

**8. Planning Committee Report:**

- A. Benefit Evaluation Project Recommendations (ACTION):** Jamie Clark advised the Planning Committee has evaluated WSHIP's benefit plans, and she reviewed the summary document included in the meeting materials. Discussion ensued. Mr. Koos asked for input from the Board and public.

Anthony Moore commented that it would be good to educate Medicare enrollees about the impacts of moving from the Basic Plus plan to the Basic plan, noting that the premium saving

may be significant for those who do not have a high Part D co-pay.

**MOTION: It was moved and seconded to approve the recommendation of the Planning Committee to discontinue all Standard Plans effective January 1, 2018 and to re-evaluate next year whether or not to discontinue the PPO \$500 and Basic Plus plans. The motion carried.**

**B. Yearly Pharmacy Report:** Express Scripts representatives Harris Zeyae and Amy Daily presented a pharmacy benefits annual review and trends report. Discussion ensued.

**C. Vendor Review:** Ms. Becker advised that the committee discussed and reviewed the need for any vendor RFPs with the consensus that none are recommended at this time.

**9. Executive Session:** No Executive Session was held.

**Adjournment:** The meeting adjourned at 11:28 a.m.

**Next Meeting:** Wednesday, September 27, 2017, from 9:00 a.m. – 12:00 p.m. in the Maple Room of the Talaris Conference Center, Seattle, WA.