

LTSS Trust Commission

Meeting Minutes			
Meeting Date	10/20/2020	Time	1:00 to 4:00

Attendees			
Commission Members			
✓	Senator Karen Keiser	✓	Representative Paul Harris
	Representative Frank Chopp		Representative Nicole Macri
	Senator Curtis King	✓	Representative Drew MacEwen
✓	ESD Commissioner Suzi Levine	✓	Taylor Linke Director, Division of Medicaid Eligibility & Community Support, HCA
	TBD, Individual receiving Long-Term Services and Supports	✓	Ruth Egger, Individual receiving Long-Term Services and Supports Designee
✓	Sarai Childs, Representative of an organization of employers whose members collect the premium	✓	John Ficker, Adult Family Home Providers Representative
	Peter Nazzal, Home Care Association Representative	✓	Michael Tucker, Representative of an organization representing retired persons
			Senator Judy Warnick
		✓	Senator Steve Conway
		✓	Bill Moss (Chair) Assistant Secretary, AL TSA, DSHS
		✓	Madeline Foutch, Representative of a union representing LTC workers
			Andrew Nicholas, Worker who will likely be paying the premium
		✓	Dan Murphy, Area Agencies on Aging Representative
		✓	Lauri St. Ours, Representative of an association representing SNF/ALF providers
Guest Speakers			
✓	Matt Smith, State Actuary	✓	Ben Veghte, Director, LTSS Trust, AL TSA
✓	Annie Gunnlaugsson, Milliman	✓	Andrea Meewes Sanchez, Program Manager, LTSS Trust, AL TSA
✓	Luke Masselink, Office of the State Actuary	✓	
			Chris Giese, Milliman
			Al Schmitz, Milliman

Topic	Minutes
Introductions	Meeting attendees indicated above.
Consent Agenda <ul style="list-style-type: none"> • Minutes from 9/30/2020 • Administrative Expenses Report 	<ul style="list-style-type: none"> • There was a motion to approve the minutes from the September 30th meeting. The motion was seconded. A voice vote was taken and the motion was passed. • There was a motion to approve the Administrative Expenses Report. The motion was seconded. A voice vote was taken and the motion was passed. The DSHS and ESD Commission members recused themselves from the vote as required by statute. Sarai will submit the report on behalf of the Commission.
Unfinished Business	<ul style="list-style-type: none"> • None



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Topic	Minutes
New Business • Final Milliman Report	<ul style="list-style-type: none"> • There were no questions from the Commission members on the report.
New Business • Discussion about margins and risk tolerance	<ul style="list-style-type: none"> • Al Schmitz from Milliman shared challenges of managing LTSS Trust risk over the long-term and how a risk management framework can be used to help manage the risks. He also discussed an appropriate level of margin and risk tolerance.
New Business • Draft OSA Report on LTSS Trust Solvency	<ul style="list-style-type: none"> • Matt Smith, the State Actuary, shared recommendations from the draft report. <ul style="list-style-type: none"> ○ Clarify key program parameters ○ Clarify the investment policy through work with the Washington State Investment Board ○ Perform an updated baseline analysis ○ Establish a risk management framework consistent with the program’s financial goals ○ Establish a funding policy • Matt also shared typical components of a risk management framework. <ul style="list-style-type: none"> ○ Identification of risks ○ Measurement and assessment of the risks ○ Mitigation of risks ○ Reporting and monitoring ○ Coordination of risk management roles/responsibilities • ACTION ITEM: Determine who has the lead on developing the risk management framework and making sure information is produced for the Commission. There will be a report back to the Commission on this at a subsequent meeting.



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Topic	Minutes
<p>New Business</p> <ul style="list-style-type: none">• Report out from workgroup on Tribal participation in the LTSS Trust	<ul style="list-style-type: none">• Andrea Meewes Sanchez from DSHS shared the three options identified by the Tribal Participation workgroup.<ul style="list-style-type: none">○ Tribal employer opt-in<ul style="list-style-type: none">○ Tribal employee permanent opt-in○ Tribal employer opt-in, and Tribal employee permanent opt-in for non-participating Tribes• The workgroup did not recommend one of the options. Instead they are recommending that the Commission includes a broad-based recommendation to do a tribal consultation around the options identified by the workgroup. This shows the Commission’s desire to pursue pathways for Tribal participation and doesn’t show a preference for any of the options identified by the workgroup.• Suzi LeVine shared that if there’s legislation that passes in the coming session in support of Option 1, ESD can include it in the minimum viable product for the premium collection that will start in January 2022. ESD will not have the necessary lead time to include the other two options in the minimum viable product for January 2022. be done in the timeframe, but Option 2 and Option 3 cannot. She also shared that Paid Family Medical Leave (PFML) is available on an opt-in basis for the Tribes, but no tribes have opted in so far for PFML.• Bill Moss noted that with 31,000 s Tribal employees, there’s significant risk of adverse selection unless there are parameters put in place around how much time employees have to opt-in, etc.• Senator Keiser shared there are 39 separate tribes in Washington and they need to be dealt with individually.• Bill Moss shared how DSHS handles Tribal consultation by inviting all tribes, council members or tribal chairs, to a meeting to discuss a topic.• For option 2, Dan suggested introducing a timeframe that they have to opt-in.• ESD suggested there be a critical mass interested in options 2 or 3 before moving forward with either of those options.



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Topic	Minutes
<p>New Business</p> <ul style="list-style-type: none"> • Report out from the workgroup on non-participation and adverse selection 	<ul style="list-style-type: none"> • Private LTC Insurance Opt-Out <ul style="list-style-type: none"> ○ Ben Veghte from DSHS reported out from the workgroup on the risks associated with the opt-out option and the recommendation from the workgroup – <ul style="list-style-type: none"> ▪ Limit opt-out to those who had LTC insurance prior to enactment of the LTSS Trust. ○ Senator Keiser shared the intent of the legislation was to apply to people who already had purchased LTC insurance and was not intended to be for future purchasers of LTC insurance. • Self-Employed Opt-In <ul style="list-style-type: none"> ○ Ben reported out from the workgroup on the risks associated with the self-employment opt-in option and the recommendations from the workgroup – <ul style="list-style-type: none"> ▪ When a self-employed person opts in, opt-in is permanent ▪ 3-year window to opt in (by 12/31/2024 or within 3 years of becoming self-employed for the first time) ▪ Conduct spot audits of compliance among self-employed who opt in ○ Suzi LeVine shared that PFML does not have a permanent opt-in requirement. ○ Senator Keiser shared that the workgroup took the middle ground with the recommendations. The workgroup didn't think the mandatory opt-in for all self-employed would be politically feasible. And that allowing people to go in and out of the program as they pleased would not be good for the sustainability of the program. ○ Suzi LeVine said there may be research funding that can be used to dig into self-employed workers and an opportunity to put together focus groups or do a survey. <ul style="list-style-type: none"> ▪ ACTION ITEM: Confirm if there is funding available and consider doing focus groups and surveys on the self-employed.



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New Business Part Three

• Review draft Commission Recommendations Report

- The Commission reviewed the different recommendations from the workgroup and a pulse check was done to see if there is agreement and alignment on the recommendations.
- Coverage for adults disabled before the age of 18
 - **Workgroup recommendation:** Extend coverage to all adults with disabilities that onset prior to age 18 by removing the restriction in RCW 50B.04.010(6)
 - Most of the Commission members support the recommendation from the workgroup.
 - One Commission member supports the recommendation if SJR8212 passes, but is concerned about making this recommendation if the ballot initiative does not pass.
 - One Commission member prefers one of the other options considered by the workgroup.
- Requirements to be a qualified individual
 - **Workgroup recommendation:** When deeming a person to be a qualified individual under RCW 50B.04.050(1)(b) three years within the last six years, consider at the time an individual applies for benefits, assuming an application occurs when someone needs assistance with activities of daily living.
 - Most of the Commission members support the recommendation from the workgroup.
 - One Commission member was uncertain about the recommendation.
- Tribal participation
 - **Workgroup recommendation:** Take the three options identified by the workgroup to Tribal consultation to determine whether there is alignment with the Tribes on any of the options.
 - Most of the Commission members support the recommendation from the workgroup.
 - One Commission member supports the consultation but would like to make sure we've got guardrails to prevent adverse selection. Bill confirmed the consultation will include discussing guardrails to discuss guarding against adverse selection and if Tribes are interested in Option 2 or Option 3 that there will be discussion about how these options will take longer because of the complexity involved. And Bill wants to make sure ESD participates in the consultation.
 - One Commission member is conflicted on the issue and wants to make sure make sure there is equity across the board.
 - One Commission member shared that if there are different programs and different allowances of who's participating and not participating, there will be administrative challenges and there won't be consistency across the board.
 - **After further discussion there was a suggestion to change the recommendation to:** The Commission supports a statute change that allows for Tribal participation in the LTSS Trust and endorses the Tribal employer opt-in option. The Commission recommends taking all three options identified by the workgroup to Tribal consultation to determine whether there is alignment with the Tribes on any of the options.
 - Most of the Commission members support the revised recommendation.
- LTC Insurance Opt-Out



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Topic	Minutes
	<ul style="list-style-type: none"> ○ Workgroup recommendation: Limit opt-out to those who had LTC insurance prior to enactment of the LTSS Trust. ○ Most of the Commission members support the recommendation from the workgroup. ○ Suzi LeVine shared that ESD is neutral on the recommendation. • Self-Employed Opt-In <ul style="list-style-type: none"> ○ Workgroup recommendations: <ul style="list-style-type: none"> ▪ When a self-employed person opts in, opt-in is permanent ▪ 3-year window to opt in (by 12/31/2024 or within 3 years of becoming self-employed for the first time) ▪ Conduct spot audits of compliance among self-employed who opt in ○ Most of the Commission members support the recommendation from the workgroup. ○ Suzi LeVine shared that ESD is neutral on the recommendation.
Public Comment	One comment was received from Stephen Forman.
Set Agenda for December meeting	<p>The Commission reviewed the proposed agenda for the meeting on December 3rd.</p> <ul style="list-style-type: none"> • Bill checked if the Commission members are open to having one or two 1-hour meetings during session. The Leg session schedule will be established in December. As long as meetings are scheduled around the session schedule there shouldn't be an issue. • There were no additions to the December meeting agenda.
Wrap-up • Action items review	<ul style="list-style-type: none"> • Action items are captured in the table below. • Meeting adjourned at 3:42.

Action Items

ID	Meeting Date	Action Item	Owner	Due Date	Comments/Updates	Status	Completion Date
21	10/20/20	Develop risk management framework	Ben Veghte	12/03/20	2020-10-20: OSA made a recommendation to establish a risk management framework for the LTSS Trust program that is consistent with the program's financial goals. We need to determine who has the lead on developing the risk management framework and making sure information is produced for the Commission. There will be a report back to the Commission on this at a subsequent meeting.	New	
22	10/20/20	Consider doing focus groups and surveys on the self-employed	Ben Veghte	12/03/20	2020-10-20: Suzi LeVine said there may be research funding that can be used to dig into self-employed workers and an opportunity to put together focus groups or do a survey. Commission staff will confirm if there is funding available and consider doing focus groups and surveys on the self-employed.	New	

