

LTSS Trust Commission

Meeting Minutes			
Meeting Date	12/3/2020	Time	2:00 to 5:00

Attendees			
Commission Members			
<input checked="" type="checkbox"/> Senator Karen Keiser	<input checked="" type="checkbox"/> Representative Paul Harris		Senator Judy Warnick
<input checked="" type="checkbox"/> Representative Frank Chopp	<input checked="" type="checkbox"/> Representative Nicole Macri	<input checked="" type="checkbox"/>	Senator Steve Conway
<input checked="" type="checkbox"/> Senator Curtis King	Representative Drew MacEwen	<input checked="" type="checkbox"/>	Bill Moss (Chair)
<input checked="" type="checkbox"/> ESD Commissioner Suzi Levine	<input checked="" type="checkbox"/> Taylor Linke Director, Division of Medicaid Eligibility & Community Support, HCA	<input checked="" type="checkbox"/>	Assistant Secretary, AL TSA, DSHS Madeline Foutch, Representative of a union representing LTC workers
TBD, Individual receiving Long-Term Services and Supports	<input checked="" type="checkbox"/> Ruth Egger, Individual receiving Long-Term Services and Supports Designee	<input checked="" type="checkbox"/>	Andrew Nicholas, Worker who will likely be paying the premium
Sarai Childs, Representative of an organization of employers whose members collect the premium	<input checked="" type="checkbox"/> John Ficker, Adult Family Home Providers Representative	<input checked="" type="checkbox"/>	Dan Murphy, Area Agencies on Aging Representative
<input checked="" type="checkbox"/> Peter Nazzal, Home Care Association Representative	<input checked="" type="checkbox"/> Michael Tucker, Representative of an organization representing retired persons	<input checked="" type="checkbox"/>	Lauri St. Ours, Representative of an association representing SNF/ALF providers
Guest Speakers			
<input checked="" type="checkbox"/> Ben Veghte, Director, LTSS Trust, AL TSA	<input checked="" type="checkbox"/> Lisa Kissler, ESD	<input checked="" type="checkbox"/>	Kelly Lindseth, ESD

Topic	Minutes
Welcome and call to order	Meeting attendees indicated above. Bill Moss reviewed the meeting goals from the agenda.
Consent Agenda <ul style="list-style-type: none"> • Minutes from 10/20/2020 	<ul style="list-style-type: none"> • There was a motion to approve the minutes from the 10-20-2020 meeting. The motion was seconded. A voice vote was taken and the motion was passed.



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Topic	Minutes
<p>Old Business</p> <ul style="list-style-type: none"> • ESJR 8212 Results 	<ul style="list-style-type: none"> • The Commission members discussed the results of ESJR 8212. 46% of voters approved the resolution and 54% rejected the resolution. • There was a consensus to introduce a new resolution similar to ESJR 8212 in the 2021 legislative session. It will be important to work on the messaging and education related to a new resolution. Labor & Industries had a similar resolution and can be consulted on the messaging they used. A bi-partisan voter’s pamphlet statement in favor of a constitutional amendment might be more persuasive. • There was a motion to make the following Commission recommendation. <ul style="list-style-type: none"> ○ Joint resolution to propose an amendment to the state constitution concerning the investment of LTSS Trust funds: To allow the LTSS Trust Fund to be invested with the Washington State Investment Board and thereby help ensure that it can pay benefits to eligible Washingtonians over the long-term and keep worker premiums low, the Commission recommends that the legislature propose a joint resolution for an amendment to the state constitution for consideration by voters in the 2021 general election. ○ The motion was seconded. A roll call vote was taken and the motion passed, with Bill Moss and Suzi LeVine abstaining. • Also In light of the failure of ESJR 8212, there was a consensus to change the Commission recommendation on whether and how to extend coverage to individuals who became disabled before the age of eighteen, to: <ul style="list-style-type: none"> ○ The Commission recommends extending LTSS Trust coverage to all adults with a disability that onset prior to age 18 if and when, in the future, the premium projected to cover program costs is sufficiently below the premium set in statute (0.58%) to cover the costs of extending coverage to this population. • Bill noted that at the last Commission meeting it was proposed that the Commission establish a risk management framework for dealing with risks and suggests that a workgroup be formed on this issue, and recommending next steps related to failure of ESJR 8212. <ul style="list-style-type: none"> ○ There was a motion to establish a workgroup to propose a risk management framework for dealing with future risks in coordination with the State Actuary. The motion was seconded. A voice vote was taken and the motion was passed.



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Old Business

- **Commission Recommendations Report**

- Ben gave an overview of the additional recommendations in the report.
 - *The establishment of criteria for determining that an individual has met the requirements to be a qualified individual under the ‘three of the last six years’ criteria*
 - The Commission recommends that when assessing whether a person is a qualified individual under RCW 50B.04.050, (1)(b) three years within the last six years, that the test of ‘three of the last six years’ is applied is at the time when an individual is applying for LTSS Trust benefits. This clarification could be implemented without a statute change. However, making a change to RCW 50B.04.050 denoted would provide greater clarity.
 - *Change to rules or policies to improve the operation of the program: Pathways to include tribes*
 - The Commission recommends a statute change that allows Tribes an option to participate in the Trust.
 - The Commission recommends revising RCW 50B.04 to add a tribal employer opt-in provision that gives tribal employers the option to participate in the Trust.
 - The Commission recommends tribal consultation to determine whether there is alignment with the tribes on this approach.
 - Ben noted that the report sent out to the Commission used language that adding a tribal employer opt-in would have a ‘neutral’ effect on solvency. A better word used in the Milliman report was ‘negligible’ and he proposed using ‘negligible’ in the recommendations report as well.
 - *Advising the legislature on actions necessary to maintain trust solvency: Private long-term care insurance opt-out*
 - The Commission recommends limiting opt-out to those who had private long-term care insurance prior to the enactment of the Trust.
 - *Advising the legislature on actions necessary to maintain trust solvency: Self-employed opt-in*
 - The Commission recommends a statute change that retains the voluntary nature of Trust participation by the self-employed but establishes two fundamental ground rules around participation:
 - A three-year window for self-employed individuals to opt in once premium collection begins in 2022 (or going forward once an individual becomes self-employed).
 - Once an individual has opted in, the opt-in is permanent.
 - The Commission recommends a statute change that provides authority for the Employment Security Department to verify self-employed income reporting.
 - *Recommendations from the Office of the State Actuary on actions necessary to achieve trust solvency*
 - Clarify key program parameters. The provisions that Milliman estimates to have the most impact on solvency include the private insurance opt-out, self-employed opt-in, benefit eligibility trigger, and the elimination period.



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Topic	Minutes
	<ul style="list-style-type: none"> ▪ Clarify the investment policy through work with the Washington State Investment Board. ▪ Perform an updated baseline analysis reflecting input from the prior bullets. ▪ Establish a risk management framework consistent with the program’s financial goals. ▪ Establish a funding policy consistent with the above. <ul style="list-style-type: none"> • There was agreement to change the recommendation regarding the joint resolution so it’s clearer to: <ul style="list-style-type: none"> ○ Joint resolution to propose an amendment to the state constitution concerning the investment of LTSS Trust funds: To allow the LTSS Trust Fund to be invested with <u>by</u> the Washington State Investment Board and thereby <u>in a full range of investments that helps ensure that the fund can pay benefits to eligible</u> Washingtonians over the long-term and keep worker premiums low, the Commission recommends that the legislature propose a joint resolution for an amendment to the state constitution for consideration by voters in the 2021 general election. • There was a motion to approve the Commission Recommendations Report with the changes agreed to above. The motion was seconded. A voice vote was taken and the motion was passed unanimously. • DSHS will submit the report to OFM on behalf of the Commission. OFM will deliver the report to the Legislature and Executive Agencies by January 1, 2021.
New Business <ul style="list-style-type: none"> • Draft Commission recommendations timeline 2022-2024 and draft 2021 Commission meeting schedule and agendas 	<ul style="list-style-type: none"> • Ben provided an overview of the Commission recommendation topics outlined in statute and presented a draft schedule for making the recommendations and proposed forming workgroups to develop options for consideration by the Commission. • Based on the proposed schedule for the Commission recommendations, Ben shared what this would like in terms of a 2021 Commission meeting schedule and agendas. If there are additional topics the Commission is interested in related to the operation of the program they can be added over the next few months. • ACTION ITEM: Bill asked to add updates for Commission members on where we’re at with our IT solutions for the Trust to a future Commission meeting agenda.
New Business <ul style="list-style-type: none"> • Investment Strategy Subcommittee Update 	<ul style="list-style-type: none"> • Bill shared that Representative MacEwen was elected as the chair of the Investment Strategy Subcommittee. He also provided update from the November 12th Subcommittee meeting and an overview of the Subcommittee timeline.
New Business <ul style="list-style-type: none"> • Agency 21-23 biennium decision packages 	<ul style="list-style-type: none"> • Ben provided an overview of the DSHS 21-23 LTSS Trust decision package. • Kelly Lindseth and Lisa Kissler provided an overview of the ESD 21-23 LTSS Trust decision package.



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Topic	Minutes
<p>New Business</p> <ul style="list-style-type: none"> • HHS Coalition 	<ul style="list-style-type: none"> • Ben provided background about the HHS Coalition, its interest in overseeing all of the LTSS Trust IT implementation and the risk this brings to the LTSS Trust project. DSHS, the Department of Children, Youth & Families, the Department of Health, the Health Care Authority and the Health Benefits Exchange are all part of the HHS Coalition but ESD is not a member of the coalition. • Bill shared that this was brought forward to keep Commission members aware of this. There's interest in having one portal for Washington State across agencies to better serve individuals. The question is how to develop that and still meet the LTSS Trust timelines. We may end up with developing a new portal for the Trust and moving to an enterprise portal at some point in the future. The LTSS Trust legislation intends for us to leverage current systems to the extent possible. This is being done with ESD using the Paid Family Medical Leave platform for LTSS Trust premium collections, and DSHS will be looking at its current provider network when doing network development for the Trust, their CARE assessment tool, and using HCA's ProviderOne system. The Commission will be kept up to date on whether or not the HHS Coalition decides to provide oversight to the Trust. • ACTION ITEM: Suzi asked that the discussion with the HHS Coalition be limited to the 'LTSS Trust 'benefit' IT implementation' versus what's in the 4th bullet on slide 29 that says 'LTSS Trust IT implementation'. The Trust 'premium collection' IT implementation should not be part of the coalition discussion since ESD is not a member of the coalition and having the premium collection being subject to coalition oversight deeply imperils EDS's effectiveness in the work they must do. • Suzi will be included in the next meeting about this issue.
Public Comment	<ul style="list-style-type: none"> • One comment was received from Claude Thau regarding allowing exemptions for private long-term care policies. Representative Harris is interested in taking a look at more information regarding what Claude commented on and asked Claude to send more information. • ACTION ITEM: Commission staff will connect with Claude Thau to get more details about the information he provided during public comment. The information will be provided to Commission members.
Set Agenda for next meeting	<p>The Commission reviewed the proposed agenda for the next meeting to be held in February for one hour.</p> <ul style="list-style-type: none"> • Commission members can send additional topics to Ben through January. • Senator Keiser will ask Ways and Means staff to redraft the Senate Joint Resolution. • ACTION ITEM: Ben or Bill will send a letter to the legislative members of the Commission on the legislative changes that need to be considered by the legislature. NOTE: After the meeting Ben received confirmation from Senator Keiser that she is interested in introducing needed legislation resulting from the LTSS Trust Commission recommendations. • ACTION ITEM: Ben will coordinate with the American Indian Health Commission on language related to the tribal employer opt-in to make sure we're coordinated in terms of legislation that is put forward.



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Topic	Minutes
Wrap-up • Action items review	<ul style="list-style-type: none"> Action items are captured in the table below. Meeting adjourned at 4:02.

Action Items

ID	Meeting Date	Action Item	Owner	Due Date	Comments/Updates	Status	Completion Date
25	12/03/20	Add Agenda Item for Commission Meetings	Ben Veghte	01/31/21	2020-12-03: Bill asked to add updates for Commission members on where we're at with our IT solutions for the Trust to a future Commission meeting agenda.	New	
26	12/03/20	Limit discussion with HHS Coalition to LTSS Trust 'Benefit' IT implementation	Ben Veghte and Bill Moss	01/31/21	2020-12-03: Suzi asked that the discussion with the HHS Coalition be limited to the 'LTSS Trust 'benefit' IT implementation' versus what's in the 4th bullet on slide 29 that says 'LTSS Trust IT implementation'. The Trust 'premium collection' IT implementation should not be part of the coalition discussion since ESD is not a member of the coalition and having the premium collection being subject to coalition oversight deeply imperils EDS's effectiveness at the work they must do.	New	
27	12/03/20	Public Comment Information from Claude Thau	Ben Veghte	12/31/20	2020-12-03: Commission staff will connect with Claude Thau to get more details about the information he provided during public comment. The information will be provided to Commission members.	New	
28	12/03/20	Legislative changes needed to implement the Commission's recommendations	Ben Veghte	12/03/20	2020-12-08: Ben sent the requested legislative changes to Senator Keiser on December 4 th . 2020-12-03: Ben or Bill will send a letter to the legislative members of the Commission on the legislative changes needed to implement the Commission's recommendations. NOTE: After the meeting Ben received confirmation from Senator Keiser that she is interested in introducing needed legislation resulting from the LTSS Trust Commission recommendations.	Complete	12/04/20
29	12/03/20	Coordinate legislation regarding tribal employer opt-in	Ben Veghte and Andrea Meewes Sanchez	12/11/20	2020-12-03: Ben will coordinate with the American Indian Health Commission on language related to the tribal employer opt-in to make sure we're coordinated in terms of legislation that is put forward.	New	
25	12/03/20	Add Agenda Item for Commission Meetings	Ben Veghte	01/31/21	2020-12-03: Bill asked to add updates for Commission members on where we're at with our IT solutions for the Trust to a future Commission meeting agenda.	New	

