

**LTSS Trust Commission
Meeting Minutes**

Meeting Date	4/18/2022	Time	1:00 to 4:00
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Attendees

✓	Senator Karen Keiser		Representative Paul Harris	✓	Senator Judy Warnick
✓	Representative Frank Chopp		Representative Nicole Macri	✓	Senator Steve Conway
✓	Senator Curtis King		Representative Drew MacEwen	✓	DSHS Secretary Jilma Meneses (Chair)
✓	ESD Commissioner Cami Feek	✓	Taylor Linke Director, Medicaid Customer Service Division, HCA		Madeline Foutch, Representative of a union representing LTC workers
✓	Brenda Charles-Edwards, Individual receiving Long-Term Services and Supports Vacant, Representative of an organization of employers whose members collect the premium	✓	Ruth Egger, Individual receiving Long- Term Services and Supports Designee		Andrew Nicholas, Worker who will likely be paying the premium
	Peter Nazzal, Home Care Association Representative	✓	John Ficker, Adult Family Home Providers Representative	✓	Laura Cepoi, Area Agencies on Aging Representative
		✓	Michael Tucker, Representative of an organization representing retired persons	✓	Lauri St. Ours, Representative of an association representing SNF/ALF providers

Guest Speakers

✓	Ben Veghte, DSHS	✓	Matt Smith, State Actuary	✓	Matt Buelow, ESD
✓	Kelly Lindseth, ESD				

Topic	Minutes
Welcome and call to order	<ul style="list-style-type: none"> • DSHS Secretary, Jilma Meneses, was introduced as the new Commission Chair and Laura Cepoi and Brenda Charles-Edwards were introduced as new Commission members. • Commission members in attendance indicated above. • Secretary Meneses reviewed the meeting goals.
Consent Agenda	<ul style="list-style-type: none"> • Michael Tucker made a motion to approve the minutes from the 12/10/2021 Commission meeting. Senator King seconded the motion. A voice vote was taken, and the motion was passed unanimously.
<ul style="list-style-type: none"> • Minutes from 12/10/2021 	



Topic	Minutes
<p>New Business</p> <ul style="list-style-type: none"> 2022 WA Cares Fund legislation 	<ul style="list-style-type: none"> Ben Veghte gave an overview of the legislative changes made to the WA Cares Fund program in the 2022 legislative session. <ul style="list-style-type: none"> SHB 1732 <ul style="list-style-type: none"> Delays implementation of the program 18 months <ul style="list-style-type: none"> Premium collection now begins July 2023 Benefit payment now begins July 2026 Adds eligibility for pro-rated benefits for people born before January 1968 (near-retirees) ESHB 1733 <ul style="list-style-type: none"> Establishes voluntary exemptions for: <ul style="list-style-type: none"> Veterans who have been rated as having a service-connected disability of 70% or greater A spouse or registered domestic partner of an active-duty service member in the US armed forces Employees with a non-immigrant visa for temporary workers An employee employed by an employer in Washington, but maintains a permanent address outside of Washington as their primary residence ESSB 5693 <ul style="list-style-type: none"> The Commission must submit the results of the following activities, including any legislative recommendations, no later than January 1, 2023 <ul style="list-style-type: none"> Develop options for allowing persons who become qualified individuals and subsequently move outside of Washington to access benefits in another state Develop options for requiring the ongoing verification of the maintenance of long-term care insurance coverage by persons who have received an exemption Develop options for providing workers who have received exemptions based on having private long-term care insurance an opportunity to rescind their exemption and permanently reenter the program HB 1613 <ul style="list-style-type: none"> Allows ESD to share data for purposes of evaluating the program
<p>New Business</p> <ul style="list-style-type: none"> Commission recommendation topics for this year 	<ul style="list-style-type: none"> Ben Veghte gave an overview of Commission recommendation topics for this year. <ul style="list-style-type: none"> Portability Recertification of private LTC insurance exemptions Opportunity to rescind private LTC insurance exemptions Benefit eligibility <ul style="list-style-type: none"> Criteria for determining that an individual has met the requirements to be an eligible beneficiary (activities of daily living) as established in RCW 50B.04.060 Supplemental Private LTC Insurance plans <ul style="list-style-type: none"> Recommendations regarding their design and regulation Supplemental Private LTC Insurance Plans workgroup is already in existence. There could be a new workgroup on portability; recertification of private LTC insurance exemptions and opportunity to rescind private LTC insurance exemptions can be combined for a workgroup; and benefit eligibility can be its own workgroup. ACTION ITEM: If Commissioners would like to participate in any of these workgroups, please email Ben Veghte after this meeting and will reach out to you to setup those meetings.

Old Business

• Supplemental Private LTC Insurance workgroup

- Ben provided an update from the Supplemental Private LTC Insurance workgroup
- A December 15, 2021, kick-off identified key areas to address in order meet the scope of the charter.
 - Policy Design
 - Legal and Regulatory Issues
 - Coordination of Benefits
- The group has been very engaged, and we have a mix of both private LTCI carriers and consumer advocates participating.
- Each group has met twice with a second plenary session that convened on 4/1. A series of agreements have been developed and we will share some of the high-level agreements with you next.
- Agreements on proposed recommendations:
 - Key design principles will support carriers in developing their own supplemental products.
 - A supplemental product should pay after WA Cares Fund is exhausted
 - The elimination period should be a dollar amount equal to WA Cares Fund benefits
 - An automatic annual 3% inflation to WA Cares Fund benefits will support pricing for carriers
 - Alignment of covered care settings will support care continuity for beneficiaries
 - A process for notification of coverage between WA Cares Fund and a supplemental policy should be developed to support coordination of benefits
- Consumer protections are needed around supplemental private long-term care insurance
 - A new consumer guide for people seeking SPLTCI will help people make informed choices about how their supplemental policy will fit with WA Cares Fund and what coverage gaps could exist
 - An expansion of SHIBA to educate consumers specific to WA Cares Fund supplemental policies
 - A new statute to define policies that can be marketed as supplemental to WA Cares Fund is needed
- Additional agreements will be discussed in subsequent meetings and brought back to the Commission later this year.
- **ACTION ITEM:** Request from Senator Conway for the SPLTCI workgroup to answer his question – Why would we require people to exhaust the state benefit if they are using the state benefit largely for home care needs?
- Another perspective would be that the long-term care industry would probably want to have policies related to the type of care that you are looking for.
- The idea is to keep a supplemental policy that is affordable for people who are above the Medicaid rate but not rich and have a premium that would be lower because the first \$36,500 in benefits would be a deductible. They would not have to pay any deductible for the insurance to kick in after they exhaust their WA Cares benefits, and it does not matter whether it is home care or assisted living.
- You will exhaust your fund account a lot faster in assisted living of any kind but want to ensure in the supplemental policy that there's continuity of care. Most long-term care policies do not cover family providers, and a lot of our independent providers are family members. Need to ensure that continuity of care is covered in any supplemental policy.
- In developing a supplemental product, this workgroup has been very positive. There has been a strong interest in thinking this through collaboratively and developing best practices that would make sense both for the carriers and for consumers. Have received a couple of concrete inquiries from carriers to begin offering this kind of coverage. This is a very promising trend, and think things are going well so far. Ultimately it will be up to the carriers to decide if and what to offer but it is early on the pathway to that. The collaboration has been very positive.
- This workgroup is looking at the supplemental market, but changes to WA Cares are out of scope for the workgroup, but that is certainly something that could be considered in the future. The idea here was that this would work like Social Security and 401(k)s where an individual might want to supplement their retirement savings, but the core program is like Social Security where everyone has a minimum level of security in the long-term care space.

Topic	Minutes
	<ul style="list-style-type: none"> Under WA Cares, you do not have to pay premiums once you retire, which is a great benefit because under all the other long-term care plans, you keep paying until you are disabled. Under the supplemental, must wrestle with that, and have not quite come to landing on whether the premium continues all the way until you cannot function anymore or whether the premium would stop at a certain point.
<p>Old Business</p> <ul style="list-style-type: none"> ESD update on employer premium collections, self-employed opt-in, and wage reporting 	<ul style="list-style-type: none"> Matt Buelow provided an update from ESD <ul style="list-style-type: none"> Update on how many applicants applied for an exemption as of March 31, 2022, currently it is about 477,500. Have processed and approved 473,000. Work continues and still in a very strong position. Overall project status is in the green, slightly in the yellow and the reason for that is the delay. Have adjusted the timelines to accommodate the delay announcement. Have split some of the work into some smaller subprojects that are foundational of the big lifts that will happen next year. As far as wage reporting and premium collections, have completed the first phase in April and now working on phase 2. Phase 2 is on schedule to be ready to implement June 1 and again though will not be collecting, will not be doing the wage reporting and premium collections this year, that work will be complete and will then reactivate that work in early '23. It is instrumental for ESD to complete pieces of that because ESD will quickly be starting additional exemption work. There are four additional new exemptions; ESD will be building a support structure that will complete in June. Self-employed elective coverage went live January 1, still see a few people still trying to submit applications for that. In the process of communicating that although they may be applying, self-employed opt in will not be in place until 2023. All work is under way and the delay allowed us to stretch some of those pieces out.

Topic	Minutes
<p>Old Business</p> <ul style="list-style-type: none"> OSA update 	<ul style="list-style-type: none"> Mat Smith provided an update on Annual Work Plan <ul style="list-style-type: none"> Anticipate sufficient budget for expected actuarial work Updated baseline actuarial analysis expected in the fall to include the following key items <ul style="list-style-type: none"> 2022 legislative changes Actual exemptions for private LTC insurance WSIB investment plan Support actuarial analysis of Commission and work group policy considerations where applicable Updated <i>Actuarial Status of the WA Cares Fund Program</i>, OSA Report Updated <i>FAQ on WA Cares Fund Solvency</i> Annual <i>OSA Report on WA Cares Fund Solvency</i> OSA will continue to work with Milliman on the fiscal analysis and OSA oversees the contract for that work. OSA had some discussions with Milliman's use of old assumptions. Will have some more conversations in this regard. One thing that they will likely be able to do is show how the costs might change if they use, for example, a different investment return assumption. The other thing for the Commission members who serve on these workgroups, it might make sense to get more of an estimate at this point in the process. Recognizing that later in the year the updated baseline is going to be completed and some of the things that you are reviewing can be included in that study as well. Wanting to find that sweet spot of making sure you get the information that you need but also being cost effective and not having to price it twice. Senator King shared comments about the number of people who are not participating. Have had about 450,000 people that opted out because they had insurance, have excluded the H2A workers, which is approximately another 25,000 and have approximately 400,000 that are self-employed. If 10% of the 400,000 self-employed sign up that is another 350,000 that may not be part of this. Have approximately 150,000 people now that are not eligible because they work in the state but live outside the state and the total of all groups is around a million individuals that will not be paying into this program. OSA to look at this offline and come back with how this compares to what was assumed. ACTION ITEM: Matt to provide info on Senator King's question
<p>Public Comment</p>	<ul style="list-style-type: none"> One person provided public comment during the meeting. The Appendix below includes all public comments made during the meeting. There was no written correspondence received.
<p>Set Agenda for next meeting</p>	<ul style="list-style-type: none"> Secretary Meneses reviewed the proposed agenda for the next meeting on July 26th. <ul style="list-style-type: none"> Update from the Supplemental Private LTC Insurance workgroup Shared Savings Waiver Concept paper Outreach and education update OPMA training or refresher A review and conversation about communication plans for next year ACTION ITEM: Have a separate workgroup with our communications team and bring that plan forward to the Commission at the next meeting. Updates from the three workgroups that are going to be formed and their progress
<p>Wrap Up</p> <ul style="list-style-type: none"> Action items review Adjourn 	<ul style="list-style-type: none"> Action items are captured in the table below. Secretary Meneses thanked Bill Moss for his service to the Commission and Commission members shared their thanks as Bill nears his retirement. Bill shared his thanks to the Commission members and their work on the Commission. The meeting adjourned at 2:10.

Action Items

ID	Meeting Date	Action Item	Owner	Due Date	Comments/Updates	Status	Completion Date
52	04/18/2022	If Commissioners would like to participate in any of these workgroups, please email Ben Veghte after this meeting and will reach out to you to setup those meetings.	Ben Veghte			New	
53	04/18/2022	Why would we require people to exhaust the state benefit if they are using the state benefit largely for home care needs?	Ben Veghte			New	
54	04/18/2022	Somewhere around a million individuals that will not be paying into the program. Does that seem like a reasonable number?	Matt Smith			New	
55	04/18/2022	A review and conversation about communication plans for next year.	Ben Veghte			New	

Appendix: Public Comment

Public comment provided during the meeting	
Name	Comment
Joel Ferris	My name's Joel Ferris. I'm a long-term care agent. And I guess I have a couple comments. I hope that there is consideration for inflation protection on the revised plan. I'm assuming, like, 3% compound per year would make sense. I'm not sure how that works relating to 58 cents per 100. I assume it's going to be more expensive over time. And then I also -- sorry about that. I've got dogs. Then I also -- I'm going to have to mute here for a second. And then the second piece was I hope that there is also consideration for a cognitive impairment. My concern earlier on was that did not seem to be part of the plan. I'm not really asking a question there, but I'm just hoping that -- to make it more of a viable plan that inflation -- that cognitive issues would be covered as well as mobility. And that's all I have to say. Thank you.