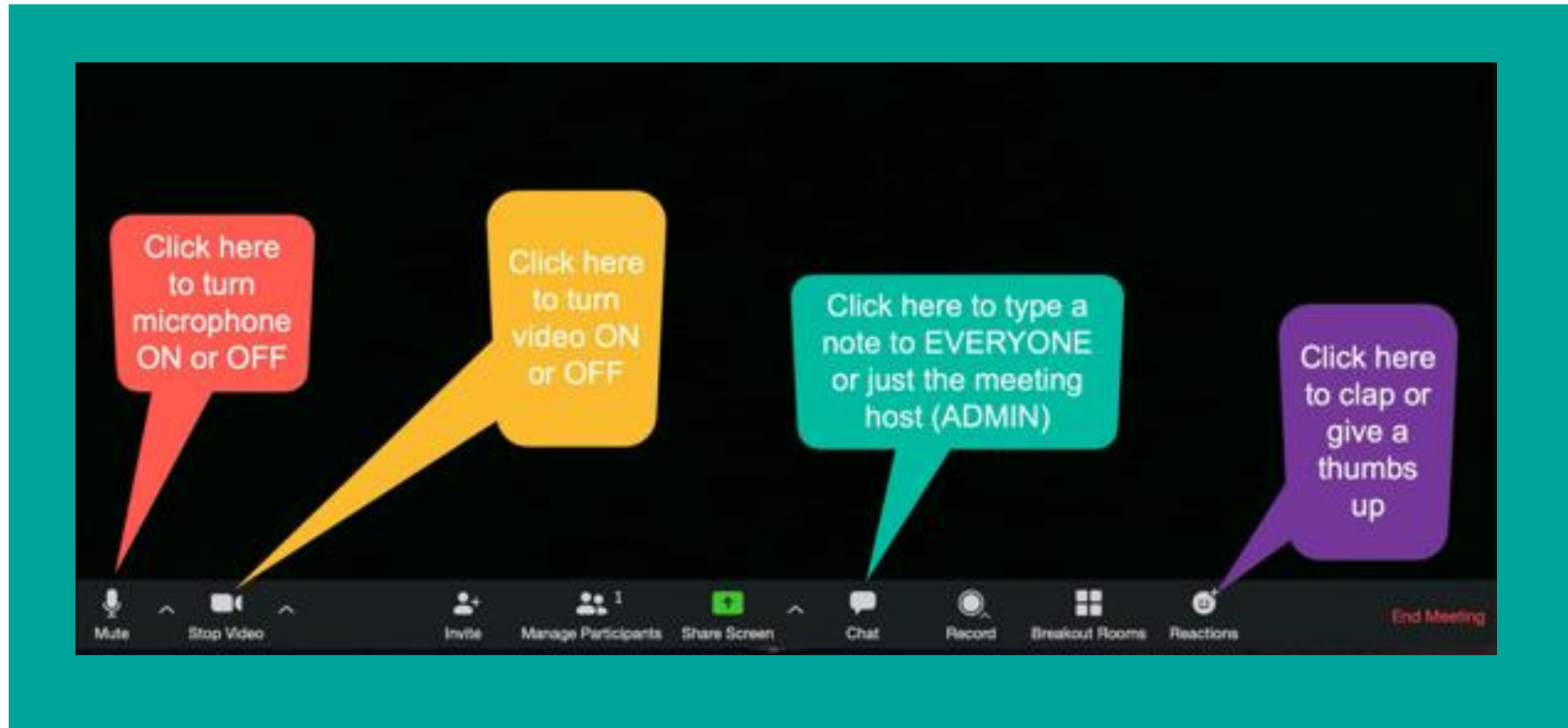




# Long-Term Services and Supports Trust Commission Meeting

*December 3, 2020*

# Zoom Controls



# Zoom Controls

The image shows a Zoom meeting control bar with various icons. A teal callout bubble points to the 'Raise Hand' icon, and an orange callout bubble points to the 'Closed Caption' icon. Below the bar, two expanded menus are shown: one for non-verbal cues and one for closed captions.

**Zoom Meeting Control Bar:**

- Mute
- Stop Video
- Security
- Manage Participants
- Polls
- Chat
- Share Screen
- Record
- Closed Caption
- Breakout Rooms
- Reactions
- End Meeting

**Non-verbal Cues Menu:**

- Raise Hand
- yes
- no
- go slower
- go faster
- more

**Closed Caption Menu:**

- Closed Caption Font Size: Normal, Medium, Large
- These are default (small) sized subtitles.

# Meeting Guidelines

## Commission Members

- Please turn on video
- Stay muted unless talking
- Encourage active participation
- Raise hand to speak if necessary
- Participate in polls

## Observers

- Please keep video off
- Please mute audio
- Please observe, but don't interact with meeting
- Sign up in Chat tool if you wish to provide public comment

# Welcome & Call to Order

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# Meeting Goals

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1. Discuss ESJR 8212 results and impact on recommendations
2. Establish workgroup for risk management framework
3. Approve Commission Recommendations Report
4. Provide input on Commission recommendations timeline and 2021 Commission meeting schedule and agendas
5. Receive update from 11/12 Investment Strategy Subcommittee meeting
6. Understand what DSHS & ESD have requested in 21-23 Decision Packages
7. Discuss potential HHS Coalition oversight
8. Establish agenda for next meeting

# Consent Agenda

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- Minutes from 10/20/2020 Commission meeting

# Old Business

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ESJR 8212, Commission Recommendations  
Report



# ESJR 8212

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- Discuss results of ESJR 8212
- Do pulse check on reintroduction of resolution and timing
  1. Do not reintroduce the resolution
  2. Reintroduce the resolution in 2021
  3. Reintroduce the resolution in 2022
  4. Reintroduce the resolution in 2023
- Decide on recommendation regarding adults with disability onset prior to age 18

# Commission Report: Recommendation #1

*Recommendations on whether and how to extend coverage to individuals disabled before age of 18, including impact on financial status and solvency of the Trust*

- **Option A:**

- The Commission recommends extending LTSS Trust coverage to all adults with a disability that onset prior to age 18, by removing the restriction in RCW 50B.04.010(6) defining eligible beneficiary.

- **Option B:**

- The Commission does not recommend extending LTSS Trust coverage to adults with a disability that onset prior to age 18 at this time. 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, the Commission would recommend extending coverage to this population.

# ESJR 8212

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- Establish workgroup to propose risk management framework for dealing with future risks (as suggested at last Commission meeting)
  - This workgroup may recommend next steps related to failure of ESJR 8212

## Commission Report: Recommendation #2

*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.

## Commission Report: Recommendation #3

*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.

# Commission Report: Recommendation #4

*Advising the legislature on actions necessary to maintain trust solvency*

## **Recommendation #4a: 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.

# Commission Report: Recommendation #4

*Advising the legislature on actions necessary to maintain trust solvency*

## **Recommendation #4b: 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.

# Commission Report: Recommendation #5

*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.
- 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.



# New Business

## Part 1

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Commission Recommendations Timeline and  
2021 Commission Meeting Schedule & Agendas

# Draft Commission Recommendations Timeline 2022-2024

Commission Recommendations (Recommendation topics specified in Statute are in bold)	Timing of Recommendations			Workgroup?
	1/1/2022	1/1/2023	1/1/2024	
<b>The establishment of criteria for determining that an individual has met the requirements to be an eligible beneficiary</b> as established in RCW 50B.04.060.	X			Yes
<b>Refund of premiums for deceased qualified individual</b> with a dependent who is an individual with a developmental disability who is dependent for support from a qualified individual.	X			Yes
<b>Changes to rules or policies to improve the operation of the program</b>				
• Develop risk management framework	X			Yes
• Elimination period (include with criteria to be an eligible beneficiary)	X			Yes
• Other – does the Commission want to focus on other areas now or in the future?	TBD	TBD	TBD	TBD
<b>Assisting the State Actuary with the preparation of regular actuarial reports</b> on the solvency and financial status of the program and advising the Legislature on actions necessary to maintain trust solvency. The Office of the State Actuary shall provide any recommendations to the Commission and the Legislature on actions necessary to maintain trust solvency. <b>Note:</b> A decision may be made at a later date to do a 1/1/2023 report as well	X		X	No

# Draft Commission Recommendations Timeline 2022-2024

Commission Recommendations (Recommendation topics specified in Statute are in bold)	Timing of Recommendation			Workgroup?
	1/1/2022	1/1/2023	1/1/2024	
<b>The establishment of criteria for minimum qualifications</b> for the registration of long-term services and supports providers who provide approved services to eligible beneficiaries		X		Yes
<b>The establishment of payment maximums</b> for approved services consistent with actuarial soundness which shall not be lower than Medicaid payments for comparable services. A service or supply may be limited by dollar amount, duration, or number of visits. • The Commission shall engage affected stakeholders to develop this recommendation.		X		Yes
<b>Providing a recommendation to the LTSS Trust Council for the annual adjustment of the benefit unit</b> in accordance with RCW 50B.04.010 and 50B.04.040.			X	No

# Draft 2021 Commission Meeting Schedule & Agendas

Tentative Meeting Date	Tentative Agenda
February 2021 (one hour meeting will be scheduled around session schedule)	<ul style="list-style-type: none"> <li>• LTSS Trust Legislation in 2021 Legislative Session</li> <li>• Overview of range of policy options affecting projected program costs</li> <li>• Form workgroups to develop January 1, 2022 Commission report recommendations</li> <li>• LTSS Trust Council</li> </ul>
May 2021	<ul style="list-style-type: none"> <li>• Report out from workgroups</li> <li>• Discuss potential recommendations and provide guidance to workgroups</li> </ul>
July 2021	<ul style="list-style-type: none"> <li>• Final report out from workgroups</li> <li>• Get alignment on Commission recommendations</li> </ul>
Sept/Oct 2021	<ul style="list-style-type: none"> <li>• Review and discuss draft administrative expenses report</li> <li>• Review and discuss draft recommendations report</li> <li>• Review and discuss draft risk management framework</li> </ul>
No Later than Nov 15, 2021	<ul style="list-style-type: none"> <li>• Approve administrative expenses report               <ul style="list-style-type: none"> <li>• Commission member must submit report no later than 11/15/2021</li> </ul> </li> <li>• Approve January 1, 2022 recommendations report               <ul style="list-style-type: none"> <li>• DSHS must submit report no later than 11/15/2021 to OFM</li> </ul> </li> <li>• Approve risk management framework</li> <li>• Update from Investment Strategy Subcommittee on WSIB asset allocation study</li> </ul>

# Break



# New Business

## Part 2

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Investment Strategy Subcommittee Update; Agency  
21-23 Biennium Decision Packages; HHS Coalition

# Investment Strategy Subcommittee Update

## WSIB Asset Allocation Study & General Timeline

- 2021 – WSIB completes Asset Allocation Study
- Fall 2021 – WSIB provides recommendations from the study to the Investment Strategy Subcommittee
- Reviews and approvals are completed in time for investment implementation of LTSS Trust assets beginning in early 2022
- Fall 2021 – Subcommittee provides update on the study to the LTSS Trust Commission
- January 2022 – Employers start collecting premiums
- April 2022 – Employers submit premiums to the Employment Security Department (quarterly thereafter)
- Starting in 2022 – WSIB provides quarterly reports to the Subcommittee regarding fund/market performance

# Agency 21-23 Biennium Decision Packages - DSHS

DSHS	FY22	FY23	21-23 Biennium Total
FTEs	7	18	
Salaries	\$643,000	\$1,733,000	\$2,376,000
Benefits	\$221,000	\$587,000	\$808,000
Contracts*	\$951,000	\$2,587,000	\$3,538,000
Goods & Services	\$527,000	\$471,000	\$998,000
Travel	\$75,000	\$119,000	\$194,000
Equipment	\$43,000	\$37,000	\$80,000
Debt Service	\$0	\$1,000	\$1,000
Intra-Agency Reimbursements	\$28,000	\$72,000	\$100,000
<b>Total</b>	<b>\$2,488,000</b>	<b>\$5,607,000</b>	<b>\$8,095,000</b>

\*Includes \$800,000 for a change request to initiate design for ProviderOne changes



# Agency 21-23 Biennium Decision Packages - DSHS

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- DSHS efforts during the 21-23 biennium will be focused on:
  - Commission support
  - Program design
  - Policy development
  - Communications and outreach
  - Technology design and development

# Agency 21-23 Biennium Decision Packages - ESD

ESD	FY22	FY23	21-23 Biennium Total
<b>FTEs</b>	<b>115.8</b>	<b>78.1</b>	
<b>Salaries</b>	<b>\$7,066,000</b>	<b>\$4,811,000</b>	<b>\$11,877,000</b>
<b>Benefits</b>	<b>\$2,826,000</b>	<b>\$1,924,000</b>	<b>\$4,750,000</b>
<b>Contracts</b>	<b>\$5,062,000</b>	<b>\$446,000</b>	<b>\$5,508,000</b>
<b>Goods &amp; Services</b>	<b>\$2,986,000</b>	<b>\$2,567,000</b>	<b>\$5,553,000</b>
<b>Equipment</b>	<b>\$110,000</b>		<b>\$110,000</b>
<b>Intra-Agency Reimbursements</b>	<b>\$1,904,000</b>	<b>\$1,296,000</b>	<b>\$3,200,000</b>
<b>Total</b>	<b>\$19,954,000</b>	<b>\$11,044,000</b>	<b>\$30,998,000</b>

# Agency 21-23 Biennium Decision Packages - ESD

- ESD efforts during the 21-23 biennium will be focused on:
  - Program design
  - Policy development and rulemaking
  - Developing customer support for employers and employees
  - Modifying the PFML platform for wage reporting and premium collections for the LTSS Trust program
  - Communications and outreach
  - Implement exemptions for people with private LTC insurance
  - Commission support

# HHS Coalition

- The Health and Human Services Enterprise Coalition (HHS Coalition) is a state body that seeks to coordinate state investments in IT proposed in coalition agencies
- The Coalition is comprised of the Department of Children, Youth, and Families (DCYF), Department of Health (DOH), DSHS, the Health Benefit Exchange (HBE), and the Health Care Authority (HCA)
- The Coalition already oversees ProviderOne (P1) and will continue to do so
- Additionally, the Coalition is now weighing overseeing all of LTSS Trust IT implementation to serve Coalition goals around integrating LTSS Trust IT investments into other projects and programs in Coalition agencies, including creation of an Integrated Eligibility System (for Medicaid, TANF, SNAP, Child Care Subsidy Programs, Child Welfare Child Care, and the LTSS Trust)
- LTSS Trust oversight has been elevated in the HHS Coalition screening process from the Governance Committee 3 (G3) level to G2 and is now under consideration by the G1 (Executive Sponsor) Committee
  - Decision expected in December 2020
- If the Trust becomes a Coalition project, the Coalition will create an implementation plan for the Trust as part of a broader set of Coalition projects and systems
- HHS Coalition oversight would be in addition to the Trust being subject to OCIO gated funding
- Risks to timeline, budget, and user experience

# Public Comment

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- Please indicate your interest in making a public comment in the Chat tool
- Each person has 2 minutes to address the Commission
- The Commission receives input, but does not generally respond to comments
- Please unmute and turn on your video when recognized by the Chair or the facilitator

# Set Agenda for Next Meeting

- Potential topics for next meeting in January/February 2021:
  - LTSS Trust legislation in the 2021 legislative session
  - Overview of range of policy options affecting projected program costs
  - Form workgroups to develop recommendations for the 2022 Commission report recommendations
  - LTSS Trust Council

# Wrap-Up

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- Review action items
- Adjourn meeting



**Thank You**