

## Oregon Educators Benefit Board Public Meeting February 28, 2008

The Oregon Educators Benefit Board held a public meeting that included a retreat as well as a training session on ethics laws and internal processes associated with vendor selection under the current Request for Proposal (RFP) on February 28, 2008, at 1225 Ferry Street SE in Salem, Oregon. The public meeting began at 8:45 a.m. Connie Green of Green, Willis and Associates facilitated the retreat.

### Attendees

#### Board Members:

Steve McNannay, Chair  
Michael Cannarella  
Mylia Christensen  
Ron Gallinat  
Tom Husted  
Alison Little  
Victor Musial  
Peter Tarzian

#### Board Members Absent:

Richard Clarke  
Brett Yancey

#### Watson Wyatt Consultants:

Geoff Brown  
Steve Carlson

#### OEBB Staff:

Joan Kapowich, PEBB/OEBB Administrator  
Denise Hall, OEBB Deputy Administrator  
Heidi Williams, Director of Operations  
Carolyn Bader, Contracts Officer (Training Session)  
Glenn Baly, Policy Advisor  
Scott Rupp, Communications Coordinator  
Rose Mann, Executive Assistant

#### Facilitator:

Connie Green, Green, Willis and Associates

#### Guests:

Diane Shutack, Benefit Help Solutions  
Jean Poling, Kaiser  
Megan Myrick, Willamette Dental

The Board revisited the outcomes of the initial retreat held on September 14, 2007.

## **1. Effectiveness of the Board**

**Connie Green** asked the Board members to review the vision of the Board and share what they see as accomplishments over the past year.

**Alison Little** stated that she is impressed with how well the Board has worked together in order to arrive at a consistent goal.

**Mylia Christensen** stated that the Board began with virtually a blank slate and many of the Board members were strangers when this started, but they all know each other pretty well now and have accomplished a great deal in a short period of time. She also gave credit to the leadership of the Board and the OEBC staff for keeping the Board members on task.

**Ron Gallinat** stated that getting to know everyone and finding out the depth of knowledge of the other Board members has been incredible.

**Michael Cannarella** stated that he is impressed by the fact that all of the Board members come from different backgrounds, but have worked together really well over the past year.

**Joan Kapowich** stated that she is impressed with how courteous the Board members are toward each other, that they listen to what others have to say and with the tremendous amount of work that has been done in a relatively short period of time.

**Denise Hall** stated that she is impressed that 10 individuals came together and started out with 89 different medical plans and came up with nine comparable medical plans.

**Steve McNannay** stated that he is impressed with the way the Board has taken on such an enormous task and the amount of time Board members have dedicated to the task. He further stated that he is impressed with the willingness everyone has shown to learn about something of which most of them had no prior knowledge.

**Tom Husted** stated that he is impressed with the phenomenal way the Board has worked together over the past year.

**Mylia Christensen** explained that the ability of the Board is about to be tested by a series of very important decisions and that there are a lot of people who are watching and waiting to see if the Board will be able to follow through with the RFP process.

### **Key Components of the OEBC program**

**Alison Little** suggested removing the language following the first comma of the third sentence (third bullet) under key components of the OEBC program to read, "Support improvement in members' health status through a variety of measurable programs and services, ~~such as consumer education, disease management and wellness programs~~".

**Connie Green** then asked the Board to rate the effectiveness of how the Board functions on a scale of 1 – 5 (1- Not at all and 5 – Most Effective). The predominant score was 4.

## **2. Guiding Principles**

**Connie Green** requested that the Board members identify questions they have or share any comments regarding the Guiding Principles developed during the Board’s initial retreat in September, 2007.

### Employee choice among high quality plans:

**Ron Gallinat** stated that he would like to include “Provider choice,” so that the patient has the choice of receiving treatment at a medical facility that provides the best outcome regardless of whether that facility is in the provider area.

**Mylia Christensen** responded that the role of the Board is to get the highest level of quality for all employees by contracting with health carriers who can demonstrate their ability to produce the best outcomes and justify, at a plan level, that they are doing the best job. The perfect system does not exist and the challenge for the Board is to hold onto this vision and to remember that the Board can make the biggest difference by ensuring that carriers are responsible for providing members with the most accurate information so that they can make informed decisions about their own health care.

**Steve McNannay** stated that the measurable goals of the Board will extend beyond the RFP and explained that the Board should be conscious of not expanding their role beyond what is possible and that no plan will be perfect. The Board is mandated to provide quality plans that are comparable and fair to the majority of members, but a particular plan may not serve every member perfectly.

**Michael Cannarella** asked if the Board would be looking at the body of appeals and determining if there is a pattern to the appeals. **Steve McNannay** asked if the staff and consultants would be able to provide data on appeals and determine if there is a pattern. **Connie Green** suggested that the Board look at the plans first and discuss the appeal issue at a later date. OEBC staff and Watson Wyatt consultants indicated this could be possible.

**Mylia Christensen** stated that part of the culture the Board needs to adopt is that OEBC is about to become the largest purchaser in the state and that this Board has the opportunity to demand something very different from what was asked in the past. Part of the challenge will be to free ourselves from past constraints.

### District flexibility in plan design and contracting

**Victor Musial** suggested that the term “employee groups” be added to the Board Definition under “District flexibility in plan design and contracting.”

**Connie Green** suggested the statement might be changed to say . . . “employee groups through their collective bargaining units,” in order to make the language consistent with other OEGB documents, including its administrative rules.

Quality Customer Service:

**Mylia Christensen** suggested adding language to this definition that is consistent with the work the Board just completed when approving the Customer Service Model.

**Tom Husted** suggested changing the language to read, “OEGB will hold benefit plans and providers accountable to offer members consistent access to care and services, integrated care systems to provide effective treatment and personal and prompt service that meets customers’ needs.”

**Denise Hall** suggested that the statement does not address OEGB staff responsibilities and should be rewritten to reflect the responsibilities of the OEGB staff.

Staff was directed to incorporate language on customer services provided by OEGB staff consistent with the customer service model.

Plan Benefits as part of total compensation

**Ron Gallinat** asked for clarification on the definition of the term “recognize.” **Mylia Christensen** responded that the origin is in the PEBB statute. **Victor Musial** suggested the term be changed from “recognize” to “consider.”

**Steve McNannay** agreed that the statement is confusing and should be changed.

Staff was directed to prepare a revised statement using a more appropriate term than “recognize.”

Improvement of employee health

**Mylia Christensen** and **Alison Little** suggested rewriting this statement to read, “OEGB will promote employee health and wellness through a variety of means, with focus on those activities supported by evidence regarding improvement of health outcomes.”

**Joan Kapowich** also suggested changing the language to say, “OEGB will promote employee health and wellness through a variety of means, including but not limited to, plan design, coordinated case management and education.”

Staff will prepare a revised statement and present it to the Board for review at a later date.

**Connie Green** summarized that, for the most part, there was consensus from the Board on the Guiding Principles they started with and agreement on language changes needed to refine the statements.

### **3. Guiding Principles of Board Operations**

**Connie Green** asked the Board whether they believe, as a Board, they have followed their guiding principles regarding board operations. The Board affirmed that they have followed their guiding principles of operations.

**Victor Musial** asked for an update on the Outreach Network. The Communications Workgroup will be receiving updated information later today for consideration and recommendation to the full Board in March.

### **4. The Board decision-making process**

**Connie Green** asked Board members what they would tell a new Board member who is just joining this Board why they should buy into this decision-making process.

**Tom Husted** stated that the Board is open, honest and direct in its decision-making process and that fosters trust among the members. He also stated that the Board is loyal to its decisions.

**Steve McNannay** stated that they will be entering into something that has been respectful to its members as well as the process and that it is a process that works.

**Mylia Christensen** complimented Steve McNannay on ensuring that all Board members are heard, all issues are addressed, and that the Board comes to consensus on decisions.

**Victor Musial** stated that members are respected for their position, everyone is very professional and differences of opinion are not taken personally.

**Michael Cannarella** stated that the OEBB Board is a good template and that what makes the Board work is the respect the Board members have for each other.

**Ron Gallinat** stated that the Board members support the decision of the whole and no one undermines the majority of the Board, though they may have been in the minority on a decision.

**Alison Little** stated that the Board is successful in appearing unified and the chair makes sure all members' concerns are heard.

### **5. Review the role of the Board, staff and consultants**

Board Roles:

**Connie Green** asked the Board members how they feel their roles as a Board member are working.

**Victor Musial** stated that it is working, but the Board tends to stray in prioritizing their tasks and has, at times, micromanaged the processes and the staff.

**Mylia Christensen** stated that the challenge has been with the enormous amount of work needed to be accomplished for the RFP and there has been no time to prioritize anything beyond the RFP process. **Mylia** acknowledged that she is the one most likely to stray, but she feels that the experience and information she has prompts her to raise issues that are not at the level that other Board members are interested in and could be considered to be micromanaging or getting bogged down in minutia.

**Tom Husted** stated that he appreciates Mylia's insights and he wants to make sure the Board keeps on track in regards to thinking about the law.

**Steve McNannay** stated that the roles of the Board have worked well up to this point and further stated that the Board appreciates Mylia's expertise and experience. The Board is entering into a new phase where there will be fewer meetings and the Board will be able to focus on developing strategies.

**Geoff Brown** stated that he is impressed with the high degree of personal responsibility exhibited by Board members. He further stated that this has not been the most linear process and he believes the Board may find it to be a challenge in the future to delegate work to the workgroups.

**Steve Carlson** stated that the positive thing about straying off topics is that it gives the consultants a better idea of what the Board wants and also provides them with a clearer understanding of what the Board means.

**Denise Hall** stated that some of the straying can be a bit of a challenge for the staff; however, she is impressed with the guidance that the Board has given the staff.

**Joan Kapowich** stated that the roles of the Board have worked so far and if staff is not doing what the Board needs in order to support them, the Board has been good about letting staff know.

#### Workgroup Roles

**Connie Green** suggested that only those Board members who have a passion for the charge of a particular workgroup be on that workgroup.

**Glenn Baly** suggested that quality encompasses so much that it might be a good idea to add a technical advisory group to the Quality Workgroup.

**Heidi Williams** stated that the Administration Workgroup has worked very well together and has been very effective. She also explained that the Workgroup has had discussions regarding moving forward and also bringing school district/ESD business managers onto the workgroup to share their expertise and knowledge.

**Denise Hall** stated that, overall, all of the workgroups have worked really well, but the challenge has been to bring outside people into the workgroups with the tight timelines.

**Joan Kapowich** explained that the Quality Workgroup encompasses so much that there is a need to readdress several issues.

**Scott Rupp** explained that he did not start out on the Administration Workgroup, but was brought on later to discuss some communication issues and suggested that all of the workgroups consider bringing people on as they require outside expertise or knowledge.

**Connie Green** suggested that the workgroups don't need to be limited to what they started with and that being on a workgroup doesn't have to be a long-term commitment for anyone.

**Mylia Christensen** suggested that rather than bring new ideas to the workgroups it might be more appropriate to focus on issues that are important to the Board and to have this be an ongoing process, but this may not be possible until the fall.

**Steve McNannay** explained that the workgroups were created with a specific task in mind and the Board now needs to determine what they will morph into and if there is still a need for all four workgroups.

**Connie Green** summarized the consensus that came out of the discussion:

- Complete the RFP process.
- Following completion of the RFP process, define the role of the workgroups and be sure there is a clear charge.
- Determine if there is a need for all or any of the workgroups.

#### Interaction with staff and consultants

**Alison Little** stated that she would like to add a bullet stating, "Once clear and specific direction has been given to staff, staff should implement it."

**Joan Kapowich** suggested adding a statement that directs staff to communicate the progress of a project to the Board.

**Mylia Christensen** asked how the Board will keep thought processes moving between Board meetings.

**Tom Husted** suggested incorporating a director's report into the agenda at the beginning of Board meetings.

**Michael Cannarella** suggested that the Board refine its processes now that they don't have the kind of deadlines that were imperative.

**Connie Green** suggested that the Board be clear about their work and how they want to accomplish it.

**Denise Hall** asked the Board how they would like to answer questions that are asked of them via e-mail. **Connie Green** suggested that the staff be very clear in their

communications on what feedback is needed from the Board and by what date. The consensus of the Board was to answer the question via e-mail and if staff does not hear back from a Board member by the deadline they should follow-up with a phone call.

**Connie Green** suggested that staff bring back a plan for keeping the Board connected and on track between meetings. She further suggested having leadership meetings (chair, vice chair, administrator and deputy administrator) between Board meetings to keep issues moving forward.

**Victor Musial** suggested putting a Board calendar on the OEBC web page as a way to get notification.

**Mylia Christensen** stated that she believes the Board is not at the point of meeting just once a month.

## **6. Next steps to improve the working of the Board**

**Connie Green** summarized the discussions:

- Bring back language on the principles that was agreed upon
- Review the vision of the Board
- Review the imperatives, charges and timelines of the workgroups
- Develop a plan for keeping the Board connected and on track between meetings

The Board Retreat ended at 11:50 a.m.

<b>LUNCH 12:00 p.m. to 1:00 p.m.</b>
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# **Board Training**

## **Attendees**

Same as above with the addition of Carolyn Bader, OEBC Contracts Officer

No guests attended the training session.

## **7. RFP Training**

**Lynn Rosick, Department of Justice** presented information on the new ethics laws and responded to specific questions posed by the Board members.

**Heidi Williams and Carolyn Bader** reviewed the calendar of the RFP interview process. Interviews are tentatively scheduled for March 17, 18, 20, 24 and 25.

Board interview questions are due Wednesday, March 5.

**Carolyn Bader** reviewed the Selection Committee Checklist.

Staff was directed to ensure that Board members understand what the questions are and the process for entering into executive session.

**Victor Musial** asked if there will be a chair of the Selection Committee and volunteered to chair the Selection Committee.

The responsibility of the Selection Committee is to score the supplemental questions and interviews.

**Steve Carlson** explained that the Board members should view the questionnaires included in the vendor binders as a resource.

**Denise Hall** explained that the proposed rates are in the binders, but that they are very preliminary. She further explained that the Selection Committee will be receiving further criteria from Watson Wyatt.

**Peter Tarzian** asked for some type of study guide – areas to look for and areas that will be helpful.

**Steve McNannay** suggested that the Board get the questions from Watson Wyatt before they submit any questions they would like to ask.

**Tom Husted** confirmed that the meeting on March 13 will be held in Eugene.

**Steve McNannay** stated that the meeting scheduled in April in Bend may need to be changed to Salem.

The Board training ended at 4:35 p.m.