

WA State Labor Council resolution #2022.27, adopted unanimously 072122

Sustain the UMP Classic Medicare plan and explore expanding government self-insured Medicare benefit plan for Medicare-eligible public service retirees in Washington

Sponsored by: Retired Public Employees Council of Washington; American Federation of State, County and Municipal Employees, Council 28; American Federation of Teachers Washington; Puget Sound Advocates for Retirement Action; Washington Education Association – Retired; and Washington State Alliance for Retired Americans.

WHEREAS: Medicare plays a pivotal role in providing health and financial security to more than 60 million seniors and younger Americans with disabilities; and

WHEREAS: Traditional Medicare is vital to ensuring that seniors with complex medical issues have access to quality, comprehensive healthcare at affordable prices; and

WHEREAS: In Washington state, the Public Employees Benefits Board (PEBB), under the auspices of the Health Care Authority, is responsible for negotiating and managing the healthcare plans for the state's roughly 103,000 public service retirees; and

WHEREAS: Of those receiving healthcare benefits in retirement from PEBB, more than 53,000 public service retirees continue to choose the Uniform Medical Plan (UMP) Classic Medicare option as their healthcare plan of choice; and

WHEREAS: The Washington State Uniform Plan Classic Medicare (UMP Classic Medicare) provides comprehensive, quality care, and is especially suited to address the complex medical needs of the state's oldest and most fragile public service retirees; and

WHEREAS: PEBB has publicly agreed to take no action on a proposal to close the UMP Classic Medicare plan until at least January 1, 2024, to allow for rigorous public community engagement and decision making with UMP Classic Medicare subscribers including current and future retirees; and

WHEREAS: PEBB continues to advocate for the expansion of Medicare Advantage options as a cost savings for the state; and

WHEREAS: These plans, mostly designed and run by private companies with a primary duty to their shareholders, do not match the breadth and quality of services and care available through government self-insured Medicare benefit plans like UMP Classic Medicare; and

WHEREAS: [The Office of the Inspector General recently reported](#) that, in the private sector, these plans have a documented history of denying claims and complicating and delaying medically necessary healthcare delivery; and

WHEREAS: Medicare Advantage plans have a different definition of medically necessary vs. traditional Medicare supplemental plans. These plans, require preauthorization that can limit, delay, or deny needed care requested by the subscriber's primary provider and/or the healthcare team; and

WHEREAS: Terminally or acutely ill patients can die or suffer severe health consequences during the preauthorization or appeal processes due to denied or delayed treatment; and

WHEREAS: PEBB is required by Resolution 2022-16, approved on June 30, 2022, to implement a rigorous public engagement process with retiree advocacy organizations and unions representing active public service employees, including the Retired Public Employees Council of Washington, Washington Education Association-Retired, Puget Sound Advocates for Retirement Action, Health Care Is a Human Right, the Washington State Alliance for Retired Americans, Social Security Works WA, Washington State Senior Citizens' Lobby, American Federation of Teachers Washington, and American Federation of State, County, and Municipal Employees Council 28; and

WHEREAS: The rigorous public engagement process should be co-constructed to ensure that the above referenced retiree advocacy organizations and unions share in shaping policy; and

WHEREAS: The above-described public engagement process should explore the expansion of government self-insured Medicare benefit plans; and

THEREFORE, BE IT RESOLVED: The Washington State Labor Council supports sustaining the UMP Classic Medicare plan as a standing healthcare option, without a termination date, for current and future public service retirees; and

THEREFORE, BE IT FURTHER RESOLVED: The Washington State Labor Council supports expanding government self-insured Medicare benefit plans for all public service retirees.