



Washington State Health Care Authority  
*Public Employees Benefits Board*

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September 21, 2004

TO: Personnel, Payroll and Insurance Offices of School Districts and ESDs  
(Employer Groups)

FROM: Susanne Ames, Budget and Rates Manager  
Finance and Budget Office

SUBJECT: Revised Fiscal Year 2005 PEBB Program Rates – Composite

The state agencies and higher education institutions total base rate of \$584.58, the basis for the composite rates will remain unchanged until July 1, 2005. **However, the employee monthly contributions will be changing effective January 1, 2005 based on new contracts with health plans.** Enclosed you will find revised active rates for K-12 and ESDs composite rate schedules detailing the changes by plan. The PEBB board has approved the continuation of the employer provided life insurance benefit at the \$25,000 level.

In early October employees will receive the PEBB Perspective newsletter with open enrollment information. Materials will also be available on the Health Care Authority/PEBB Web site [www.pebb.hca.wa.gov](http://www.pebb.hca.wa.gov). Employees will not see a premium rate displayed when they make changes via E-coverage (Web). Instead, a pop-up box will inform them to contact their payroll office for premium information. Because of this, you may want to distribute cost sharing information, i.e., employee contribution schedules, to your employees in advance of open enrollment so they can have it available when they are making a plan selection.

As you are aware, if an employee's same-sex domestic partner or their partner's child(ren) do not qualify as an IRS dependent, a portion of the premium employers pay toward the family's coverage is considered taxable income to the employee. In an effort to assist you, we have included examples of how the state calculates these amounts for state agency personnel. **These tables should only be use as a template in developing calculations that are based on your employer contribution rate** and for use if you have a section 125 plan in place to allow employee premium dollars to be treated as pre-tax deduction.

If you have questions about the rates, please call Sandra Lakey at (360) 412-4201. Sandra can also be contacted by e-mail at [slak107@hca.wa.gov](mailto:slak107@hca.wa.gov).

SA:kg

Enclosures

cc: Tony Hildesheim      Katie Rogers  
Barbara Scott          Sandi Lakey  
Debbie Haeger          Lonnie Budd  
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Kim Grindrod

**Composite Active Rates for ESDs/K-12 School Districts  
(for 1/1/05 through 6/30/05 only)**

Final 2005 PEBB Bid Rates  
HCA Finance and Administration

Plan Name	Jan 1, 2005	Employee Contributions				Total Base Rates With Employee Contributions			
	June 30, 2005 Base Rate	Subscriber	Subscriber and Spouse	Subscriber and Child(ren)	Full Family	Subscriber	Subscriber and Spouse	Subscriber and Child(ren)	Full Family
CHPWA	\$584.58	\$ 57.00	\$ 123.00	\$ 99.00	\$ 166.00	\$641.58	\$707.58	\$683.58	\$750.58
Group Health Cooperative of Puget Sound	\$584.58	\$ 20.00	\$ 51.00	\$ 36.00	\$ 66.00	\$604.58	\$635.58	\$620.58	\$650.58
Group Health Options Inc.	\$584.58	\$ 48.00	\$ 107.00	\$ 85.00	\$ 143.00	\$632.58	\$691.58	\$669.58	\$727.58
Kaiser Foundation Health Plan of the NW	\$584.58	\$ 37.00	\$ 84.00	\$ 65.00	\$ 112.00	\$621.58	\$668.58	\$649.58	\$696.58
PacifiCare of Washington, Inc	\$584.58	\$ 108.00	\$ 226.00	\$ 189.00	\$ 307.00	\$692.58	\$810.58	\$773.58	\$891.58
Regence BlueShield	\$584.58	\$ 102.00	\$ 214.00	\$ 178.00	\$ 290.00	\$686.58	\$798.58	\$762.58	\$874.58
Uniform Medical Plan PPO	\$584.58	\$ 33.00	\$ 76.00	\$ 58.00	\$ 101.00	\$617.58	\$660.58	\$642.58	\$685.58
UMP Neighborhood*	\$584.58	\$ 25.00	\$ 59.00	\$ 43.00	\$ 78.00	\$609.58	\$643.58	\$627.58	\$662.58

**PEBB Program for 2005**

**Additional Taxable Income for Non-Tax Qualified Domestic Partners**

Table 1: Employer Share Medical and Dental  
**2005 Monthly State Premium Contribution for Medical and Dental for Active Employees**  
**Additional Taxable Income for Non-Tax Qualified Dependents' coverage\***

	Coverage for DOMESTIC PARTNER*	Coverage for CHILD(REN)*	Coverage for DOMESTIC PARTNER, CHILD(REN)*
<b>MEDICAL PLAN</b>			
All Medical Plans	\$354	\$282	\$637

Table 2: Employer Share Dental Only  
**Sample chart for dental only enrollment-taxable amount for dependents**

	Coverage for DOMESTIC PARTNER*	Coverage for CHILD(REN)*	Coverage for DOMESTIC PARTNER, CHILD(REN)*
<b>DENTAL PLAN</b>			
All Dental Plans	\$36	\$36	\$73

**2005 Monthly State Contribution for Medicare Retirees (monthly state subsidy)\*\***  
**Additional taxable income for non-tax qualified domestic partners**

Medical Supplement Plan E	\$54
Kaiser	\$107
<b>All other plans</b>	<b>\$116</b>

\*Premiums displayed are rounded to the nearest dollar, consistent with IRS tax reporting

\*\*Retiree subsidy is limited to 50% of the total premium paid to the health plan by state law

State and Higher Education Active Employee Monthly Contributions (Deductions)  
 For Non-Tax Qualified Spouses and Dependents (Same Sex Domestic Partners)  
 Final 2005 PEBB Rates-HCA Finance and Administration

Table 3: Total Monthly Employee Contribution Owed for All Coverage (Pre-taxed and post-taxed combined)

Plan Name	Subscriber	Subscriber and Spouse	Subscriber and Child(ren)	Full Family
CHPWA	\$ 57	\$ 123	\$ 99	\$ 166
Group Health Cooperative of Puget Sound	\$ 20	\$ 51	\$ 36	\$ 66
Group Health Options Inc.	\$ 48	\$ 107	\$ 85	\$ 143
Kaiser Foundation Health Plan of the NW	\$ 37	\$ 84	\$ 65	\$ 112
PacifiCare of Washington, Inc	\$ 108	\$ 226	\$ 189	\$ 307
Regence BlueShield	\$ 102	\$ 214	\$ 178	\$ 290
Uniform Medical Plan PPO	\$ 33	\$ 76	\$ 58	\$ 101
Uniform Neighborhood	\$ 25	\$ 59	\$ 43	\$ 78

Table 4: Post-Tax Partner Share for "Subscriber and Spouse" Tier

Plan Name	Subscriber and Spouse	Subscriber	Partner
CHPWA	\$ 123	\$ 57	\$ 66
Group Health Cooperative of Puget Sound	\$ 51	\$ 20	\$ 31
Group Health Options Inc.	\$ 107	\$ 48	\$ 59
Kaiser Foundation Health Plan of the NW	\$ 84	\$ 37	\$ 47
PacifiCare of Washington, Inc	\$ 226	\$ 108	\$ 118
Regence BlueShield	\$ 214	\$ 102	\$ 112
Uniform Medical Plan PPO	\$ 76	\$ 33	\$ 43
Uniform Neighborhood	\$ 59	\$ 25	\$ 34

Table 6: Post Tax Partner and Child(ren) Share for "Full Family" Tier

Plan Name	Full Family	Subscriber	Partner and Child(ren)
CHPWA	\$166	\$57	\$109
Group Health Cooperative of Puget Sound	\$66	\$20	\$46
Group Health Options Inc.	\$143	\$48	\$95
Kaiser Foundation Health Plan of the NW	\$112	\$37	\$75
PacifiCare of Washington, Inc	\$307	\$108	\$199
Regence BlueShield	\$290	\$102	\$188
Uniform Medical Plan PPO	\$101	\$33	\$68
Uniform Neighborhood	\$78	\$25	\$53

Table 5: Post Tax Partner Share for "Full Family" Tier

Plan Name	Full Family	Subscriber and Child(ren)	Partner
CHPWA	\$166	\$99	\$67
Group Health Cooperative of Puget Sound	\$66	\$36	\$30
Group Health Options Inc.	\$143	\$85	\$58
Kaiser Foundation Health Plan of the NW	\$112	\$65	\$47
PacifiCare of Washington, Inc	\$307	\$189	\$118
Regence BlueShield	\$290	\$178	\$112
Uniform Medical Plan PPO	\$101	\$58	\$43
Uniform Neighborhood	\$78	\$43	\$35

Table 7: Monthly Pre-Tax Employee Contributions

Plan Name	Subscriber and Child(ren)	Subscriber	Employee's Children
CHPWA	\$99	\$57	\$42
Group Health Cooperative of Puget Sound	\$36	\$20	\$16
Group Health Options Inc.	\$85	\$48	\$37
Kaiser Foundation Health Plan of the NW	\$65	\$37	\$28
PacifiCare of Washington, Inc	\$189	\$108	\$81
Regence BlueShield	\$178	\$102	\$76
Uniform Medical Plan PPO	\$58	\$33	\$25
Uniform Neighborhood	\$43	\$25	\$18