



Washington State Health Care Authority

Public Employees Benefits Board

P.O. Box 42684 • Olympia, Washington 98504-2684
360-412-4200 • FAX 360-923-2608 • TTY 360-923-2701 • www.wa.gov/hca/pebb.htm

September 14, 2006

TO: Personnel, Payroll, and Insurance Offices of Employer Groups
(Political Subdivisions)

FROM: Megan Atkinson, Financial Services Manager
Finance and Budget Office

SUBJECT: Revised Fiscal Year 2007 Program Rates – Composite

The employer base rate for the fiscal year 2007 is still \$684.00 and will remain unchanged until July 1, 2007. **However, based on new contracts with the health plans, employees' monthly contributions will change effective January 1, 2007.** Enclosed you will find revised composite active rates for Employer Groups (Political Subdivisions) detailing the changes by plan.

Effective January 1, 2007, employee optional life insurance rates will increase slightly. The new rate schedule for life insurance is also enclosed.

In early October, employees will receive the *PEBB Perspective* newsletter with open enrollment information. Materials will also be available on the Public Employees Benefits Board (PEBB) Web site at www.pebb.hca.wa.gov. Employees will not see a premium rate displayed when they make plan changes on the Web site. Instead, a pop-up box will inform them to contact their payroll office for premium information. Because of this, you will want to distribute employees' 2007 monthly premiums before open enrollment so they can have it available when 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. To assist you, we have included examples of how the state calculates these amounts for state agency personnel. **These tables should only be used as a template in developing calculations that are based on your employer contribution rate** and if you have a section 125 plan that allows employee premium dollars to be treated as a pre-tax deduction.

If you have questions about the rates, please call Becky Sisler at (360) 412-4201. Becky can also be contacted by e-mail at becky.sisler@hca.wa.gov.

MA:kg

Enclosures

cc: Megan Atkinson Mary Fliss
Renee Bourbeau Barbara Scott
Becky Sisler Debbie Allen
Lonnie Budd Michelle George
Kim Grindrod Deanna Kehr

PEBB Program for 2007

Additional Taxable Income for Non-Tax Qualified Domestic Partners

Table 1: Employer Share Medical and Dental

2007 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)*
MEDICAL PLAN			
All Medical Plans	\$ 392	\$ 311	\$ 703

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)*
DENTAL PLAN			
All Dental Plans	\$ 39	\$ 39	\$ 78

2007 Monthly State Contribution for Medicare Retirees (monthly state subsidy)**

Additional taxable income for non-tax qualified domestic partners

CHPWA	\$ 150
GHC Classic	\$ 150
GHC Value	\$ 145
Kaiser Classic	\$ 150
Kaiser Value	\$ 114
PacifiCare Classic	\$ 150
PacifiCare Value	\$ 121
Regence Classic	\$ 150
Uniform Medical Plan PPO	\$ 150
Plan E Retired	\$ 61
Plan E Disabled	\$ 104
Plan J Retired with Rx	\$ 137
Plan J Retired without Rx	\$ 150
Plan J Disabled with Rx	\$ 82
Plan J Disabled without Rx	\$ 139
All other plans	\$ 150

*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 2007 PEBB Rates-HCA Finance and Administration
August 2007**

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

Plan Name	Subscriber	Subscriber and Spouse	Subscriber and Child(ren)	Full Family
CHPWA	\$ 101	\$ 212	\$ 177	\$ 288
GHC Classic	\$ 57	\$ 124	\$ 100	\$ 167
GHC Value	\$ 13	\$ 36	\$ 23	\$ 46
Kaiser Classic	\$ 70	\$ 149	\$ 122	\$ 202
Kaiser Value	\$ 31	\$ 72	\$ 54	\$ 95
Regence Classic	\$ 139	\$ 287	\$ 242	\$ 391
Uniform Medical Plan PPO	\$ 24	\$ 57	\$ 41	\$ 75

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

Plan Name	Subscriber and Spouse	Subscriber	Partner
CHPWA	\$ 212	\$ 101	\$ 111
GHC Classic	\$ 124	\$ 57	\$ 67
GHC Value	\$ 36	\$ 13	\$ 23
Kaiser Classic	\$ 149	\$ 70	\$ 79
Kaiser Value	\$ 72	\$ 31	\$ 41
Regence Classic	\$ 287	\$ 139	\$ 148
Uniform Medical Plan PPO	\$ 57	\$ 24	\$ 33

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

Plan Name	Full Family	Subscriber	Partner and Child(ren)
CHPWA	\$ 288	\$ 101	\$ 187
GHC Classic	\$ 167	\$ 57	\$ 110
GHC Value	\$ 46	\$ 13	\$ 33
Kaiser Classic	\$ 202	\$ 70	\$ 132
Kaiser Value	\$ 95	\$ 31	\$ 64
Regence Classic	\$ 391	\$ 139	\$ 252
Uniform Medical Plan PPO	\$ 75	\$ 24	\$ 51

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

Plan Name	Full Family	Subscriber and Child(ren)	Partner
CHPWA	\$ 288	\$ 177	\$ 111
GHC Classic	\$ 167	\$ 100	\$ 67
GHC Value	\$ 46	\$ 23	\$ 23
Kaiser Classic	\$ 202	\$ 122	\$ 80
Kaiser Value	\$ 95	\$ 54	\$ 41
Regence Classic	\$ 391	\$ 242	\$ 149
Uniform Medical Plan PPO	\$ 75	\$ 41	\$ 34

Table 7: Post Tax Partner's Child(ren) Share for "Subscriber and Child(ren)" Tier

Plan Name	Subscriber and Child(ren)	Subscriber	Partner's Children
CHPWA	\$ 177	\$ 101	\$ 76
GHC Classic	\$ 100	\$ 57	\$ 43
GHC Value	\$ 23	\$ 13	\$ 10
Kaiser Classic	\$ 122	\$ 70	\$ 52
Kaiser Value	\$ 54	\$ 31	\$ 23
Regence Classic	\$ 242	\$ 139	\$ 103
Uniform Medical Plan PPO	\$ 41	\$ 24	\$ 17

**Composite Active Rates for Employer Groups (Political Subdivisions)
(for 01/01/07 through 06/30/07 only)**

Final 2007 PEBB Bid Rates
HCA Financial Services

Plan Name	07/01/06 through 06/30/07	01/01/07 through 12/31/07				01/01/07 through 06/30/07			
	Base Rate	Employee Contributions				Total Base Rates With Employee Contributions			
		Subscriber	Subscriber and Spouse	Subscriber and Child(ren)	Full Family	Subscriber	Subscriber and Spouse	Subscriber and Child(ren)	Full Family
Community Health Plan Classic	\$684.00	\$ 101.00	\$ 212.00	\$ 177.00	\$ 288.00	\$785.00	\$896.00	\$861.00	\$972.00
Group Health Classic	\$684.00	\$ 57.00	\$ 124.00	\$ 100.00	\$ 167.00	\$741.00	\$808.00	\$784.00	\$851.00
Group Health Value	\$684.00	\$ 13.00	\$ 36.00	\$ 23.00	\$ 46.00	\$697.00	\$720.00	\$707.00	\$730.00
Kaiser Permanente Classic	\$684.00	\$ 70.00	\$ 149.00	\$ 122.00	\$ 202.00	\$754.00	\$833.00	\$806.00	\$886.00
Kaiser Permanente Value	\$684.00	\$ 31.00	\$ 72.00	\$ 54.00	\$ 95.00	\$715.00	\$756.00	\$738.00	\$779.00
Regence Classic	\$684.00	\$ 139.00	\$ 287.00	\$ 242.00	\$ 391.00	\$823.00	\$971.00	\$926.00	\$1,075.00
Uniform Medical Plan PPO	\$684.00	\$ 24.00	\$ 57.00	\$ 41.00	\$ 75.00	\$708.00	\$741.00	\$725.00	\$759.00

PEBB Life and Accidental Death & Dismemberment Rates Paid to Plan and Charged to Subscribers

Final PEBB 2007 Rates
HCA Finance and Administration

Pub No.
50-135F

Plan A Basic for Actives*:	Monthly Cost:	\$	4.30
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Plan A Basic for Retirees:	Monthly Cost:	\$	2.19
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51-275

Plan B Basic (Dependents):	Monthly Cost:	\$	0.67
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Plan B Supplemental, Plans C (Optional) and D (Supplemental):		
Monthly Cost for Each \$1,000 of Coverage		
Age	Non-Smoker	Smoker
<25	\$ 0.038	\$0.048
25-29	\$ 0.040	\$0.058
30-34	\$ 0.044	\$0.078
35-39	\$ 0.054	\$0.088
40-44	\$ 0.084	\$0.098
45-49	\$ 0.124	\$0.146
50-54	\$ 0.190	\$0.224
55-59	\$ 0.358	\$0.418
60-64	\$ 0.544	\$0.642
65-69	\$ 1.006	\$1.236
70+	\$ 1.502	\$2.004

Plan E Life (Voluntary AD&D):							
Employee Coverage	Employee Only Cost	Employee & Dependent(s) Cost	Spouse Coverage		Per Child Coverage		
			No Children	With Children	With Spouse	No Spouse	
\$ 25,000	\$ 0.38	\$ 0.55	\$ 12,500	\$ 10,000	\$ 1,250	\$ 2,500	
\$ 50,000	\$ 0.75	\$ 1.10	\$ 25,000	\$ 20,000	\$ 2,500	\$ 5,000	
\$ 75,000	\$ 1.13	\$ 1.65	\$ 37,500	\$ 30,000	\$ 3,750	\$ 7,500	
\$ 100,000	\$ 1.50	\$ 2.20	\$ 50,000	\$ 40,000	\$ 5,000	\$ 10,000	
\$ 125,000	\$ 1.88	\$ 2.75	\$ 62,500	\$ 50,000	\$ 6,250	\$ 12,500	
\$ 150,000	\$ 2.25	\$ 3.30	\$ 75,000	\$ 60,000	\$ 7,500	\$ 15,000	
\$ 175,000	\$ 2.63	\$ 3.85	\$ 87,500	\$ 70,000	\$ 8,750	\$ 17,500	
\$ 200,000	\$ 3.00	\$ 4.40	\$ 100,000	\$ 80,000	\$ 10,000	\$ 20,000	
\$ 225,000	\$ 3.38	\$ 4.95	\$ 112,500	\$ 90,000	\$ 11,250	\$ 22,500	
\$ 250,000	\$ 3.75	\$ 5.50	\$ 125,000	\$ 100,000	\$ 12,500	\$ 25,000	

* Represents premium paid to the Plan only.

For State Actives, Plan A Basic coverage is funded by the state.

For Actives from Employer Groups, ESDs, and K-12 Districts Accepting the Full Benefits Package, the premium for Plan A Basic coverage is included in the rates for the selected medical plan.

Coverage is not provided to Actives from K-12 Districts Accepting Medical Only Package.