



Washington State Health Care Authority
Public Employees Benefits Board

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August 4, 2009

TO: PEBB Participating School Districts and Employer Groups
(Political Subdivisions & Tribal Governments)

FROM: Steve Norsen, Manager
PEBB Outreach and Training Team

SUBJECT: 2010 Rates – Tiered – Medical-Only Package

We have completed the procurement cycle which resulted in an increase in premiums for our employees and early retirees. Medical inflation and plan design changes (deductibles, co-pays, and co-insurance) resulted in a 0.2 percent average increase in our non-Medicare premiums and 3.4 average decrease in our Medicare premiums.

Exhibit 1 is the revised rate sheet, effective January 1, 2010, for school districts and employer groups accepting the medical-only benefits package.

If you have an IRS Section 125 Plan that allows employee premium dollars to be treated as a pre-tax deduction, note that if an employee's non-tax qualified dependents do not qualify as IRS dependents, 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. [Tables 1-7] These tables should only be used as a template in developing calculations that are based on your employer contribution rate.

This year, Open Enrollment will run from October 26 – November 30, 2009. In early October, the Public Employees Benefits Board (PEBB) program will publish the *For Your Benefit* newsletter for all employees. This newsletter is the employees' only printed open enrollment information. However, information will also be available on the PEBB web site at, www.pebb.hca.wa.gov prior to the start of open enrollment.

Employees who make an online plan change using E-Coverage will not see a premium rate. Instead, a pop-up box will prompt them to contact their personnel or payroll office for premium information. To support their decisions, you will want to distribute 2010 monthly premiums for your own employees before open enrollment so they can have those available when making a plan selection.

If you have questions about the rates, please contact me at (360) 412-4201 or steve.norsen@hca.wa.gov.

Enclosures

c: Kim Grindrod

K-12 and Employer Groups (Political Subdivisions & Tribal Governments)

Active Tiered Rates for Medical Only Package

2010 PEBB Bid Rates

Plan Name	Subscriber	Subscriber and Spouse	Subscriber and Child(ren)	Full Family
Aetna Public Employee Plan	\$ 569.22	\$ 1,094.22	\$ 962.97	\$ 1,487.97
Group Health Classic	\$ 508.51	\$ 972.80	\$ 856.73	\$ 1,321.02
Group Health Value	\$ 459.22	\$ 874.22	\$ 770.47	\$ 1,185.47
Kaiser Permanente Classic	\$ 509.29	\$ 974.36	\$ 858.09	\$ 1,323.16
Kaiser Permanente Value	\$ 478.86	\$ 913.50	\$ 804.84	\$ 1,239.48
Uniform Medical Plan PPO	\$ 477.98	\$ 911.74	\$ 803.30	\$ 1,237.06