**K-12 RETIREE ALLOCATION PAYMENT METHOD**

# For those portions of school districts and educational service districts (ESDs) that are not covered by the School Employees Benefits Board or Public Employees Benefits Board are required by RCW 28A.400.410 to remit monies to the Health Care Authority (HCA) for deposit in the Public Employees’ and Retirees’ Insurance Account. The following instructions and attached form provide the necessary information for payment submission. Any questions should be directed to HCA PEBB Accounting via ERB Support. The worksheet is also available online to download at <https://www.hca.wa.gov/perspay/rates-information> .

For the 2023-2024 school year, the amount of the allocation remittance will be $68.41 per month for a full-time employee, as outlined by the state operating budget (ESSB 5187, 68th Legislature, 2022 Regular Session)

1. A *K-12 Retiree Subsidy Worksheet* and payments are due from each school district or ESD on a monthly basis.
2. Payments are due to the HCA by the 15th of the month for which an allocation is due (e.g., October’s allocation payment will be due by October 15, 2023).
3. Allocation payments will be calculated using one of two methods as shown in the *K-12 Retiree Subsidy Worksheet*:
   1. The school district will base all payments on the current fiscal year of the Superintendent of Public Instruction (SPI) S275 and S277 reports; or
   2. The school district will base all payments on actual benefits calculated monthly based upon the prior month’s actual qualified benefits recipients.
4. In both methodologies, this will include:
   1. All full-time employees, and/or
   2. Part-time employees who are employed in an eligible position as defined in RCW 41.32.010 or RCW 41.40.010, and are also eligible for contribution toward insurance benefits.

**Note**: Payment is required regardless of the funding source (local vs. state).

1. Benefits, for the purpose of the part-time employee calculation, include medical, dental, vision, life, and long term disability.
2. Part-time employee benefits will be based on the amount of **benefits** that a part-time employee **receives** as opposed to the amount of benefits for which the part-time employee is eligible. (**Please note:** It is not based on the number of hours worked by the part-time employee.)
3. For the purpose of calculating part-time employee benefits, the denominator (or amount used to designate full-time employee benefits) will be based on the amount of benefit dollars allocated to full-time eligible employees by the legislature.
4. When the calculation is based on the SPI’s S275 and S277 reports (Method A), the school district will estimate the allocation payment amounts due for October, November, and December; these can be based on the reports from the prior school year or upon another reasonable methodology. The January through September allocation payments will be based on the current school year’s S275 and S277 reports which are submitted to the SPI in January. Reconciliation worksheets are the responsibility of each district and shall be provided upon request.
5. As an alternative to Method A described above, allocation payments may be based on an actual count of full-time and part-time employees as shown in Method B on the *K-12 Retiree Subsidy Worksheet*. School districts that choose to submit reports based on actual benefits delivered should be able to provide, upon request, documentation substantiating the level of staffing and benefit funding indicated on the report.
6. Participating school districts in which certain (but not all) bargaining units enroll in the PEBB Program will reduce their payments to the HCA based on the number of employees who enroll in PEBB Program.
7. The reporting year will be 12 months, from October through September.
8. The HCA will not send invoices to school districts. At the beginning of each reporting year, the HCA will provide instructions and the reporting format to each school district.

Payment should be made payable to **Health Care Authority** and mailed to:

Washington State Health Care Authority

### K-12 Retiree Allocation Payments

P. O. Box 24142

### Seattle, WA 98124-0142

Questions regarding payment submission can be directed to the HCA PEBB Accounting via ERB Support.

# **Staare Authority**

# **Washington State Health Care Authority**

# **K-12 RETIREE SUBSIDY WORKSHEET**

# **BEGINNING OCTOBER 1, 2023**

School District/ESD Name \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**School District/ESD Number** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Month/Year of Report** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Reporting Methodology:

A.  S275 & S277 Basis

Based on SPI Prior Year or Estimate (October – December)

Based on SPI Current Year Report (January – September)

B.  Monthly Actuals

## Please fill in the section below that corresponds with the method selected

**Method A:**

S275 (Certified Eligible Employees)

Full-Time Staff \_\_\_\_\_\_\_\_\_\_\_\_x $68.41 = \_\_\_\_\_\_\_\_\_\_\_

Part-Time Employees Receiving:

Equal to or more than 87.5% of Benefits \_\_\_\_\_\_\_\_\_\_\_\_x 68.41 = \_\_\_\_\_\_\_\_\_\_\_

62.5% to 87.49% of Benefits \_\_\_\_\_\_\_\_\_\_\_\_x 51.31 = \_\_\_\_\_\_\_\_\_\_\_

37.5% to 62.49% of Benefits \_\_\_\_\_\_\_\_\_\_\_\_x 34.21 = \_\_\_\_\_\_\_\_\_\_\_

12.5% to 37.49% of Benefits \_\_\_\_\_\_\_\_\_\_\_\_x 17.10 = \_\_\_\_\_\_\_\_\_\_\_

Subtotal: S275 Subsidy Due $\_\_\_\_\_\_\_\_\_\_

S277 (Classified Eligible Employees)

Full-Time Staff \_\_\_\_\_\_\_\_\_\_\_\_x $68.41 = \_\_\_\_\_\_\_\_\_\_\_

Part-Time Employees Receiving:

Equal to or more than 87.5% of Benefits \_\_\_\_\_\_\_\_\_\_\_\_x 68.41 = \_\_\_\_\_\_\_\_\_\_\_

62.5% to 87.49% of Benefits \_\_\_\_\_\_\_\_\_\_\_\_x 51.31 = \_\_\_\_\_\_\_\_\_\_\_

37.5% to 62.49% of Benefits \_\_\_\_\_\_\_\_\_\_\_\_x 34.21 = \_\_\_\_\_\_\_\_\_\_\_

12.5% to 37.49% of Benefits \_\_\_\_\_\_\_\_\_\_\_\_x 17.10 = \_\_\_\_\_\_\_\_\_\_\_

Subtotal: S277 Subsidy Due $\_\_\_\_\_\_\_\_\_\_

Adjustment of October – December Estimates \_\_\_\_\_\_\_\_\_\_\_

*January Only/Method A: Attach Worksheet*

Less employees enrolled in PEBB Program \_\_\_\_\_\_\_\_\_\_\_\_x $68.41 = \_\_\_\_\_\_\_\_\_\_\_

Total Amount Due for the Month $\_\_\_\_\_\_\_\_\_\_

**Method B:**

Number of Full-Time Eligible Employees \_\_\_\_\_\_\_\_\_\_\_

Number of Part-Time Eligible Employees \_\_\_\_\_\_\_\_\_\_\_

Average Percentage of Benefits for Part-Time Employees \_\_\_\_\_\_\_\_\_\_\_

Number of Employees enrolled in PEBB Program \_\_\_\_\_\_\_\_\_\_\_

Total Amount Due for the Month $\_\_\_\_\_\_\_\_\_\_

***I certify that the information in this report is correct and that the financial calculation upon which this report is based is accurate.***

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_­­­­\_\_\_\_\_\_\_\_\_

Date Name Title

Washington State Health Care Authority

# **K-12 RETIREE SUBSIDY METHOD A - RECONCILIATION**

**This worksheet will determine the January Reconciliation for School Districts Using Method A (S275 and S277) by calculating the adjustment of amounts submitted based on estimates for October, November and December. *This worksheet should not be used by school districts or ESDs that are calculating the subsidy based upon actual staffing counts on a month-to-month basis (Method B).***

Amount Due Per Month per S275/S277 Calculation $\_\_\_\_\_\_\_\_\_\_\_\_

x 3 months

Adjusted Subsidy for Period October – December \_\_\_\_\_\_\_\_\_\_\_\_

Actual Amount Submitted October \_\_\_\_\_\_\_\_\_\_\_\_

Actual Amount Submitted November \_\_\_\_\_\_\_\_\_\_\_\_

Actual Amount Submitted December \_\_\_\_\_\_\_\_\_\_\_\_

Amount Previously Submitted for Period October – December \_\_\_\_\_\_\_\_\_\_\_\_

Additional Amounts Due (Overpaid) for October – December $\_\_\_\_\_\_\_\_\_\_\_

Add (subtract) the amount shown to the January amounts due on the January report submission.

Washington State Health Care Authority

### K-12 Retiree Allocation Payments

P. O. Box 24142

### Seattle, WA 98124-0142

HCA 52-491 (9/23)