

## An important change is coming to your employee-paid LTD insurance

Starting January 1, 2022, the PEBB Program will automatically enroll most PEBB-eligible employees<sup>1</sup> in an employee-paid long-term disability (LTD) plan. This plan covers 60 percent of your monthly predisability earnings up to \$16,667. If you are disabled, you could receive a benefit of up to \$10,000 a month, depending on your income, reduced by any deductible income. See Standard's website at [standard.com/mybenefits/wash-state-hca-pebb](https://standard.com/mybenefits/wash-state-hca-pebb) for details. No evidence of insurability is needed for automatic enrollment.

At any time, you can reduce to a lower-cost 50-percent coverage level, with a maximum monthly benefit of \$8,333 (depending on your income, reduced by any deductible income), or you can decline the coverage. If you later decide to enroll in or increase coverage, you will have to provide evidence of insurability and be approved by the insurer.

### Why do I need LTD insurance?

No one expects a disability, but it can happen anytime to anyone. According to the Social Security Administration, one in four 20-year-olds will become disabled before age 67. And one in 10 Americans lives with a severe disability.

Imagine you suddenly became ill, were in an accident, or had a difficult pregnancy and couldn't work for an extended time. How would you pay your bills?

You already have an employer-paid long-term disability (LTD) benefit. But if the time comes that you need it, you may be surprised to find it is not enough. The maximum payment you could receive is \$240 a month. That probably wouldn't cover groceries, let alone your other bills.

The PEBB Program is making this change so that if you became disabled and couldn't work, employee-paid LTD insurance would help you pay for rent or mortgage, car insurance, utilities, child care, phone, groceries, and other things you couldn't do without.

The plan also helps you get back to work. For instance, if a worksite modification would enable you to return to work, the coverage could help your employer make approved modifications.

### What does it cost?

Our LTD plans are provided through Standard Insurance Company. The premiums for this coverage are competitive group rates.

Your monthly employee-paid LTD premium is based on the employee retirement plan you have, your desired coverage level (either 60 percent or 50 percent) and your monthly predisability earnings (base pay). To find your premium easily, use the premium calculator on Standard's website at [standard.com/calculator-wapebb](https://standard.com/calculator-wapebb). See rates on page 2.

**Please take note:  
This affects you**

<sup>1</sup> Not available to port commissioners or seasonal employees who work a season that is less than nine months.

## Monthly employee-paid LTD rates

To calculate your premium, multiply your monthly base pay (up to \$16,667) for the coverage level you choose by the rate shown below.

Higher-education employees retirement plans		TRS, PERS, and other retirement plans	
60%	50%	60%	50%
0.0059	0.0035	0.0047	0.0028

## Examples of employee-paid premiums

Your exact premium depends on your retirement plan, monthly predisability earnings (base pay), and the coverage level you choose. Here are some examples.

Examples of monthly base pay	Higher-education employees retirement plans		TRS, PERS, and other retirement plans	
	60%	50%	60%	50%
\$3,000	\$17.70	\$10.50	\$14.10	\$8.40
\$4,000	\$23.60	\$14.00	\$18.80	\$11.20
\$5,000	\$29.50	\$17.50	\$23.50	\$14.00
\$6,000	\$35.40	\$21.00	\$28.20	\$16.80
\$7,000	\$41.30	\$24.50	\$32.90	\$19.60
\$8,000	\$47.20	\$28.00	\$37.60	\$22.40
\$9,000	\$53.10	\$31.50	\$42.30	\$25.20
\$10,000	\$59.00	\$35.00	\$47.00	\$28.00
\$11,000- \$16,667	\$64.90- \$98.34	\$38.50- \$58.33	\$51.70- \$78.33	\$30.80- \$46.67

## When does the benefit start paying?

Benefit payments start after the benefit waiting period, which is the longer of:

- 90 days;
- The entire period of sick leave (excluding shared leave) for which you are eligible;

- The “fractionated period” of paid time off (PTO) for which you are eligible, if your employer has a PTO plan, as those terms are defined in the policy;
- The entire period of other non-vacation salaried continuation leave for which you are eligible; or
- The end of Washington Paid Family and Medical Leave for which you receive benefits.

Benefits continue during your disability up to the maximum benefit period, which is determined by your age when your disability begins. See HCA’s LTD webpage at [hca.wa.gov/ltd](http://hca.wa.gov/ltd) for details.

## What else do I need to know?

LTD insurance has limitations, including a preexisting condition exclusion. Please read your certificate of coverage carefully to understand this benefit. You’ll find it on HCA’s LTD webpage at [hca.wa.gov/ltd](http://hca.wa.gov/ltd).

## What do I need to do?

You don’t need to do anything. You will be automatically enrolled in the 60-percent coverage with a 90-day benefit waiting period, and the premium will be deducted from your paycheck for January 2022 coverage. Check with your payroll or benefits office for when the LTD premium will be deducted from your paycheck for January coverage (the LTD deduction may be prior to January 1, 2022, depending on your employer’s payroll cycle).

At any time, you can reduce to a lower-cost 50-percent coverage level or decline the coverage. If you later decide to enroll in or increase coverage, you will have to provide evidence of insurability and be approved by the insurer.

**If you don’t reduce or decline your employee-paid LTD coverage you will be automatically enrolled in the 60-percent coverage level with a 90-day benefit waiting period, and the premium will be deducted from your paycheck for January 2022 coverage. Check with your payroll or benefits office for when the LTD premium will be deducted from your paycheck for January coverage.**

## How do I reduce or decline coverage?

**During the PEBB Program annual open enrollment, November 1–30, 2021:** You can reduce or decline your employee-paid LTD coverage for 2022 using PEBB My Account at [hca.wa.gov/my-account](https://hca.wa.gov/my-account). Exception: Pierce County, UW, and WSU employees use Workday.

**For the month of December 2021:** You can reduce or decline the coverage at any time by submitting a *Long Term*

*Disability Insurance Enrollment and Change* form to your payroll or benefits office. The form is available on HCA's website at [hca.wa.gov/erb](https://hca.wa.gov/erb) under *Forms & publications*. For changes to take effect January 1, 2022, you must reduce or decline coverage by December 31, 2021.

## How can I learn more?

If you have questions about enrollment or premium payments, please contact your payroll or benefits office. More information is available on these websites.

Website	More information	Web address
LTD calculator	Find your premium	<a href="https://standard.com/calculator-wapebb">standard.com/calculator-wapebb</a>
The Standard	Details about the plan, including deductible income, exclusions, maximum benefit period, and survivor's benefit	<a href="https://standard.com/mybenefits/wash-state-hca-pebb">standard.com/mybenefits/wash-state-hca-pebb</a>
LTD webpage	Details about all LTD coverage	<a href="https://hca.wa.gov/ltd">hca.wa.gov/ltd</a>
Forms and publications search	Find certificate of coverage or <i>Long Term Disability Insurance Enrollment and Change</i> form	<a href="https://hca.wa.gov/erb">hca.wa.gov/erb</a>
PEBB My Account	Reduce or decline employee-paid LTD coverage during annual open enrollment, November 1 through 30, 2021	<a href="https://hca.wa.gov/my-account">hca.wa.gov/my-account</a>
PEBB virtual benefits fair	Information about all PEBB benefits and webinars; opens October 1	<a href="https://hca.wa.gov/vbf-pebb">hca.wa.gov/vbf-pebb</a>
PEBB open enrollment webpage	Information about 2022 premiums, changes to benefits, how to enroll, and more	<a href="https://hca.wa.gov/pebb-oe">hca.wa.gov/pebb-oe</a>

HCA complies with all applicable federal and Washington State civil rights laws and is committed to providing equal access to our services. If you need an accommodation, or require documents in another format or language, please call 1-855-682-0787 (TRS: 711).

La HCA cumple con todas las leyes vigentes federales y del Estado de Washington sobre derechos civiles y tiene el compromiso de ofrecer un acceso equitativo a nuestros servicios. Si necesita alguna facilidad, o si requiere documentos en otro formato o idioma, llame al 1-855-682-0787 (TRS: 711).

Управление здравоохранения (HCA) соблюдает все применимые федеральные законы и законы штата Вашингтон в отношении гражданских прав и обязуется обеспечивать равный доступ к своим услугам. Если вам потребуются специальные услуги или документы в другом формате или на другом языке, позвоните по телефону 1-855-682-0787 (TRS: 711).

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Health Care Authority

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## Could you pay your bills if you couldn't work?

Starting January 1, 2022, the PEBB Program will automatically enroll most PEBB-eligible employees in employee-paid long-term disability insurance.