

2018 Introduction to PEBB Coverage for Employer Groups



What does the Public Employees Benefits Board (PEBB) Program offer?

The PEBB Program provides a comprehensive insurance package that includes:

- Medical/vision
- Dental
- Life and accidental death and dismemberment (AD&D)
- Long-term disability (LTD)
- Group discounts for auto and home insurance

Your employees may select any PEBB health plan available in their county of residence. This brochure will give you an overview of eligibility, benefits, and the application process. For details, go to www.hca.wa.gov/public-employee-benefits/groups-joining-pebb/employer-groups.



How does the PEBB Program work?

The PEBB Program, under the Washington State Health Care Authority (HCA), administers benefits and eligibility for more than 370,000 public employees, retirees, COBRA and continuation coverage members, and their dependents. The HCA purchases coverage through competitive bids from private insurance companies, and is able to negotiate competitive premiums. We do all of the purchasing and contracting so you can focus on your core services.



Medical plans

- Kaiser Permanente WA (formerly Group Health Cooperative) (three managed-care plans)
- Kaiser Permanente WA (formerly Group Health) Options, Inc. (one consumer-directed health plan with a health savings account)
- Kaiser Permanente NW* (one managed-care plan, and one consumer-directed health plan with a health savings account)
- Uniform Medical Plan, administered by Regence BlueShield (two preferred-provider plans and one consumer-directed health plan with a health savings account)

Dental plans

- DeltaCare, administered by Delta Dental of Washington
- Uniform Dental Plan, administered by Delta Dental of Washington
- Willamette Dental Group



The PEBB Program also includes:

- Life and AD&D insurance through Metropolitan Life Insurance Company (MetLife)
- LTD insurance through Standard Insurance Company
- Group discounts on auto and home insurance through Liberty Mutual
- COBRA and continuation coverage, which includes Leave Without Pay coverage
- Retiree coverage

*Kaiser Foundation Health Plan of the Northwest, with plans in Clark and Cowlitz counties in WA, and the Portland, OR area.

Application process (for groups with fewer than 5,000 employees)

The required information and application documents must be received by the PEBB Program **at least 60 days** before the requested coverage date, until December 31, 2017. Beginning January 1, 2018, the required information and documents must be submitted to the PEBB Program as follows:

- Groups with fewer than 500 employees must apply **at least 60 days** before the requested effective date.
- Groups with 500–4,999 employees must apply **at least 90 days** before the requested effective date.

Application requirements

Note: Failure to submit all required application materials can result in denial of the application.

State-required application materials

1. A letter of application that includes:
 - a. A reference to your group's authorizing statute.
 - b. A description of your group's organizational structure and a description of the employee bargaining unit(s) or group of nonrepresented employees for which your group is applying.
 - c. Employer tax ID number (TIN).
 - d. A statement of whether your group is applying for medical only or the full-benefits package (medical/vision, life and AD&D insurance, and LTD insurance).
 - e. An estimated number of employees and dependents to be enrolled.
2. A resolution* from your group's governing body authorizing the purchase of PEBB insurance.
3. A signed governmental function attestation* affirming that the employees of your group are governmental employees who substantially perform essential governmental functions.
4. Member-level census data* file for all employees and dependents for whom your group is applying that includes:
 - a. Age.
 - b. Gender.
 - c. First three digits of employee's ZIP Code.
 - d. Indicator of whether the member is an employee or retiree.
 - e. Indicator of whether the employee is enrolled in coverage.

5. Historical claims and cost information that includes:
 - a. Large claims history for 24 months (by quarter) that excludes the most recent 3 months.
 - b. Ongoing large claims management report for the most recent quarter provided in the large claims history.
 - c. Summary of historical claims costs.
6. If the application is for a subset of your group's employees (for example, a bargaining unit), your group must provide a member-level census file of all employees eligible under their current health plan who are not included in the data file described in item 4. The file must include retirees and the same demographic data by member.

*Sample available at www.hca.wa.gov/public-employee-benefits/groups-joining-pebb/employer-groups.

Review process

The HCA will review your application for compliance with HCA terms and conditions of participation. We will respond within 30 days and process your group's enrollment or request additional information. Your application may be automatically denied if your group fails to provide the required information and documents described above.

Employer group rate surcharge

All participating counties, municipalities, political subdivisions, and tribal governments will incur an employer group rate surcharge that will be applied to the monthly rate for each employee enrolling in a medical plan.

The monthly employer group rate surcharge is based on the plan tier in which the employee enrolls. For 2018, the monthly surcharge is:

- \$20 per subscriber
- \$40 per subscriber and spouse or state-registered domestic partner
- \$35 per subscriber and child(ren)
- \$55 per full family

For more information on these topics, visit www.hca.wa.gov/pebb

- **Medical and dental provider search tools**
- **Medical plans available by county**
- **Life and AD&D insurance and LTD insurance (including costs)**
- **Auto and home insurance**



Application process (for groups with 5,000 or more employees)

The required information and documents for application must be submitted to the PEBB Program **at least 120 days** before the requested coverage date.

Application requirements

Note: Failure to submit all required application materials can result in denial of the application.

State-required application materials

1. A letter of application that includes:
 - a. A reference to your group's authorizing statute.
 - b. A description of your group's organizational structure and a description of the employee bargaining unit(s) or group of nonrepresented employees for which your group is applying.
 - c. Employer tax ID number (TIN).
 - d. A statement of whether your group is applying for medical only or the full-benefits package (medical/vision, life and AD&D insurance, and LTD insurance).
 - e. An estimated number of employees and dependents to be enrolled.
2. A resolution* from your group's governing body authorizing the purchase of PEBB insurance.
3. A signed governmental function attestation* affirming that the employees of your group are governmental employees whose services are substantially all in the performance of essential governmental functions.
4. Member-level census data* file for all employees and dependents for whom your group is applying that includes:
 - a. Age.
 - b. Gender.
 - c. First three digits of employee's ZIP Code.
 - d. Indicator of whether the member is an active employee or retiree.
 - e. Indicator of whether the employee is enrolled in coverage.
5. Historical claims and cost information that includes:
 - a. Large claims history for 24 months by quarter that excludes the most recent 3 months.
 - b. Ongoing large claims management report for the most recent quarter provided in the large claims history.
 - c. Summary of historical claims plan costs.
 - d. Executive summary of benefits.
 - e. Summary of benefits and certificate of coverage.

Group start-up fees

| Group size (includes employees) | Fee |
|-------------------------------------|-----------------|
| Fewer than 100 potential enrollees | \$10 per person |
| 100–500 potential enrollees | \$1,500 |
| 501–700 potential enrollees | \$2,000 |
| 701–1,000 potential enrollees | \$2,500 |
| More than 1,000 potential enrollees | \$4,000 |

6. If the application is for a subset of your group's employees (for example, a bargaining unit), your group must provide a member-level census file of all employees eligible under their current health plan who are not included in the data file described in item 4. The file must include retirees and the same demographic data by member.
7. An actuarial evaluation of your group provided by an actuary designated by the PEBB Program. Your group must pay the cost of the evaluation and is non-refundable.

*Sample available at www.hca.wa.gov/public-employee-benefits/groups-joining-pebb/employer-groups.

Review process

Your application will be approved or denied based on the evaluation criteria described in WAC 182-12-240. Your application may be automatically denied if your group fails to provide the required information and documents described above.

Note: All employee organizations representing state civil service employees and the Washington Health Benefit Exchange, regardless of the number of employees, will have their application approved or denied through the evaluation criteria described in WAC 182-08-240 and are required to provide the documents and information described above.

Send application materials to:

Amy Corrigan
ERB Division, Outreach and Training Unit
Washington State Health Care Authority
PO Box 42684
Olympia, WA 98504-2684

or email to amy.corrigan@hca.wa.gov

Eligibility

Groups

- PEBB group coverage is available only to entities and employees that perform governmental functions and are not controlled by private interests. Coverage is available to all employees, individual bargaining groups, or all nonrepresented employees of:
 - Counties, municipalities, and political subdivisions.
 - Tribal governments.
 - Employee organizations that represent state civil service employees.
 - The Health Benefit Exchange.
 - Entities with individual statutory authority.
- Your group may purchase the full-benefits package of medical/vision, dental, life and AD&D insurance, and LTD insurance, or may purchase only medical/vision. **Note:** If the group selects the full-benefits package, employees cannot waive dental, basic life and AD&D insurance, or basic LTD insurance.
- Your group may request inclusion of retirees covered under your current retiree health plan, subject to PEBB requirements outlined in Washington Administrative Code (WAC) 182-08-237.
- Employees who retire after your group joins the PEBB Program will be eligible for PEBB retiree insurance coverage based on retiree eligibility rules in WAC 182-12-171.
- Coverage for retirees only is not available through the PEBB Program.
- The HCA must approve your group's participation.
- Once approved, the HCA will charge a start-up fee based on your group's size. Failure to pay the start-up fee or return the Interlocal Agreement (or Intergovernmental Agreement for tribal governments) before the group's effective date of coverage may result in a delayed coverage date.
- Once enrolled, your group must participate in PEBB insurance coverage for at least one full year, and may end participation only at the end of the plan year (December 31), unless the HCA approves a mid-year termination.

Employees

- The PEBB Program outlines employee eligibility in WAC 182-12-114. Employee and dependent eligibility and terms of enrollment for insurance coverage are determined by the criteria outlined in the Interlocal Agreement with the PEBB Program.
- Employees may waive PEBB medical coverage for themselves if they have other employer-based group medical insurance, Medicare, or TRICARE. If an employee waives PEBB medical coverage, he or she cannot enroll dependents in PEBB medical. Employees may enroll eligible dependents as outlined in WAC 182-12-262, but are not required to enroll them.
- Employees who waive PEBB medical coverage must enroll in PEBB dental, basic life and AD&D insurance, and basic LTD insurance if your group selects the full-benefits package.
- Family members cannot be enrolled in two PEBB medical and dental accounts at the same time, even if eligible under more than one enrolled subscriber.

Retirees

- Retiree eligibility is described in WAC 182-12-171.
- Employees who enroll in PEBB insurance coverage may continue their coverage upon retirement as long as they meet PEBB requirements and your group continues to participate in the PEBB Program.
- Employees who retired before your group's effective date of PEBB insurance coverage may not enroll in PEBB retiree coverage, unless they meet the criteria outlined in WAC 182-08-237. Contact the ERB Division's Outreach and Training Unit for details.

Dependents

Under WAC 182-12-260, an employee may enroll:

- His or her lawful spouse or state-registered domestic partner.
- Children up to age 26.
- Children of any age with a developmental disability or physical handicap who are incapable of self-sustaining employment and chiefly dependent on the subscriber for support and ongoing care, as long as the condition occurred before age 26.
- Extended dependents in the legal custody or legal guardianship of the subscriber or subscriber's spouse or state-registered domestic partner.

The PEBB Program requires proof of eligibility before enrolling any dependents.

For questions, call the ERB Division's Outreach and Training Unit at 1-800-700-1555.

HCA is committed to providing equal access to our services.

If you need an accommodation, or require documents in another format or language, please call 1-800-200-1004 (TRS: 711).

2018 monthly rates for counties, municipalities, political subdivisions, and tribal governments

Effective January 1, 2018 through December 31, 2018

The rates below reflect how much the PEBB Program will charge the employer. The employer determines what portion of the rates the employee pays for their monthly premium.

Employer group rate surcharge

All participating counties, municipalities, political subdivisions, and tribal governments must pay an employer group rate surcharge that will be applied to the monthly rate for each employee enrolling in a medical plan. The monthly employer group rate surcharge is based on the plan tier in which the employee enrolls. For 2018, the monthly surcharge is \$20 per subscriber; \$40 per subscriber and spouse or state-registered domestic partner; \$35 per subscriber and child(ren); and \$55 per full family.

Full benefits package (medical/vision, dental, basic life and accidental death and dismemberment [AD&D] insurance, and long-term disability [LTD] insurance)

The rates below include the employer group rate surcharge authorized by RCW41.05.050(2) (as amended by SB6475 [2016]). The rates for subscriber and child(ren) do not vary based on the number of children enrolled. If an employee waives PEBB medical coverage, the employer must still pay \$145.53 each month to the PEBB Program and the employee must enroll in dental, basic life and AD&D insurance, and LTD insurance.

Note: In most cases, employees must live in a county served by the medical plan's to join the plan. Go to www.hca.wa.gov/pebb to find plans available by county.

| PEBB Medical Plans | Subscriber | Subscriber and Spouse ¹ | Subscriber and Child(ren) | Full Family |
|--|------------|------------------------------------|---------------------------|-------------|
| Kaiser Permanente Classic NW² | \$853.17 | \$1,560.81 | \$1,383.90 | \$2,091.54 |
| Kaiser Permanente NW Consumer-Directed Health Plan (with a health savings account) ² | \$751.38 | \$1,350.76 | \$1,215.50 | \$1,756.55 |
| Kaiser Permanente WA (formerly Group Health) Classic | \$878.90 | \$1,612.27 | \$1,428.93 | \$2,162.30 |
| Kaiser Permanente WA (formerly Group Health) Consumer-Directed Health Plan (with a health savings account) | \$749.69 | \$1,347.88 | \$1,212.92 | \$1,752.78 |
| Kaiser Permanente WA (formerly Group Health) SoundChoice | \$767.62 | \$1,389.71 | \$1,234.19 | \$1,856.28 |
| Kaiser Permanente WA (formerly Group Health) Value | \$794.03 | \$1,442.53 | \$1,280.41 | \$1,928.91 |
| Uniform Medical Plan (UMP) Classic | \$818.37 | \$1,491.21 | \$1,323.00 | \$1,995.84 |
| UMP Consumer-Directed Health Plan (with a health savings account) | \$749.42 | \$1,347.34 | \$1,212.44 | \$1,752.03 |
| UMP Plus—Puget Sound High Value Network | \$761.07 | \$1,376.61 | \$1,222.73 | \$1,838.27 |
| UMP Plus—UW Medicine Accountable Care Network | \$761.07 | \$1,376.61 | \$1,222.73 | \$1,838.27 |
| Medical waived (employee remains enrolled in dental, basic life and AD&D insurance, and basic LTD insurance) | \$145.53 | \$145.53 | \$145.53 | \$145.53 |

¹Or state-registered domestic partner

²Kaiser Foundation Health Plan of the Northwest, with plans in Clark and Cowlitz counties in WA, and the Portland, OR, area.

Medical-only benefits package (medical/vision)

The rates below include the employer group rate surcharge authorized by RCW41.05.050(2) (as amended by SB6475 [2016]).

The rates for subscriber and child(ren) do not vary based on the number of children enrolled. If an employee waives medical coverage, the employer pays nothing for that employee.

| PEBB Medical Plans | Subscriber | Subscriber and Spouse ¹ | Subscriber and Child(ren) | Full Family |
|--|------------|------------------------------------|---------------------------|-------------|
| Kaiser Permanente NW Classic² | \$767.53 | \$1,475.17 | \$1,298.26 | \$2,005.90 |
| Kaiser Permanente NW Consumer-Directed Health Plan (with a health savings account) ² | \$665.74 | \$1,265.12 | \$1,129.86 | \$1,670.91 |
| Kaiser Permanente WA (formerly Group Health) Classic | \$793.26 | \$1,526.63 | \$1,343.29 | \$2,076.66 |
| Kaiser Permanente WA (formerly Group Health) Consumer-Directed Health Plan (with a health savings account) | \$664.05 | \$1,262.24 | \$1,127.28 | \$1,667.14 |
| Kaiser Permanente WA (formerly Group Health) SoundChoice | \$681.98 | \$1,304.07 | \$1,148.55 | \$1,770.64 |
| Kaiser Permanente WA (formerly Group Health) Value | \$708.39 | \$1,356.89 | \$1,194.77 | \$1,843.27 |
| Uniform Medical Plan (UMP) Classic | \$732.73 | \$1,405.57 | \$1,237.36 | \$1,910.20 |
| UMP Consumer-Directed Health Plan (with a health savings account) | \$663.78 | \$1,261.70 | \$1,126.80 | \$1,666.39 |
| UMP Plus–Puget Sound High Value Network | \$675.43 | \$1,290.97 | \$1,137.09 | \$1,752.63 |
| UMP Plus–UW Medicine Accountable Care Network | \$675.43 | \$1,290.97 | \$1,137.09 | \$1,752.63 |

¹Or state-registered domestic partner

²Kaiser Foundation Health Plan of the Northwest, with plans in Clark and Cowlitz counties in WA, and the Portland, OR, area.

Monthly premium surcharges for employees

Employees will pay the following surcharges in addition to their medical premium if they apply:

- A monthly \$25-per-account surcharge will apply if the subscriber or any family member (age 13 and older) enrolled PEBB medical uses tobacco products.
- A monthly \$50 surcharge will apply if a subscriber enrolls a spouse or state-registered domestic partner in PEBB medical, and the spouse or state-registered domestic partner elected not to enroll in other employer-based group medical that is comparable to Uniform Medical Plan (UMP) Classic.