

2019 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/employee-retiree-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 378,000 public employees, retirees, continuation coverage subscribers, and their dependents. HCA purchases coverage through competitive bids from private insurance companies and negotiates competitive premiums. We do all of the purchasing and contracting so you can focus on your core services.

Medical plans

- Kaiser Permanente WA (three managed-care plans and 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 (managed-care plan)
- Uniform Dental Plan, administered by Delta Dental of Washington (preferred provider plan)
- Willamette Dental Group (managed-care plan)



The PEBB Program also includes:

- Life and AD&D insurance through Metropolitan Life Insurance Company (MetLife)
- LTD insurance through The Standard Insurance Company
- Group discounts on auto and home insurance through Liberty Mutual
- Continuation coverage, which includes COBRA and Unpaid Leave
- Retiree coverage

**Kaiser Foundation Health Plan of the Northwest, with plans in Clark and Cowlitz counties in Washington and select counties in Oregon.*



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

You must submit the required information and application documents to the PEBB Program as follows:

- Groups with fewer than 500 employees must apply **at least 60 days** before the requested coverage effective date.
- Groups with 500 to 4,999 employees must apply **at least 90 days** before the requested coverage effective date.
- If you are an employee organization representing state civil service employees, the Washington Health Benefit Exchange, or the Department of Services for the Blind, see the application requirements for groups with 5,000 or more employees.

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, dental, life and AD&D, and LTD insurance).
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. Employee ID
 - b. Age
 - c. Gender
 - d. First three digits of employee's ZIP Code
 - e. Indicator of whether the member is an employee or retiree
 - f. 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 three months
 - b. Ongoing large claims management report for the most recent quarter provided in the large claims history
 - c. Summary of historical plan costs. Some exceptions may apply.
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.

**Samples are available at www.hca.wa.gov/employee-retiree-benefits/groups-joining-pebb/employer-groups.*

Review process

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 here.

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 2019, the monthly surcharge is:

- \$12 per subscriber
- \$24 per subscriber and spouse/state-registered domestic partner
- \$21 per subscriber and child(ren)
- \$33 per subscriber, spouse/state-registered domestic partner, and child(ren).

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

- **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 effective date. This includes employee organizations representing state civil service employees, the Washington Health Benefit Exchange, and the Department of Services for the Blind.

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, dental, life and AD&D, and LTD insurance).
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. Employee ID
 - b. Age
 - c. Gender
 - d. First three digits of employee's ZIP Code
 - e. Indicator of whether the member is an employee or retiree
 - f. Indicator of whether the employee is enrolled in coverage
5. 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.

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. 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. It must include the following:
 - a. Large claims history for 24 months by quarter, that excludes the most recent three months
 - b. Ongoing large claims management report for the most recent quarter provided in the large claims history
 - c. Executive summary of benefits
 - d. Summary of benefits and certificate of coverage
 - e. Summary of historical plan costs

*Samples are available at www.hca.wa.gov/employee-retiree-benefits/groups-joining-pebb/employer-groups.

Review process

HCA will review your group's application and approve or deny it based on the evaluation criteria described in WAC 182-08-240. (This includes all employee organizations representing state civil service employees, the Washington Health Benefit Exchange, and the Department of Services for the Blind, regardless of the number of employees.) Your application may be automatically denied if your group fails to provide the required information and documents described here.

Send application materials to:

Amy Corrigan
ERB Division, Outreach and Training Unit
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 Washington Health Benefit Exchange, or the Department of Services for the Blind.
 - Entities with individual statutory authority.
- Your group may purchase the full-benefits package of medical/vision, dental, life and AD&D, and LTD insurance, or may purchase medical/vision insurance only. **Note:** If the group selects the full-benefits package, employees cannot waive dental, basic life and AD&D, 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 may 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.
- HCA must approve your group's participation.
- Once approved, 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 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 a TRICARE plan. If employees waive PEBB medical coverage, they 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, and basic LTD insurance if your group selects the full-benefits package.
- Dependents 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, employees may enroll:

- Their legal spouse/state-registered domestic partner, as defined in RCW 26.60.020(1), which includes all substantially equivalent legal unions from other jurisdictions as defined in RCW 26.60.090.
- Their children as described in WAC 182-12-260(3).

The PEBB Program requires proof of eligibility (dependent verification) 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).

2019 monthly rates for counties, municipalities, political subdivisions, and tribal governments

Effective January 1, 2019 through December 31, 2019

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 2019, the monthly surcharge is \$12 per subscriber; \$24 per subscriber and spouse/state-registered domestic partner; \$21 per subscriber and child(ren); and \$33 per subscriber, spouse/state-registered domestic partner, and children.

Full benefits package (medical/vision, dental, basic life and AD&D, and 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 \$152.62 each month to the PEBB Program and the employee must enroll in dental, basic life and AD&D, and LTD insurance.

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

PEBB Medical Plans	Subscriber	Subscriber and Spouse ¹	Subscriber and Child(ren)	Subscriber, Spouse ¹ , and Children
Kaiser Permanente NW ² Classic	\$869.30	\$1,585.98	\$1,406.81	\$2,123.49
Kaiser Permanente NW ² Consumer-Directed Health Plan (with a health savings account)	\$762.81	\$1,367.03	\$1,230.56	\$1,776.46
Kaiser Permanente WA Classic	\$892.04	\$1,631.45	\$1,446.60	\$2,186.02
Kaiser Permanente WA Consumer-Directed Health Plan (with a health savings account)	\$759.09	\$1,360.11	\$1,224.44	\$1,767.12
Kaiser Permanente WA SoundChoice	\$761.86	\$1,371.09	\$1,218.78	\$1,828.02
Kaiser Permanente WA Value	\$814.90	\$1,477.19	\$1,311.61	\$1,973.90
Uniform Medical Plan (UMP) Classic	\$833.50	\$1,514.37	\$1,344.15	\$2,025.03
UMP Consumer-Directed Health Plan (with a health savings account)	\$759.19	\$1,360.30	\$1,224.61	\$1,767.39
UMP Plus—Puget Sound High Value Network	\$776.72	\$1,400.83	\$1,244.80	\$1,868.90
UMP Plus—UW Medicine Accountable Care Network	\$776.72	\$1,400.83	\$1,244.80	\$1,868.90
Medical waived (employee remains enrolled in dental, basic life and AD&D, and basic LTD insurance)	\$152.62	\$152.62	\$152.62	\$152.62

¹Or state-registered domestic partner

²Kaiser Foundation Health Plan of the Northwest, with plans in Clark and Cowlitz counties in Washington and select counties in Oregon.

Effective January 1, 2019 through December 31, 2019

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

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]).

Rates that include 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)	Subscriber, Spouse ¹ , and Children
Kaiser Permanente NW ² Classic	\$783.90	\$1,500.58	\$1,321.41	\$2,038.09
Kaiser Permanente NW ² Consumer-Directed Health Plan (with a health savings account)	\$677.41	\$1,281.63	\$1,145.16	\$1,691.06
Kaiser Permanente WA Classic	\$806.64	\$1,546.05	\$1,361.20	\$2,100.62
Kaiser Permanente WA Consumer-Directed Health Plan (with a health savings account)	\$673.69	\$1,274.71	\$1,139.04	\$1,681.72
Kaiser Permanente WA SoundChoice	\$676.46	\$1,285.69	\$1,133.38	\$1,742.62
Kaiser Permanente WA Value	\$729.50	\$1,391.79	\$1,226.21	\$1,888.50
Uniform Medical Plan (UMP) Classic	\$748.10	\$1,428.97	\$1,258.75	\$1,939.63
UMP Consumer-Directed Health Plan (with a health savings account)	\$673.79	\$1,274.90	\$1,139.21	\$1,681.99
UMP Plus – Puget Sound High Value Network	\$691.32	\$1,315.43	\$1,159.40	\$1,783.50
UMP Plus – UW Medicine Accountable Care Network	\$691.32	\$1,315.43	\$1,159.40	\$1,783.50

¹Or state-registered domestic partner

²Kaiser Foundation Health Plan of the Northwest, with plans in Clark and Cowlitz counties in Washington and select counties in Oregon.

Monthly premium surcharges for employees

Employees will be charged the following premium surcharges, if they apply, in addition to their monthly medical premium:

- A monthly \$25-per-account premium surcharge will apply if the subscriber or any dependent (age 13 and older) enrolled in PEBB medical uses tobacco products.
- A monthly \$50 premium 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 another employer-based group medical that is comparable to Uniform Medical Plan (UMP) Classic.