

PEB Board approves changes for 2017

At its July 13 and August 10 meetings, the Public Employees Benefits Board (PEB Board) approved the following changes to PEBB Program rules, policies, benefits, and premiums **effective January 1, 2017**. The PEBB Program will provide more information about these and other changes to members starting in mid-October before the PEBB Program’s open enrollment (November 1-30, 2016).

Changes to PEBB Program rules and policies in 2017

- The definition of “tobacco products” in relation to the [tobacco use premium surcharge](#) also includes pipe tobacco. It **does not** include e-cigarettes, which are now regulated by the U.S. Food and Drug Administration.
- Eligibility for domestic partners who qualified under PEBB rules before January 1, 2010 is removed effective January 1, 2017.
- Employees will have 31 days (currently 60 days) to enroll in voluntary life insurance benefits up to the guaranteed issue amounts, without answering health questions and/or having a medical exam.

Changes to PEBB life insurance benefits in 2017

The Health Care Authority (HCA) recently signed a contract with MetLife to provide increased life insurance benefits to PEBB Program members starting January 1, 2017.

Employees

- Employer-paid, basic life insurance for employees will increase to \$35,000. Accidental death and dismemberment (AD&D) insurance will remain at \$5,000.
- Employees can apply for the following optional life and/or AD&D insurance amounts during these times:

Coverage	Employees* may apply for these amounts during the PEBB Program’s open enrollment (November 1-30, 2016), effective January 1, 2017	Employees* may apply for these amounts on or after December 1, 2016
Employee coverage		
Optional life insurance	<ul style="list-style-type: none"> • Up to \$500,000 (in \$10,000 increments) without health questions and/or medical exam • Up to \$1,000,000 (in \$10,000 increments) with health questions and/or medical exam 	Up to \$1,000,000 (in \$10,000 increments)—any election or increase will require health questions and/or medical exam
Optional AD&D insurance	Up to \$250,000 (in \$10,000 increments) without health questions and/or medical exam	Up to \$250,000 (in \$10,000 increments)—any election or increase will require health questions and/or medical exam
Spouse/state-registered domestic partner coverage		
Optional life insurance	<ul style="list-style-type: none"> • Up to \$100,000 (in \$5,000 increments) without health questions and/or medical exam • Up to \$500,000 (in \$5,000 increments) with health questions and/or medical exam <p>Note: Spouse/partner’s optional life insurance cannot exceed 50% of the employee’s optional life insurance.</p>	Up to \$500,000 (in \$5,000 increments)—any election or increase will require health questions and/or medical exam Note: Spouse/partner’s optional life insurance cannot exceed 50% of the employee’s optional life insurance.

Coverage	Employees* may apply for these amounts during the PEBB Program's open enrollment (November 1-30, 2016), effective January 1, 2017	Employees* may apply for these amounts on or after December 1, 2016
Spouse/state-registered domestic partner coverage (continued)		
Optional AD&D insurance	Up to \$250,000 (in \$10,000 increments) without health questions and/or medical exam	Up to \$250,000 (in \$10,000 increments)—any election or increase will require health questions and/or medical exam
Child coverage		
Optional life insurance <i>New for 2017!</i>	<ul style="list-style-type: none"> Up to \$10,000 (in \$5,000 increments) without health questions and/or medical exam Up to \$20,000 (in \$5,000 increments) with health questions and/or medical exam 	Up to \$20,000 (in \$5,000 increments)—any election or increase will require health questions and/or medical exam
Optional AD&D insurance	Up to \$25,000 (in \$5,000 increments) without health questions and/or medical exam	Up to \$25,000 (in \$5,000 increments)—any election or increase will require health questions and/or medical exam

**For new hires in November or December 2016 and subscribers on Leave Without Pay (LWOP), contact your personnel, payroll, or benefits office for the coverage options, deadlines, and coverage effective dates that apply to you.*

Retirees

Currently participating in PEB Retiree Life Insurance may choose to stay in a "Legacy Plan" with their coverage unchanged. Coverage amounts of \$3,000, \$2,100, and \$1,800 will be rolled over automatically on 1/1/2017. Retirees should contact MetLife to request and complete a Beneficiary Designation form because their beneficiary choice will not transfer with coverage.

Type of retiree	Retirees may apply for these amounts during MetLife's open enrollment (November 1-30, 2016), effective January 1, 2017	Retirees may apply for these amounts through MetLife on or after December 1, 2016 (effective in 2017)
Current retirees enrolled in PEBB retiree term life insurance (coverage amounts will be rolled over to MetLife 1/1/2017)	<ul style="list-style-type: none"> Enroll with MetLife at current coverage amounts (\$1,800, \$2,100, or \$3,000) with no plan changes; or Enroll with MetLife for \$5,000 without health questions and/or medical exam and no age reductions in future; or Enroll with MetLife for \$10,000 to \$20,000 (in \$5,000 increments) with health questions and/or medical exam and no age reductions in future. 	Up to \$20,000 (in \$5,000 increments)—any election or increase will require health questions and/or medical exam and no age reductions in future.

Type of retiree	Retiring individuals may apply for these amounts during MetLife's open enrollment (November 1-30, 2016), effective January 1, 2017	Retiring individuals may apply for these amounts through MetLife on or after December 1, 2016 (effective in 2017)
Individuals retiring on or after January 1, 2017	N/A	Up to \$20,000 (in \$5,000 increments) without health questions and/or medical exam and no age reductions in future.

Changes to medical plan benefits in 2017



Group Health will:

- Cover **male sterilization** at no cost to members (Group Health Consumer-Directed Health Plan [CDHP] members must first pay their annual deductible). *Applies to Group Health Classic, CDHP, Value, and SoundChoice, including Medicare members.*
- Change the number of covered **acupuncture** visits from 8 visits per medical diagnosis per year to 12 visits total per calendar year. *Applies to Group Health Classic, CDHP, Value, and SoundChoice.*
- Offer **telehealth ("virtual") office visits** for primary, specialty, and urgent care services at the same member cost-share as in-person primary, specialty, and urgent care visits. *Applies to Group Health Classic, CDHP, Value, and SoundChoice.*
- Implement the following changes in 2017:

Annual costs/benefits	2016 Group Health Value	2017 Group Health Value
Medical out-of-pocket limit	\$2,000 per person/\$4,000 per family	\$3,000 per person/\$6,000 per family
Annual deductible	\$350 per person/\$1,050 per family (without SmartHealth wellness incentive) \$225 per person/\$925 per family (with SmartHealth wellness incentive)	\$250 per person/\$750 per family (without SmartHealth wellness incentive) \$125 per person/\$625 per family (with SmartHealth wellness incentive)
Primary care office visit	\$20	\$30
Specialist office visit	\$40	\$50
Inpatient hospital services	\$200 per day up to \$600 maximum per admission	\$250 per day up to \$1,250 maximum per admission
Skilled nursing facility	\$200 per day up to \$600 maximum per admission	\$250 per day up to \$1,250 maximum per admission

Tiers for retail pharmacy	2016 Group Health Value	2017 Group Health Value
Value Tier	\$5	\$5
Tier 1 (generic)	\$20	\$25
Tier 2 (preferred brand)	\$40	\$50
Tier 3 (nonpreferred brand)	50% up to \$250	50% (no maximum)

Tier 4 (preferred specialty— New for 2017)	N/A	\$150
Tier 5 (nonpreferred specialty— New for 2017)	N/A	50% up to \$400



Kaiser Permanente will:

- Cover **male sterilization** at no cost to members (Kaiser Permanente Consumer-Directed Health Plan [CDHP] members must first pay their annual deductible). *Applies to Kaiser Permanente Classic and CDHP, including Medicare members.*



Uniform Medical Plan (UMP) will:

- Cover **male sterilization** at no cost to members (UMP Consumer-Directed Health Plan [CDHP] members must first pay their annual deductible). *Applies to UMP Classic and CDHP, including Medicare members.*
- Offer a new Centers of Excellence benefit for members needing **total joint replacement** (hip and/or knee), to be administered by Premera Blue Cross and provided through Virginia Mason. The benefit will be covered at no cost to members (UMP CDHP members must first pay their annual deductible), and includes a travel benefit for members living outside of the Seattle area. *Applies to UMP Classic and CDHP, excluding Medicare members.*

2017 monthly premiums

State agency, higher-education institution, and community and technical college employees

The PEB Board approved two sets of monthly premiums for 2017. The PEBB Program is awaiting a judicial order related to coverage of Hepatitis C drugs for UMP members to determine the final monthly premiums. The PEBB Program will release final monthly premiums as soon as possible, but no later than September 7, 2016.

Medicare retirees

The PEB Board approved a continued \$150 state-funded contribution to Medicare retirees’ premiums in 2017, up to 50 percent of the retiree’s medical plan premium.