Title: Correcting employing agency and contracted vendor enrollment errors

PEBB Program Administrative Policy 11-3

Contact:	Policy and Rules Coordinator, ERB Division	**Effective:**	January 1, 2026
Associated RCW:	41.05.008 41.05.009 41.05.014 41.05.050 (1), (3) and (4) 41.05.065 41.05.160	**Owner:**	Policy, Rules, & Compliance Manager, ERB Division
Associated PEB Board Policy Resolutions	PEBB 2018-02 PEBB 2019-05 PEBB 2024-16	**Approved by:**	
Associated WAC:	182-08-015 182-08-187 182-08-197 (1)(a) & (b), and (3)	**Position:**	Director of the PEBB Program
Assoc. fed law/reg:		**Date approved:**	August 21, 2025
Associated Forms & Communication			

Purpose:

This policy clarifies the requirements placed on an employing agency or contracted vendor when they correct their own enrollment errors as described in WAC 182-08-187.

Policy:

1. An employing agency or contracted vendor must correct enrollment errors as described in WAC 182-08-187 and as described in this policy.

   As defined in WAC 182-08-015,

   “Employing agency” for the Public Employee Benefits Board (PEBB) Program means a division, department, or separate agency of state government, including an institution of higher education; a county, municipality, or other political subdivision; and a tribal government covered by chapter 41.05 RCW.

   "Contracted vendor” means any person, persons, or entity under contract or agreement with the HCA to provide goods or services for the provision or administration of PEBB benefits. The term "contracted vendor" includes subcontractors of the HCA and subcontractors of any person, persons, or entity under contract or agreement with the HCA that provide goods or services for the provision or administration of PEBB benefits.

2. If an employing agency, or contracted vendor in the case of life insurance and accidental death and dismemberment (AD&D) insurance, fails to timely enroll an employee, or their dependent, in PEBB benefits as elected by the employee, then the employing agency or contracted vendor must correct the error. The employing agency or the applicable contracted vendor must enroll the employee and the employee's dependent, as elected when correcting enrollment errors, reconcile related premium payments and applicable premium surcharges as described in WAC 182-08-187 (2) through (4), and provide recourse as described in WAC 182-08-187(5).

   "Timely" in this subsection means the enrollment was entered by the employing agency or contracted vendor within the lower limit date.

   The "lower limit date" is 60 days before the current process month. For example, if the current process month is June, 60 days before would be April; therefore, the lower limit date would be April 1.

   "Current process month" identifies the specific period of time for which the insurance system is billing an employing agency. The beginning and end date of an employing agency's current process month depends on which one of the three invoicing cycles the employing agency is in.

3. If an employing agency fails to notify an employee of their eligibility for PEBB benefits and the employer contribution as described in WAC 182-12-113 or the employer group contract, the employing agency must correct the error. The employing agency must provide the employee written notice of eligibility for PEBB benefits, offer at least a 10 calendar day enrollment period, correct enrollment, reconcile premium payments and applicable premium surcharges as described in WAC 182-08-187 (2) through (4), and provide recourse as described in WAC 182-08-187(5).

4. If an employing agency fails to enroll an employee and their dependents in PEBB benefits as elected in the required forms or apply the applicable surcharges as attested in the required forms, then the employing agency must correct the error. The employing agency must enroll the coverage the employee elected and accurately reflect the employee's premium surcharge attestations when correcting enrollment, reconcile related premium payments and applicable premium surcharges as described in WAC 182-08-187 (2) through (4), and provide recourse as described in WAC 182-08-187(5).

5. If an employing agency or contracted vendor in the case of life insurance and accidental death and dismemberment (AD&D) insurance, fails to accurately enroll an employee in Uniform Medical Plan Classic, Uniform Dental Plan, MetLife vision, basic life insurance, basic AD&D insurance, employer-paid long-term disability (LTD) insurance or employee-paid LTD insurance, and apply the tobacco use surcharge status as described in WAC 182-08-197 (1)(b) or (3)(c) when the employee fails to return the required employee forms within required time limits as described in WAC 182-08-197 (1)(a) or (3)(a), then the employing agency or contracted vendor must correct the error. The employing agency or contracted vendor must enroll the employee as described in WAC 182-08-197 (1)(b) or (3)(c) when correcting enrollment errors, reconcile related premium payments and applicable premium surcharges as described in WAC 182-08-187 (2) through (4), and provide recourse as described in WAC 182-08-187(5).

6. If an employing agency fails to accurately enroll an employee in employee-paid LTD insurance as elected, then the employing agency must correct the error as follows:

   a. Enroll the employee in their elected LTD coverage back to the correct effective date of coverage; and

    b. Collect all applicable LTD premiums as described in WAC 182-08-187 (4)(b).

7. If an employing agency enrolls an employee or dependent in PEBB insurance coverage when they are not eligible as described in WAC 182-08-197(3), 182-12-114 or 182-12-260 and it is clear there was no fraud or intentional misrepresentation by the employee involved, then the employing agency must correct the error as follows:

    a. Terminate the coverage prospectively as described in WAC 182-08-187(3); and

    b. Refund any premiums and applicable premium surcharges paid by the employee to the employee without rescinding the insurance coverage as described in WAC 182-08-187(4).

8. If an employing agency fails to provide correct information regarding PEBB benefits to the employee that they relied upon, then the employing agency must correct the error. The employing agency must correct enrollment, reconcile premium payments and applicable premium surcharges as described in WAC 182-08-187 (2) through (4), and provide additional recourse as described in WAC 182-08-187(5).

9. "Recourse" as described in WAC 182-08-187(5) requires an employing agency to work with the employee and receive approval from the Health Care Authority (HCA) to implement retroactive insurance coverage when the employing agency makes an enrollment error.

    a. An employing agency must work with the employee to determine which of the options described in WAC 182-08-187 (5)(a) best provides recourse for the employee's unique circumstance.

    b. An employing agency must document the recourse solution and provide a copy to the HCA for approval. A recourse solution may not be implemented until approved by the HCA.

    c. An employing agency must provide a copy of the approved recourse solution to both the employee and the HCA.

    d. An employee who does not agree with a recourse decision of the employing agency or the HCA may appeal the decision by submitting an appeal within 30 days as described in chapter 182-16 WAC.