

SEBB Update 5.30.18

SEB Board passes resolutions on premium surcharges

On May 30, 2018, the <u>School Employees Benefits Board</u> (SEB Board) voted on resolutions to:

- Define "tobacco products" and "tobacco use" as they relate to premium surcharges.
- Establish what happens when a school employee fails to attest that they (or any dependent age 13 or older enrolled on their SEBB medical plan) does not use tobacco products.
- Establish what happens when a school employee fails to attest that a spouse or state-registered domestic partner enrolled on their SEBB medical plan has chosen not to enroll in another employerbased group health insurance.

These resolutions will apply to eligible employees of school districts, educational service districts (ESDs), and charter schools, who will receive their health insurance benefits through the SEBB Program starting January 1, 2020.

Resolutions

Definition of "tobacco products" (SEBB 2018-16)

"Tobacco products" means any product made with or derived from tobacco that is intended for human consumption, including any component, part, or accessory of a tobacco product. This includes, but is not limited to, cigars, cigarettes, pipe tobacco, chewing tobacco, snuff, and other tobacco products. It does not include e-cigarettes or United States Food and Drug Administration (FDA)-approved quit aids.

Definition of "tobacco use" (SEBB 2018-17)

"Tobacco use" means any use of tobacco products within the past two months. Tobacco use, however, does not include religious or ceremonial use of tobacco.

- "Religious use of tobacco" means the use of tobacco products as part of a formal tradition, rite, or ritual.
- "Ceremonial use of tobacco" means the use of tobacco products for ceremonial purposes in connections with the practice of a traditional ceremony or ritual.

Tobacco surcharge attestation default (SEBB 2018-18)

A subscriber's account will incur a \$25 monthly premium surcharge if he or she fails to attest that any member, age 13 years or older, enrolled in medical on his or her account does or does not engage in tobacco use within the HCA's enrollment timeframe.

Spousal surcharge attestation default (SEBB 2018-19)

When a subscriber has a spouse or state-registered domestic partner enrolled in medical on his or her account, the subscriber will incur a \$50 monthly premium surcharge if he or she fails to attest to the applicability of the spousal surcharge within the HCA's enrollment timeframe.

See the <u>SEBB Frequently Asked Questions page</u> for more information about these resolutions.

Next steps

Benefit procurement work is progressing. The HCA released a Request for Proposals (RFP) on short- and long-term disability insurance on May 7; posted redacted responses to fully insured medical plan and group vision insurance requests for information (RFI) on May 29; and plans to release the fully insured medical and group vision RFPs in June.

What's next

The SEB Board meets again on June 13, 2018, and may vote on resolutions regarding:

 The effective date of coverage for school employees eligible for the employer contribution.

The SEB Board may also vote on resolutions to establish the benefit design (covered services, exclusions, deductibles, out-of-pocket maximums, coinsurance, etc.) for SEBB self-insured plan offerings under Uniform Medical Plan.

Visit www.hca.wa.gov/sebb for more information.