



Washington State Health Care Authority
Public Employees Benefits Board

P.O. Box 42684 • Olympia, Washington 98504-2684
360-412-4200 • FAX 360-923-2608 • TTY 360-923-2701 • www.wa.gov/hca/pebb.htm

September 21, 2004

TO: Personnel, Payroll and Insurance Offices of Political Subdivisions
(Employer Groups)

FROM: Susanne Ames, Budget and Rates Manager
Finance and Budget Office

SUBJECT: Revised Fiscal Year 2005 Program Rates – Composite

The basis for the Fiscal Year (FY 2005) employer remains \$586.18 and will remain unchanged until July 1, 2005. **However, based on new contracts with the health plans, employee monthly contributions will be changing effective January 1, 2005.** Enclosed you will find revised composite active rates for Political Subdivisions (Employer Groups) detailing the changes by plan. The PEBB board has approved the continuation of the employer provided life insurance benefit at the \$25,000 level.

In early October employees will receive the PEBB Perspective newsletter with open enrollment information. Materials will also be available on the Health Care Authority/PEBB Web site www.pebb.hca.wa.gov. Employees will not see a premium rate displayed when they make changes via E-coverage (Web). Instead, a pop-up box will inform them to contact their payroll office for premium information. Because of this, you may want to distribute cost sharing information, i.e., employee contribution schedules, to your employees in advance of open enrollment so they can have it available when they are making a plan selection.

As you are aware, if any employee's same-sex domestic partner or their partner's child(ren) do not qualify as an IRS dependent, a portion of the premium employers pay toward the family's coverage is considered taxable income to the employee. In an effort to assist you, we have included examples of how the state calculates these amounts for state agency personnel. **These tables should only be use as a template in developing calculations that are based on your employer contribution rate** and for use if you have a section 125 plan in place to allow employee premium dollars to be treated as pre-tax deduction.

If you have questions about these materials, please call Sandra Lakey at (360) 412-4201. Sandra can also be contacted by e-mail at slak107@hca.wa.gov.

SA:kg

Enclosures

cc:	Tony Hildesheim	Katie Rogers
	Barbara Scott	Sandi Lakey
	Debbie Haeger	Lonnie Budd
	Michelle George	Susanne Ames
	Kim Grindrod	

**Composite Active Rates for Political Subdivisions
(for 1/1/05 through 6/30/05 only)**

Final 2005 PEBB Bid Rates
HCA Finance and Administration

<u>Plan Name</u>	Jan 1, 2005 June 30, 2005 Base Rate	Employee Contributions				Total Base Rates With Employee Contributions			
		<u>Subscriber</u>	<u>Subscriber and Spouse</u>	<u>Subscriber and Child(ren)</u>	<u>Full Family</u>	<u>Subscriber</u>	<u>Subscriber and Spouse</u>	<u>Subscriber and Child(ren)</u>	<u>Full Family</u>
CHPWA	\$586.18	\$ 57.00	\$ 123.00	\$ 99.00	\$ 166.00	\$643.18	\$709.18	\$685.18	\$752.18
Group Health Cooperative of Puget Sound	\$586.18	\$ 20.00	\$ 51.00	\$ 36.00	\$ 66.00	\$606.18	\$637.18	\$622.18	\$652.18
Group Health Options Inc.	\$586.18	\$ 48.00	\$ 107.00	\$ 85.00	\$ 143.00	\$634.18	\$693.18	\$671.18	\$729.18
Kaiser Foundation Health Plan of the NW	\$586.18	\$ 37.00	\$ 84.00	\$ 65.00	\$ 112.00	\$623.18	\$670.18	\$651.18	\$698.18
PacifiCare of Washington, Inc	\$586.18	\$ 108.00	\$ 226.00	\$ 189.00	\$ 307.00	\$694.18	\$812.18	\$775.18	\$893.18
Regence BlueShield	\$586.18	\$ 102.00	\$ 214.00	\$ 178.00	\$ 290.00	\$688.18	\$800.18	\$764.18	\$876.18
Uniform Medical Plan PPO	\$586.18	\$ 33.00	\$ 76.00	\$ 58.00	\$ 101.00	\$619.18	\$662.18	\$644.18	\$687.18
UMP Neighborhood*	\$586.18	\$ 25.00	\$ 59.00	\$ 43.00	\$ 78.00	\$611.18	\$645.18	\$629.18	\$664.18

PEBB Program for 2005

Additional Taxable Income for Non-Tax Qualified Domestic Partners

Table 1: Employer Share Medical and Dental

2005 Monthly State Premium Contribution for Medical and Dental for Active Employees

Additional Taxable Income for Non-Tax Qualified Dependents' coverage*

	Coverage for DOMESTIC PARTNER*	Coverage for CHILD(REN)*	Coverage for DOMESTIC PARTNER, CHILD(REN)*
MEDICAL PLAN			
All Medical Plans	\$354	\$282	\$637

Table 2: Employer Share Dental Only

Sample chart for dental only enrollment-taxable amount for dependents

	Coverage for DOMESTIC PARTNER*	Coverage for CHILD(REN)*	Coverage for DOMESTIC PARTNER, CHILD(REN)*
DENTAL PLAN			
All Dental Plans	\$36	\$36	\$73

2005 Monthly State Contribution for Medicare Retirees (monthly state subsidy)**

Additional taxable income for non-tax qualified domestic partners

Medical Supplement Plan E	\$54
Kaiser	\$107
All other plans	\$116

*Premiums displayed are rounded to the nearest dollar, consistent with IRS tax reporting

**Retiree subsidy is limited to 50% of the total premium paid to the health plan by state law

State and Higher Education Active Employee Monthly Contributions (Deductions)
For Non-Tax Qualified Spouses and Dependents (Same Sex Domestic Partners)
Final 2005 PEBB Rates-HCA Finance and Administration

Table 3: Total Monthly Employee Contribution Owed for All Coverage (Pre-taxed and post-taxed combined)

Plan Name	Subscriber	Subscriber and Spouse	Subscriber and Child(ren)	Full Family
CHPWA	\$ 57	\$ 123	\$ 99	\$ 166
Group Health Cooperative of Puget Sound	\$ 20	\$ 51	\$ 36	\$ 66
Group Health Options Inc.	\$ 48	\$ 107	\$ 85	\$ 143
Kaiser Foundation Health Plan of the NW	\$ 37	\$ 84	\$ 65	\$ 112
PacifiCare of Washington, Inc	\$ 108	\$ 226	\$ 189	\$ 307
Regence BlueShield	\$ 102	\$ 214	\$ 178	\$ 290
Uniform Medical Plan PPO	\$ 33	\$ 76	\$ 58	\$ 101
Uniform Neighborhood	\$ 25	\$ 59	\$ 43	\$ 78

Table 4: Post-Tax Partner Share for "Subscriber and Spouse" Tier

Plan Name	Subscriber and Spouse	Subscriber	Partner
CHPWA	\$ 123	\$ 57	\$ 66
Group Health Cooperative of Puget Sound	\$ 51	\$ 20	\$ 31
Group Health Options Inc.	\$ 107	\$ 48	\$ 59
Kaiser Foundation Health Plan of the NW	\$ 84	\$ 37	\$ 47
PacifiCare of Washington, Inc	\$ 226	\$ 108	\$ 118
Regence BlueShield	\$ 214	\$ 102	\$ 112
Uniform Medical Plan PPO	\$ 76	\$ 33	\$ 43
Uniform Neighborhood	\$ 59	\$ 25	\$ 34

Table 5: Post Tax Partner Share for "Full Family" Tier

Plan Name	Full Family	Subscriber and Child(ren)	Partner
CHPWA	\$166	\$99	\$67
Group Health Cooperative of Puget Sound	\$66	\$36	\$30
Group Health Options Inc.	\$143	\$85	\$58
Kaiser Foundation Health Plan of the NW	\$112	\$65	\$47
PacifiCare of Washington, Inc	\$307	\$189	\$118
Regence BlueShield	\$290	\$178	\$112
Uniform Medical Plan PPO	\$101	\$58	\$43
Uniform Neighborhood	\$78	\$43	\$35

Table 6: Post Tax Partner and Child(ren) Share for "Full Family" Tier

Plan Name	Full Family	Subscriber	Partner and Child(ren)
CHPWA	\$166	\$57	\$109
Group Health Cooperative of Puget Sound	\$66	\$20	\$46
Group Health Options Inc.	\$143	\$48	\$95
Kaiser Foundation Health Plan of the NW	\$112	\$37	\$75
PacifiCare of Washington, Inc	\$307	\$108	\$199
Regence BlueShield	\$290	\$102	\$188
Uniform Medical Plan PPO	\$101	\$33	\$68
Uniform Neighborhood	\$78	\$25	\$53

Table 7: Monthly Pre-Tax Employee Contributions

Plan Name	Subscriber and Child(ren)	Subscriber	Employee's Children
CHPWA	\$99	\$57	\$42
Group Health Cooperative of Puget Sound	\$36	\$20	\$16
Group Health Options Inc.	\$85	\$48	\$37
Kaiser Foundation Health Plan of the NW	\$65	\$37	\$28
PacifiCare of Washington, Inc	\$189	\$108	\$81
Regence BlueShield	\$178	\$102	\$76
Uniform Medical Plan PPO	\$58	\$33	\$25
Uniform Neighborhood	\$43	\$25	\$18