



Washington State Health Care Authority
Public Employees Benefits Board

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August 4, 2009

TO: Benefits Offices of University of Washington, Washington State University,
Western Washington University, and Central Washington University

FROM: Steve Norsen, Manager
PEBB Outreach & Training Team

SUBJECT: **Revised Fiscal Year 2010 PEBB Program Rates – Composite**

Overview

The higher-education institutions' base monthly funding rate of \$745.00 will remain unchanged until July 1, 2010. However, based on new contracts with the health plans, the employees' monthly contributions will change effective January 1, 2010.

Medical/Dental

The new contribution schedule is enclosed as Exhibit 1. In early October, the Public Employees Benefits Board (PEBB) program will publish these monthly contributions in the *For Your Benefit* newsletter to all state employees. This newsletter is the employees' only printed open enrollment information. However, information will also be available on the PEBB Web site at www.pebb.hca.wa.gov prior to October 26, 2009, the start of open enrollment.

Life and LTD Insurance

Employee optional life and long term disability (LTD) insurance rates did not change and will remain the same for 2010. The rate schedule for life and LTD insurance is enclosed as Exhibit 2 and 3.

Additional Taxable Income for Non-Tax Qualified Dependents

Certain individuals may not qualify under IRS regulations as dependents (e.g., domestic partners, dependents of domestic partners, students who are not tax dependents, other post-tax dependents), so deduction from taxable income for benefit premiums/coverage is not appropriate. We have attached tax tables to assist in determining additional taxable income that should be assigned to employees if employee contributions are made for an individual who is not the employee's spouse or dependent child. Tables 1 and 2 provide monthly amounts for additional taxable income for non-tax qualified dependents for 2010.

Tax Treatment for Employee Payroll Contributions

Tables 3-7 provide monthly payroll employee contributions (deductions for subscribers and domestic partners). If a dependent is a non-qualified tax dependent or is allowed late enrollment outside of an annual or special open enrollment, use Tables 3-7 to determine the amount of employee contributions to withhold on a post-tax basis.

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FSA/DCAP

The Flexible Spending Account (FSA) and Dependent Care Assistance Program (DCAP) employer administrative fee will remain unchanged at \$4.75.

If you have questions about the rates, please contact me at (360) 412-4201 or steve.norsen@hca.wa.gov.

Enclosures

c: Kim Grindrod

**Composite Active Rates for STATE and HIGHER ED,
Commodity Commissions, Employer Groups, and ESDs/K-12 School Districts
(for 01/01/10 through 06/30/10 only)**

	07/01/09 through 06/30/10	01/01/10 through 12/31/10				01/01/10 through 06/30/10			
Plan Name	Base Rate	Employee Contributions				Total Base Rates With Employee Contributions			
		Subscriber	Subscriber and Spouse	Subscriber and Child(ren)	Full Family	Subscriber	Subscriber and Spouse	Subscriber and Child(ren)	Full Family
Aetna Public Employee Plan	\$745.00	\$ 132.00	\$ 274.00	\$ 231.00	\$ 373.00	\$ 877.00	\$ 1,019.00	\$ 976.00	\$ 1,118.00
Group Health Classic	\$745.00	\$ 71.00	\$ 152.00	\$ 124.00	\$ 205.00	\$ 816.00	\$ 897.00	\$ 869.00	\$ 950.00
Group Health Value	\$745.00	\$ 22.00	\$ 54.00	\$ 39.00	\$ 71.00	\$ 767.00	\$ 799.00	\$ 784.00	\$ 816.00
Kaiser Permanente Classic	\$745.00	\$ 72.00	\$ 154.00	\$ 126.00	\$ 208.00	\$ 817.00	\$ 899.00	\$ 871.00	\$ 953.00
Kaiser Permanente Value	\$745.00	\$ 42.00	\$ 94.00	\$ 74.00	\$ 126.00	\$ 787.00	\$ 839.00	\$ 819.00	\$ 871.00
Uniform Medical Plan PPO	\$745.00	\$ 41.00	\$ 92.00	\$ 72.00	\$ 123.00	\$ 786.00	\$ 837.00	\$ 817.00	\$ 868.00

PEBB Life and AD&D Rates Paid to Plan and Charged to Subscribers

Plan A Basic for Actives*:	Monthly Cost:	\$ 5.07
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Pub No.

50-135F

Plan A Basic for Retirees:	Monthly Cost:	\$ 2.19
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51-275R, 51-403-F

Plan B Basic (Dependents):	Monthly Cost:	\$ 0.50
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Plan B Supplemental, Plans C (Optional) and D (Supplemental): Monthly Cost for Each \$1,000 of Coverage		
Age	Non-Smoker	Smoker
<25	\$ 0.028	\$0.036
25-29	\$ 0.030	\$0.044
30-34	\$ 0.034	\$0.058
35-39	\$ 0.042	\$0.066
40-44	\$ 0.064	\$0.074
45-49	\$ 0.092	\$0.112
50-54	\$ 0.144	\$0.170
55-59	\$ 0.268	\$0.318
60-64	\$ 0.412	\$0.484
65-69	\$ 0.760	\$0.932
70+	\$ 1.134	\$1.514

50-135F

Plan E Life (Voluntary AD&D):							
Employee Coverage	Employee Only Cost	Employee & Dependent(s) Cost	Spouse Coverage		Per Child Coverage		
			No Children	With Children	With Spouse	No Spouse	
\$ 25,000	\$ 0.20	\$ 0.30	\$ 12,500	\$ 10,000	\$ 1,250	\$ 2,500	
\$ 50,000	\$ 0.40	\$ 0.60	\$ 25,000	\$ 20,000	\$ 2,500	\$ 5,000	
\$ 75,000	\$ 0.60	\$ 0.90	\$ 37,500	\$ 30,000	\$ 3,750	\$ 7,500	
\$ 100,000	\$ 0.80	\$ 1.20	\$ 50,000	\$ 40,000	\$ 5,000	\$ 10,000	
\$ 125,000	\$ 1.00	\$ 1.50	\$ 62,500	\$ 50,000	\$ 6,250	\$ 12,500	
\$ 150,000	\$ 1.20	\$ 1.80	\$ 75,000	\$ 60,000	\$ 7,500	\$ 15,000	
\$ 175,000	\$ 1.40	\$ 2.10	\$ 87,500	\$ 70,000	\$ 8,750	\$ 17,500	
\$ 200,000	\$ 1.60	\$ 2.40	\$ 100,000	\$ 80,000	\$ 10,000	\$ 20,000	
\$ 225,000	\$ 1.80	\$ 2.70	\$ 112,500	\$ 90,000	\$ 11,250	\$ 22,500	
\$ 250,000	\$ 2.00	\$ 3.00	\$ 125,000	\$ 100,000	\$ 12,500	\$ 25,000	

* Represents premium paid to the Plan only.

For State Actives, Plan A Basic coverage is funded by the state.

For Actives from Employer Groups, ESDs, and K-12 Districts Accepting the Full Benefits Package, the premium for Plan A Basic coverage is included in the rates for the selected medical plan.

Coverage is not provided to Actives from K-12 Districts Accepting Medical Only Package.

PEBB 2010 LONG TERM DISABILITY PLAN

Rates Paid to Plan and Charged to Subscribers

Basic Plan for Actives	Monthly Cost*:	\$	2.00
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Optional Plan	TIAA/CREF or Higher Education Academic Retirement Plan Employees	TRS, PERS, & other Retirement Plan Employees
Waiting Period		
30 days	2.48%	1.96%
60 days	1.26%	1.04%
90 days	0.69%	0.57%
120 days	0.40%	0.34%
180 days	0.30%	0.27%
240 days	0.29%	0.26%
300 days	0.27%	0.24%
360 days	0.26%	0.23%

* Represents premium paid to plan only.

For State Actives, Basic Plan coverage is funded by the state.

PEBB Program for 2010**Additional Taxable Income for Non-Tax Qualified Dependents****Table 1: Employer Share Medical and Dental**

2010 Monthly State Premium Contribution for Medical and Dental for Active Employees

Additional Taxable Income for Non-Tax Qualified Dependent Coverage

MEDICAL AND DENTAL PLAN	Partner*	Subscriber's or Partner's Child(ren)*	Partner and Child(ren)*
All Medical Plans	\$ 428	\$ 340	\$ 768

Table 2: Employer Share Dental Only

Sample chart for dental only enrollment-taxable amount for dependents

DENTAL PLAN	Partner*	Subscriber's or Partner's Child(ren)*	Partner and Child(ren)*
All Dental Plans	\$ 45	\$ 45	\$ 90

2010 Monthly State Contribution for Medicare Retirees (monthly state subsidy)****Additional taxable income for non-tax qualified domestic partners**

Aetna Public Employee Plan	\$ 183
GHC Classic	\$ 126
GHC Value	\$ 118
Kaiser Classic	\$ 160
Kaiser Value	\$ 129
Secure Horizons Classic	\$ 183
Secure Horizons Value	\$ 121
Uniform Medical Plan PPO	\$ 156
Plan E Retired	\$ 66
Plan E Disabled	\$ 112
Plan J Retired without Rx	\$ 96
Plan J Disabled without Rx	\$ 162
Plan J Retired with Rx	\$ 135
Plan J Disabled with Rx	\$ 183

*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 Domestic Dependents
Final 2010 PEBB Rates-HCA Finance and Administration

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

Plan Name	Subscriber	Subscriber and Spouse	Subscriber and Child(ren)	Full Family
Aetna Public Employee Plan	\$ 132	\$ 274	\$ 231	\$ 373
GHC Classic	\$ 71	\$ 152	\$ 124	\$ 205
GHC Value	\$ 22	\$ 54	\$ 39	\$ 71
Kaiser Classic	\$ 72	\$ 154	\$ 126	\$ 208
Kaiser Value	\$ 42	\$ 94	\$ 74	\$ 126
Uniform Medical Plan PPO	\$ 41	\$ 92	\$ 72	\$ 123

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

Plan Name	Subscriber and Spouse	Subscriber	Partner
Aetna Public Employee Plan	\$ 274	\$ 132	\$ 142
GHC Classic	\$ 152	\$ 71	\$ 81
GHC Value	\$ 54	\$ 22	\$ 32
Kaiser Classic	\$ 154	\$ 72	\$ 82
Kaiser Value	\$ 94	\$ 42	\$ 52
Uniform Medical Plan PPO	\$ 92	\$ 41	\$ 51

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

Plan Name	Full Family	Subscriber and Child(ren)	Partner
Aetna Public Employee Plan	\$ 373	\$ 231	\$ 142
GHC Classic	\$ 205	\$ 124	\$ 81
GHC Value	\$ 71	\$ 39	\$ 32
Kaiser Classic	\$ 208	\$ 126	\$ 82
Kaiser Value	\$ 126	\$ 74	\$ 52
Uniform Medical Plan PPO	\$ 123	\$ 72	\$ 51

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

Plan Name	Full Family	Subscriber	Partner and Child(ren)
Aetna Public Employee Plan	\$ 373	\$ 132	\$ 241
GHC Classic	\$ 205	\$ 71	\$ 134
GHC Value	\$ 71	\$ 22	\$ 49
Kaiser Classic	\$ 208	\$ 72	\$ 136
Kaiser Value	\$ 126	\$ 42	\$ 84
Uniform Medical Plan PPO	\$ 123	\$ 41	\$ 82

Table 7: Post Tax Partner's Child(ren) Share for "Subscriber and Child(ren)" Tier

Plan Name	Subscriber and Child(ren)	Subscriber	Partner's Children
Aetna Public Employee Plan	\$ 231	\$ 132	\$ 99
GHC Classic	\$ 124	\$ 71	\$ 53
GHC Value	\$ 39	\$ 22	\$ 17
Kaiser Classic	\$ 126	\$ 72	\$ 54
Kaiser Value	\$ 74	\$ 42	\$ 32
Uniform Medical Plan PPO	\$ 72	\$ 41	\$ 31