



Washington State Health Care Authority
Public Employees Benefits Board

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August 5, 2010

TO: PEBB Participating School Districts and Employer Groups
(Political Subdivisions & Tribal Governments)

FROM: Steve Norsen, Manager
PEBB Outreach & Training Team

SUBJECT: 2011 Rates – Tiered - Full Benefits Package

We have completed the procurement cycle which resulted in an increase in premiums for our employees and early retirees. Medical inflation and plan resulted in a 13 percent average increase in our non-Medicare premiums and 8 percent average increase in our Medicare premiums.

Enclosed is the revised rate sheet (effective January 1, 2011) for school districts and employer groups accepting the full benefits package.

Employee optional life and long term disability (LTD) insurance rates did not change and will remain the same for 2011. The rate schedule for life and LTD insurance is also enclosed.

If you have an IRS Section 125 Plan that allows employee premium dollars to be treated as a pre-tax deduction, note that if an employee's non-tax qualified dependents do not qualify as IRS dependents, a portion of the premium employers pay toward the family's coverage is considered taxable income to the employee. To assist you, we have included examples of how the state calculates these amounts for state agency personnel. [Tables 1-7] These tables should only be used as a template in developing calculations that are based on your employer contribution rate.

This year, Open Enrollment will run from November 1 – November 30, 2010. In early October, the Public Employees Benefits Board (PEBB) program will publish the *For Your Benefit* newsletter to all 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 the start of open enrollment.

Employees who make an online plan change using E-Coverage will not see a premium rate. Instead, a pop-up box will prompt them to contact their personnel or payroll office for premium information. To support their decisions, you will want to distribute 2011 monthly premiums for your own employees before open enrollment, so they can have those available when making a plan selection.

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

Enclosures

c: Kim Grindrod

**K-12 and Employer Groups (Political Subdivisions and Tribal Governments)
Active Tiered Rates for Full Benefits Package**

2011 PEBB Bid Rates
HCA Finance and Administration

Plan Name	Subscriber	Subscriber and Spouse	Subscriber and Child(ren)	Full Family
Group Health Classic	\$ 657.72	\$ 1,171.28	\$ 1,042.89	\$ 1,556.45
Group Health Value	\$ 617.21	\$ 1,090.26	\$ 972.00	\$ 1,445.05
Kaiser Permanente Classic	\$ 692.14	\$ 1,240.12	\$ 1,103.13	\$ 1,651.11
Uniform Medical Plan PPO	\$ 647.55	\$ 1,150.94	\$ 1,025.09	\$ 1,528.48
Medical Waived	\$ 144.16	\$ 144.16	\$ 144.16	\$ 144.16

PEBB Program for 2011

Additional Taxable Income for Non-Tax Qualified Dependents

Table 1: Employer Share Medical and Dental

2011 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	\$ 481	\$ 380	\$ 861

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	\$ 48	\$ 48	\$ 96

2011 Monthly State Contribution for Medicare Retirees (monthly state subsidy)**

Additional taxable income for non-tax qualified domestic partners

GHC Classic	\$ 131
GHC Value	\$ 125
Kaiser Classic	\$ 177
Secure Horizons Classic	\$ 183
Uniform Medical Plan PPO	\$ 183
Plan F Retired	\$ 87
Plan F Disabled	\$ 148

*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 Dependents
Final 2011 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
GHC Classic	\$ 71	\$ 152	\$ 124	\$ 205
GHC Value	\$ 30	\$ 70	\$ 53	\$ 93
Kaiser Classic	\$ 105	\$ 220	\$ 184	\$ 299
Uniform Medical Plan PPO	\$ 60	\$ 130	\$ 105	\$ 175

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

Plan Name	Subscriber and Spouse	Subscriber	Partner
GHC Classic	\$ 152	\$ 71	\$ 81
GHC Value	\$ 70	\$ 30	\$ 40
Kaiser Classic	\$ 220	\$ 105	\$ 115
Uniform Medical Plan PPO	\$ 130	\$ 60	\$ 70

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

Plan Name	Full Family	Subscriber	Partner and Child(ren)
GHC Classic	\$ 205	\$ 71	\$ 134
GHC Value	\$ 93	\$ 30	\$ 63
Kaiser Classic	\$ 299	\$ 105	\$ 194
Uniform Medical Plan PPO	\$ 175	\$ 60	\$ 115

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

Plan Name	Full Family	Subscriber and Child(ren)	Partner
	\$ -	\$ -	\$ -
GHC Classic	\$ 205	\$ 124	\$ 81
GHC Value	\$ 93	\$ 53	\$ 40
Kaiser Classic	\$ 299	\$ 184	\$ 115
Uniform Medical Plan PPO	\$ 175	\$ 105	\$ 70

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
	\$ -	\$ -	\$ -
GHC Classic	\$ 124	\$ 71	\$ 53
GHC Value	\$ 53	\$ 30	\$ 23
Kaiser Classic	\$ 184	\$ 105	\$ 79
Uniform Medical Plan PPO	\$ 105	\$ 60	\$ 45

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

Final PEBB 2011 Rates
HCA Finance and Administration

Pub No.

Plan A Basic for Actives*:	Monthly Cost:	\$ 5.07
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Plan A Basic for Retirees:	Monthly Cost:	\$ 2.19
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51-275R, 51-403F, 516-R

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

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 LONG TERM DISABILITY PLAN

Rates Paid to Plan and Charged to Subscribers

Final PEBB 2011 Rates

HCA Finance and Administration

Pub No.

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.