



Washington State Health Care Authority
Public Employees Benefits Division

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August 1, 2011

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

FROM: Steve Norsen, Manager
PEBB Outreach & Training Team

SUBJECT: Revised Fiscal Year 2012 Program Rates – Composite

The total (base rate plus employee contributions) due from your agency will increase effective January 1, 2012. The employer base rate of \$850.00, the majority of the basis for the composite rates, will remain unchanged until July 1, 2012. However, monthly contributions for employees will change based on new contracts with the health plans. The new composite active rates for Employer Groups (Political Subdivisions) by plan are enclosed. Note: the employee contribution displayed is for employees in State agencies. Employer Groups have the option to determine the amount employees are required to pay.

This year, Open Enrollment will run from November 1 – November 30, 2011. In early October, the Public Employees Benefits Board (PEBB) program will send the *For Your Benefit* newsletter with open enrollment information 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 2012 monthly premiums for your own employees before Open Enrollment, so they can have those available when making a plan selection.

Employee optional life and long term disability (LTD) insurance rates will decrease effective January 1, 2012. 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.

If you have questions about these 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 and Employer Groups
(for 01/01/12 through 06/30/12 only)**

2012 PEBB Bid Rates

HCA Financial Services

	07/01/11 through 06/30/12	01/01/12 through 12/31/12				01/01/12 through 06/30/12			
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
Group Health Classic	\$ 850.00	\$ 101.00	\$ 212.00	\$ 177.00	\$ 288.00	\$ 951.00	\$ 1,062.00	\$ 1,027.00	\$ 1,138.00
Group Health Value	\$ 850.00	\$ 52.00	\$ 114.00	\$ 91.00	\$ 153.00	\$ 902.00	\$ 964.00	\$ 941.00	\$ 1,003.00
Group Health CDHP	\$ 850.00	\$ 26.00	\$ 62.00	\$ 46.00	\$ 82.00	\$ 876.00	\$ 912.00	\$ 896.00	\$ 932.00
Kaiser Permanente Classic	\$ 850.00	\$ 89.00	\$ 188.00	\$ 156.00	\$ 255.00	\$ 939.00	\$ 1,038.00	\$ 1,006.00	\$ 1,105.00
Kaiser CDHP	\$ 850.00	\$ 24.00	\$ 58.00	\$ 42.00	\$ 76.00	\$ 874.00	\$ 908.00	\$ 892.00	\$ 926.00
Uniform Medical Plan Classic	\$ 850.00	\$ 82.00	\$ 174.00	\$ 144.00	\$ 236.00	\$ 932.00	\$ 1,024.00	\$ 994.00	\$ 1,086.00
Uniform Medical Plan CDHP	\$ 850.00	\$ 27.00	\$ 64.00	\$ 47.00	\$ 84.00	\$ 877.00	\$ 914.00	\$ 897.00	\$ 934.00

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

Final PEBB 2012 Rates

HCA Finance and Administration

Employee Basic*	Monthly Cost:	\$ 4.08
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Retiree	Monthly Cost:	\$ 6.57
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Spouse/Child Basic	Monthly Cost:	\$ 0.50
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Employee/Spouse Supplemental		
Monthly Cost for Each \$1,000 of Coverage (Available in \$10,000 increments)		
Age	Non-Smoker	Smoker
<25	\$ 0.024	\$0.031
25-29	\$ 0.026	\$0.037
30-34	\$ 0.029	\$0.049
35-39	\$ 0.036	\$0.056
40-44	\$ 0.054	\$0.063
45-49	\$ 0.078	\$0.095
50-54	\$ 0.122	\$0.145
55-59	\$ 0.228	\$0.270
60-64	\$ 0.350	\$0.411
65-69	\$ 0.646	\$0.792
70+	\$ 0.964	\$1.287

Pub No.

51-275R, 51-403F, 51-516, 51-205, 51-575

50-100

50-100

Supplemental AD&D:				Pub No. 50-100			
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 Plan

For State Actives, Employee Basic coverage is paid by the employer.

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

Coverage is not provided to Actives from Employer Groups, ESD's & K-12's Accepting Medical Only Package.

PEBB LONG TERM DISABILITY PLAN

Rates Paid to Plan and Charged to Subscribers

Final PEBB 2012 Rates

HCA Finance and Administration

Pub No.

Basic Plan for Actives	Monthly Cost*:	\$	2.00
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50-100

Optional Plan	TIAA/CREF or Higher Education Academic Retirement Plan Employees	TRS, PERS, & other Retirement Plan Employees
Waiting Period		
30 days	1.86%	1.47%
60 days	0.95%	0.78%
90 days	0.52%	0.43%
120 days	0.30%	0.26%
180 days	0.23%	0.20%
240 days	0.22%	0.20%
300 days	0.20%	0.18%
360 days	0.20%	0.17%

* Represents premium paid to plan only.

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

PEBB Program for 2012**Additional Taxable Income for Non-Tax Qualified Dependents****Table 1: Employer Share Medical and Dental**

2012 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	\$ 479	\$ 378	\$ 857

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

2012 Monthly State Contribution for Medicare Retirees (monthly state subsidy)****Additional taxable income for non-tax qualified domestic partners**

GHC Classic	\$ 125
GHC Value	\$ 125
GHC Medicare Only	\$ 125
Kaiser Classic	\$ 144
Uniform Medical Plan Classic	\$ 150
Plan F Retired	\$ 94
Plan F Disabled	\$ 150

*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 2012 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
	\$ -	\$ -	\$ -	\$ -
Group Health Classic	\$ 101	\$ 212	\$ 177	\$ 288
Group Health Value	\$ 52	\$ 114	\$ 91	\$ 153
Group Health CDHP	\$ 26	\$ 62	\$ 46	\$ 82
Kaiser Permanente Classic	\$ 89	\$ 188	\$ 156	\$ 255
Kaiser CDHP	\$ 24	\$ 58	\$ 42	\$ 76
Uniform Medical Plan Classic	\$ 82	\$ 174	\$ 144	\$ 236
Uniform Medical Plan CDHP	\$ 27	\$ 64	\$ 47	\$ 84

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

Plan Name	Subscriber and Spouse	Subscriber	Partner
	\$ -	\$ -	\$ -
Group Health Classic	\$ 212	\$ 101	\$ 111
Group Health Value	\$ 114	\$ 52	\$ 62
Group Health CDHP	\$ 62	\$ 26	\$ 36
Kaiser Permanente Classic	\$ 188	\$ 89	\$ 99
Kaiser CDHP	\$ 58	\$ 24	\$ 34
Uniform Medical Plan Classic	\$ 174	\$ 82	\$ 92
Uniform Medical Plan CDHP	\$ 64	\$ 27	\$ 37

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

Plan Name	Full Family	Subscriber and Child(ren)	Partner
	\$ -	\$ -	\$ -
Group Health Classic	\$ 288	\$ 177	\$ 111
Group Health Value	\$ 153	\$ 91	\$ 62
Group Health CDHP	\$ 82	\$ 46	\$ 36
Kaiser Permanente Classic	\$ 255	\$ 156	\$ 99
Kaiser CDHP	\$ 76	\$ 42	\$ 34
Uniform Medical Plan Classic	\$ 236	\$ 144	\$ 92
Uniform Medical Plan CDHP	\$ 84	\$ 47	\$ 37

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

Plan Name	Full Family	Subscriber	Partner and Child(ren)
	\$ -	\$ -	\$ -
Group Health Classic	\$ 288	\$ 101	\$ 187
Group Health Value	\$ 153	\$ 52	\$ 101
Group Health CDHP	\$ 82	\$ 26	\$ 56
Kaiser Permanente Classic	\$ 255	\$ 89	\$ 166
Kaiser CDHP	\$ 76	\$ 24	\$ 52
Uniform Medical Plan Classic	\$ 236	\$ 82	\$ 154
Uniform Medical Plan CDHP	\$ 84	\$ 27	\$ 57

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
	\$ -	\$ -	\$ -
Group Health Classic	\$ 177	\$ 101	\$ 76
Group Health Value	\$ 91	\$ 52	\$ 39
Group Health CDHP	\$ 46	\$ 26	\$ 20
Kaiser Permanente Classic	\$ 156	\$ 89	\$ 67
Kaiser CDHP	\$ 42	\$ 24	\$ 18
Uniform Medical Plan Classic	\$ 144	\$ 82	\$ 62
Uniform Medical Plan CDHP	\$ 47	\$ 27	\$ 20