



Washington State Health Care Authority  
*Public Employees Benefits Board*

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August 3, 2012

TO: Rita Lauzon, State Board for Community and Technical Colleges –  
Information Technology

FROM: Steve Norsen, Manager  
PEBB Outreach & Training Team

SUBJECT: Revised Fiscal Year 2013 PEBB Program Rates – Composite

Overview

The higher-education institutions' base monthly funding rate of \$800 will remain unchanged until July 1, 2013. However, due to new contracts with the health plans, the employees' monthly contributions will change effective January 1, 2013.

Medical/Dental

The new contribution schedule is enclosed. Open enrollment will run November 1 – November 30, 2012. In early October, employees will receive the *For Your Benefit* newsletter with open enrollment information. This newsletter is the only notice we send employees about open enrollment. We will also post details at [www.pebb.hca.wa.gov](http://www.pebb.hca.wa.gov).

Life and LTD Insurance

Employee optional life and long-term disability (LTD) insurance rates will remain the same for 2013. The current rate schedule for life and LTD insurance is also enclosed.

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, and 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 2013.

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 for 2013.

If you have questions about the rates, please contact me at 360-725-0831 or [steve.norsen@hca.wa.gov](mailto:steve.norsen@hca.wa.gov).

Enclosures

c: Kim Grindrod

**Composite Active Rates for STATE and HIGHER ED,  
and Commodity Commissions  
(for 01/01/13 through 06/30/13 only)**

2013 PEBB Bid Rates  
HCA Financial Services

	07/01/12 through 06/30/13	01/01/13 through 12/31/13				01/01/13 through 06/30/13			
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	\$ 800.00	\$ 115.00	\$ 240.00	\$ 201.00	\$ 326.00	\$ 915.00	\$ 1,040.00	\$ 1,001.00	\$ 1,126.00
Group Health Value	\$ 800.00	\$ 66.00	\$ 142.00	\$ 116.00	\$ 192.00	\$ 866.00	\$ 942.00	\$ 916.00	\$ 992.00
Group Health CDHP	\$ 800.00	\$ 36.00	\$ 82.00	\$ 63.00	\$ 109.00	\$ 836.00	\$ 882.00	\$ 863.00	\$ 909.00
Kaiser Permanente Classic	\$ 800.00	\$ 98.00	\$ 206.00	\$ 172.00	\$ 280.00	\$ 898.00	\$ 1,006.00	\$ 972.00	\$ 1,080.00
Kaiser CDHP	\$ 800.00	\$ 21.00	\$ 52.00	\$ 37.00	\$ 68.00	\$ 821.00	\$ 852.00	\$ 837.00	\$ 868.00
Uniform Medical Plan Classic	\$ 800.00	\$ 77.00	\$ 164.00	\$ 135.00	\$ 222.00	\$ 877.00	\$ 964.00	\$ 935.00	\$ 1,022.00
Uniform Medical Plan CDHP	\$ 800.00	\$ 22.00	\$ 54.00	\$ 39.00	\$ 71.00	\$ 822.00	\$ 854.00	\$ 839.00	\$ 871.00

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

Final PEBB 2013 Rates  
HCA Finance and Administration

Pub No.

<b>Employee Basic*</b>	Monthly Cost:	\$	4.08
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<b>Retiree</b>	Monthly Cost:	\$	6.57
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51-275R, 51-403F, 51-516, 51-205, 51-575

<b>Spouse/Child Basic</b>	Monthly Cost:	\$	0.50
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50-100

<b>Employee/Spouse Supplemental</b>		
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

50-100

<b>Supplemental AD&amp;D:</b>				Pub No.			
<b>Rate per Thousand \$</b>		\$ 0.008	\$ 0.012	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, Plan A 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 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 2013 Rates

HCA Finance and Administration

Pub No.

<b>Basic Plan for Actives</b>	Monthly Cost*:	\$	2.00
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50-100

<b>Optional Plan</b>	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 2013**

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

**Table 1: Employer Share Medical and Dental**

2013 Monthly State Premium Contribution for Medical and Dental for Active Employees  
Additional Taxable Income for Non-Tax Qualified Dependent Coverage

<b>MEDICAL AND DENTAL PLAN</b>	<b>Partner*</b>	<b>Subscriber's or Partner's Child(ren)*</b>	<b>Partner and Child(ren)*</b>
All Medical Plans	\$ 499	\$ 393	\$ 892

**Table 2: Employer Share Dental Only**

Sample chart for dental only enrollment-taxable amount for dependents

<b>DENTAL PLAN</b>	<b>Partner*</b>	<b>Subscriber's or Partner's Child(ren)*</b>	<b>Partner and Child(ren)*</b>
All Dental Plans	\$ 46	\$ 46	\$ 92

**2013 Monthly State Contribution for Medicare Retirees (monthly state subsidy)\*\***

**Additional taxable income for non-tax qualified domestic partners**

GHC Medicare Only	129
Kaiser Classic	\$ 145
Uniform Medical Plan PPO	\$ 150
Plan F Retired	\$ 103
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 2013 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	\$ 115	\$ 240	\$ 201	\$ 326
Group Health Value	\$ 66	\$ 142	\$ 116	\$ 192
Group Health CDHP	\$ 36	\$ 82	\$ 63	\$ 109
Kaiser Permanente Classic	\$ 98	\$ 206	\$ 172	\$ 280
Kaiser CDHP	\$ 21	\$ 52	\$ 37	\$ 68
Uniform Medical Plan PPO	\$ 77	\$ 164	\$ 135	\$ 222
Uniform Medical Plan PPO CDHP	\$ 22	\$ 54	\$ 39	\$ 71

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

Plan Name	Subscriber and Spouse	Subscriber	Partner
Group Health Classic	\$ 240	\$ 115	\$ 125
Group Health Value	\$ 142	\$ 66	\$ 76
Group Health CDHP	\$ 82	\$ 36	\$ 46
Kaiser Permanente Classic	\$ 206	\$ 98	\$ 108
Kaiser CDHP	\$ 52	\$ 21	\$ 31
Uniform Medical Plan PPO	\$ 164	\$ 77	\$ 87
Uniform Medical Plan PPO CDHP	\$ 54	\$ 22	\$ 32

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	\$ 326	\$ 115	\$ 211
Group Health Value	\$ 192	\$ 66	\$ 126
Group Health CDHP	\$ 109	\$ 36	\$ 73
Kaiser Permanente Classic	\$ 280	\$ 98	\$ 182
Kaiser CDHP	\$ 68	\$ 21	\$ 47
Uniform Medical Plan PPO	\$ 222	\$ 77	\$ 145
Uniform Medical Plan PPO CDHP	\$ 71	\$ 22	\$ 49

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

Plan Name	Full Family	Subscriber and Child(ren)	Partner
Group Health Classic	\$ 326	\$ 201	\$ 125
Group Health Value	\$ 192	\$ 116	\$ 76
Group Health CDHP	\$ 109	\$ 63	\$ 46
Kaiser Permanente Classic	\$ 280	\$ 172	\$ 108
Kaiser CDHP	\$ 68	\$ 37	\$ 31
Uniform Medical Plan PPO	\$ 222	\$ 135	\$ 87
Uniform Medical Plan PPO CDHP	\$ 71	\$ 39	\$ 32

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	\$ 201	\$ 115	\$ 86
Group Health Value	\$ 116	\$ 66	\$ 50
Group Health CDHP	\$ 63	\$ 36	\$ 27
Kaiser Permanente Classic	\$ 172	\$ 98	\$ 74
Kaiser CDHP	\$ 37	\$ 21	\$ 16
Uniform Medical Plan PPO	\$ 135	\$ 77	\$ 58
Uniform Medical Plan PPO CDHP	\$ 39	\$ 22	\$ 17