



Washington State Health Care Authority
Public Employees Benefits Board

P.O. Box 42684 • Olympia, Washington 98504-2684
360-725-0440 • TTY 711 • FAX 360-725-0771 • www.hca.wa.gov/pebb

August 12, 2013

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

FROM: Amy Corrigan, Manager
PEBB Outreach and Training Team

SUBJECT: 2014 Rates – Tiered – Medical-Only Package

Attached you will find revised rates that become effective January 1, 2014 for school districts and employer groups accepting the medical-only benefits package.

The biennial budget approved by Legislature will require some members to pay premium surcharges beginning July 1, 2014. The tobacco surcharge will be a flat \$25 per month fee, regardless of the number of tobacco users in the family. The spouse/partner surcharge will be a \$50 per month fee for subscribers who cover a spouse or state-registered domestic partner in PEBB health insurance where the spouse or domestic partner has chosen not to enroll in their own employer-sponsored health insurance. We are currently working on how these changes will be implemented and will share more information with you in the upcoming months.

If you have an IRS Section 125 Plan that allows employee premium dollars to be treated as a pre-tax deduction, a portion of the premium employers pay toward the family's coverage is considered taxable income to the employee if the employee has dependents enrolled who do not qualify as an IRS tax dependent. 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, 2013. In early October, the Public Employees Benefits Board (PEBB) program will publish the *For Your Benefit* newsletter for 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.hca.wa.gov/pebb 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

PEBB Participating School Districts and Employer Groups

Page 2

August 12, 2013

for premium information. To support their decisions, you may want to distribute 2014 information regarding how much your employees are expected to pay 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) 725-0826, or amy.corrigan@hca.wa.gov.

Enclosures

c: Kim Grindrod

K-12 and Employer Groups (Political Subdivisions & Tribal Governments) Active Tiered Rates for Medical Only Package

2014 PEBB Bid Rates
HCA Finance and Administration

Plan Name	Non-Medicare Rates			
	Subscriber	Subscriber and Spouse	Subscriber and Child(ren)	Full Family
Group Health Classic	\$ 638.35	\$ 1,221.32	\$ 1,075.58	\$ 1,658.55
Group Health Value	\$ 586.20	\$ 1,117.02	\$ 984.32	\$ 1,515.14
Group Health CDHP	\$ 549.85	\$ 1,041.36	\$ 933.07	\$ 1,366.25
Kaiser Permanente Classic	\$ 637.59	\$ 1,219.80	\$ 1,074.25	\$ 1,656.46
Kaiser CDHP	\$ 553.09	\$ 1,047.34	\$ 938.36	\$ 1,374.28
Uniform Medical Plan Classic	\$ 600.19	\$ 1,145.00	\$ 1,008.80	\$ 1,553.61
Uniform Medical Plan CDHP	\$ 553.72	\$ 1,049.10	\$ 939.84	\$ 1,376.89

Effective 7/1/2014: The following surcharges will be applied to some employees

Tobacco Use Surcharge	\$ 25	\$ 25	\$ 25	\$ 25
Spouse Surcharge		\$ 50		\$ 50

PUB No. 52-489

PEBB Program for 2014

Additional Taxable Income for Non-Tax Qualified Dependents

Table 1: Employer Share Medical and Dental

2014 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	\$ 501	\$ 395	\$ 896

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

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

Additional taxable income for non-tax qualified domestic partners

GHC Medicare Only	\$ 131
Kaiser Classic	\$ 147
Uniform Medical Plan PPO	\$ 150
Plan F Retired	\$ 100
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

Pub No. 50-704

**State and Higher Education Active Employee Monthly Contributions (Deductions)
For Non-Tax Qualified Dependents
Final 2014 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	\$ 117	\$ 244	\$ 205	\$ 332
Group Health Value	\$ 65	\$ 140	\$ 114	\$ 189
Group Health CDHP	\$ 21	\$ 52	\$ 37	\$ 68
Kaiser Permanente Classic	\$ 116	\$ 242	\$ 203	\$ 329
Kaiser CDHP	\$ 23	\$ 56	\$ 40	\$ 73
Uniform Medical Plan PPO	\$ 79	\$ 168	\$ 138	\$ 227
Uniform Medical Plan PPO CDHP	\$ 25	\$ 60	\$ 44	\$ 79

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

Plan Name	Subscriber and Spouse	Subscriber	Partner
Group Health Classic	\$ 244	\$ 117	\$ 127
Group Health Value	\$ 140	\$ 65	\$ 75
Group Health CDHP	\$ 52	\$ 21	\$ 31
Kaiser Permanente Classic	\$ 242	\$ 116	\$ 126
Kaiser CDHP	\$ 56	\$ 23	\$ 33
Uniform Medical Plan PPO	\$ 168	\$ 79	\$ 89
Uniform Medical Plan PPO CDHP	\$ 60	\$ 25	\$ 35

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	\$ 332	\$ 117	\$ 215
Group Health Value	\$ 189	\$ 65	\$ 124
Group Health CDHP	\$ 68	\$ 21	\$ 47
Kaiser Permanente Classic	\$ 329	\$ 116	\$ 213
Kaiser CDHP	\$ 73	\$ 23	\$ 50
Uniform Medical Plan PPO	\$ 227	\$ 79	\$ 148
Uniform Medical Plan PPO CDHP	\$ 79	\$ 25	\$ 54

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

Plan Name	Full Family	Subscriber and Child(ren)	Partner
Group Health Classic	\$ 332	\$ 205	\$ 127
Group Health Value	\$ 189	\$ 114	\$ 75
Group Health CDHP	\$ 68	\$ 37	\$ 31
Kaiser Permanente Classic	\$ 329	\$ 203	\$ 126
Kaiser CDHP	\$ 73	\$ 40	\$ 33
Uniform Medical Plan PPO	\$ 227	\$ 138	\$ 89
Uniform Medical Plan PPO CDHP	\$ 79	\$ 44	\$ 35

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	\$ 205	\$ 117	\$ 88
Group Health Value	\$ 114	\$ 65	\$ 49
Group Health CDHP	\$ 37	\$ 21	\$ 16
Kaiser Permanente Classic	\$ 203	\$ 116	\$ 87
Kaiser CDHP	\$ 40	\$ 23	\$ 17
Uniform Medical Plan PPO	\$ 138	\$ 79	\$ 59
Uniform Medical Plan PPO CDHP	\$ 44	\$ 25	\$ 19

Note: Surcharges applied to an employee's account are to be considered pre-tax.