



Washington State Health Care Authority
Public Employees Benefits Board

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September 13, 2016

TO: Personnel, Payroll and Benefits Offices of K-12 School Districts, Educational Service Districts, and Charter Schools

FROM: Amy Corrigan, Manager
PEBB Outreach and Training Team

SUBJECT: Calendar Year 2017 Rates – Tiered – Medical-Only Package

Medical/Vision Insurance

Based on new contracts with the health plans, the revised rates for medical and vision coverage effective January 1, 2017 are attached. As the employer, you determine the portion of the total premium your employees are required to pay.

PEBB Annual Open Enrollment

The Public Employees Benefit Board (PEBB) Program open enrollment is November 1 – 30. In October, the PEBB Program will mail the *For Your Benefit* newsletter to employees at the address on record or send it electronically to those who subscribe to email subscription. This is the only notice the PEBB Program will send to employees about open enrollment. Information will be available on the PEBB Program website at www.hca.wa.gov/pebb before the start of the PEBB Program open enrollment.

Employees who make an online plan change using *My Account* will not see a premium rate. Instead, a pop-up box will prompt them to contact their personnel, payroll or benefits office. To support their decisions and to address the questions they may have, you may want to distribute information to your employees before the PEBB Program open enrollment starts regarding premiums they will be expected to pay in 2017.

Premium Surcharges

The biennial budget approved by the Legislature requires some members pay a tobacco use and spousal coverage premium surcharge.

The tobacco use premium surcharge will remain at \$25 per month per account in addition to the monthly premium, regardless of the number of tobacco users in the family.

The spouse or state-registered domestic partner coverage premium surcharge will remain at \$50 per month in addition to the monthly premium for subscribers who cover a spouse or state-registered domestic partner in PEBB medical insurance where the spouse or state-registered domestic partner has chosen not to enroll in their own employer-based group health insurance that is comparable to the Uniform Medical Plan (UMP) Classic.

School Districts, Educational Service Districts, and Charter Schools
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Employees who cover a spouse or state-registered domestic partner on their 2017 medical coverage and previously attested "Yes", "No" to question number 6, "No" or did not attest in 2016 will be required to attest to the spouse or state-registered domestic partner coverage premium surcharge during the PEBB Program annual open enrollment for 2017 plan year coverage.

Additional Taxable Income for Non-Tax Qualified Dependents

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.

If you have questions about the rates, please contact me at (360) 725-0826, or amy.corrigan@hca.wa.gov.

Enclosures

c: Stephen Lee

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2017 PEBB Rate Book

K-12, ESD's and Charter Schools Active Tiered Rates for Medical Only Package with Premium Surcharge Table

Plan Name	Subscriber	Subscriber and Spouse	Subscriber and Child(ren)	Full Family
Group Health Classic	\$731.77	\$1,403.57	\$1,235.62	\$1,907.42
Group Health Value	\$654.06	\$1,248.15	\$1,099.63	\$1,693.72
Group Health CDHP	\$618.53	\$1,170.59	\$1,047.16	\$1,540.89
Group Health SoundChoice	\$631.05	\$1,202.13	\$1,059.36	\$1,630.44
Kaiser Permanente Classic	\$716.35	\$1,372.73	\$1,208.64	\$1,865.02
Kaiser CDHP	\$620.08	\$1,173.19	\$1,049.50	\$1,544.28
Uniform Medical Plan Classic	\$678.90	\$1,297.83	\$1,143.10	\$1,762.03
Uniform Medical Plan CDHP	\$618.16	\$1,169.85	\$1,046.51	\$1,539.87
UMP Plus	\$650.74	\$1,241.51	\$1,093.82	\$1,684.59

Surcharges				
Tobacco Use Surcharge	\$25.00	\$25.00	\$25.00	\$25.00
Spouse Waiver (AV) Surcharge	\$0.00	\$50.00	\$0.00	\$50.00

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Additional Taxable Income for Non-Tax Qualified Dependents

Table 1: Employer Share Medical and Dental

2017 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	\$560.00	\$439.00	\$999.00

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	\$45.00	\$45.00	\$90.00

2017 Monthly State Contribution for Medicare Retirees (monthly state subsidy)**

Additional taxable income for non-tax qualified domestic partners

Group Health Medicare Only	\$150.00
Kaiser Permanente Classic	\$150.00
Uniform Medical Plan Classic	\$150.00
Plan F Retired	\$105.00
Plan F Disabled	\$150.00

*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

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State and Higher Education Active Employee Monthly Contributions (Deductions) for Non-Tax Qualified Dependents

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	\$147.00	\$304.00	\$257.00	\$414.00
Group Health Value	\$69.00	\$148.00	\$121.00	\$200.00
Group Health CDHP	\$25.00	\$60.00	\$44.00	\$79.00
Group Health SoundChoice	\$46.00	\$102.00	\$81.00	\$137.00
Kaiser Permanente Classic	\$131.00	\$272.00	\$229.00	\$370.00
Kaiser CDHP	\$26.00	\$62.00	\$46.00	\$82.00
Uniform Medical Plan Classic	\$94.00	\$198.00	\$165.00	\$269.00
Uniform Medical Plan CDHP	\$25.00	\$60.00	\$44.00	\$79.00
Uniform Medical Plan ACP	\$66.00	\$142.00	\$116.00	\$192.00

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

Plan Name	Subscriber and Spouse	Subscriber	Partner
Group Health Classic	\$304.00	\$147.00	\$157.00
Group Health Value	\$148.00	\$69.00	\$79.00
Group Health CDHP	\$60.00	\$25.00	\$35.00
Group Health SoundChoice	\$102.00	\$46.00	\$56.00
Kaiser Permanente Classic	\$272.00	\$131.00	\$141.00
Kaiser CDHP	\$62.00	\$26.00	\$36.00
Uniform Medical Plan Classic	\$198.00	\$94.00	\$104.00
Uniform Medical Plan CDHP	\$60.00	\$25.00	\$35.00
Uniform Medical Plan ACP	\$142.00	\$66.00	\$76.00

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

Plan Name	Full Family	Subscriber and Child(ren)	Partner
Group Health Classic	\$414.00	\$257.00	\$157.00
Group Health Value	\$200.00	\$121.00	\$79.00
Group Health CDHP	\$79.00	\$44.00	\$35.00
Group Health SoundChoice	\$137.00	\$81.00	\$56.00
Kaiser Permanente Classic	\$370.00	\$229.00	\$141.00
Kaiser CDHP	\$82.00	\$46.00	\$36.00
Uniform Medical Plan Classic	\$269.00	\$165.00	\$104.00
Uniform Medical Plan CDHP	\$79.00	\$44.00	\$35.00
Uniform Medical Plan ACP	\$192.00	\$116.00	\$76.00

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	\$414.00	\$147.00	\$267.00
Group Health Value	\$200.00	\$69.00	\$131.00
Group Health CDHP	\$79.00	\$25.00	\$54.00
Group Health SoundChoice	\$137.00	\$46.00	\$91.00
Kaiser Permanente Classic	\$370.00	\$131.00	\$239.00
Kaiser CDHP	\$82.00	\$26.00	\$56.00
Uniform Medical Plan Classic	\$269.00	\$94.00	\$175.00
Uniform Medical Plan CDHP	\$79.00	\$25.00	\$54.00
Uniform Medical Plan ACP	\$192.00	\$66.00	\$126.00

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	\$257.00	\$147.00	\$110.00
Group Health Value	\$121.00	\$69.00	\$52.00
Group Health CDHP	\$44.00	\$25.00	\$19.00
Group Health SoundChoice	\$81.00	\$46.00	\$35.00
Kaiser Permanente Classic	\$229.00	\$131.00	\$98.00
Kaiser CDHP	\$46.00	\$26.00	\$20.00
Uniform Medical Plan Classic	\$165.00	\$94.00	\$71.00
Uniform Medical Plan CDHP	\$44.00	\$25.00	\$19.00
Uniform Medical Plan ACP	\$116.00	\$66.00	\$50.00