



Washington State Health Care Authority
Public Employees Benefits Board

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August 15, 2018

TO: Personnel, Payroll, and Benefits Offices of Other PEBB Employer Groups

FROM: Jeff Dixon-Ross, Management Analyst 4
PEB Outreach & Training Team

SUBJECT: Fiscal Year 2019 Program Rates – Composite

Overview

The monthly base rate of \$916 per eligible employee for health care contributions for fiscal year 2019 will remain unchanged until July 1, 2019.

Medical/Dental Insurance

Based on new contracts with the health plans, the revised rates for medical and dental coverage effective January 1, 2019 are attached. As the employer, you determine the portion of the total premium your employees are required to pay.

PEBB Program Annual Open Enrollment

The Public Employees Benefits 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 will send it electronically to those who subscribe to the 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/erb before the start of 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 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 are expected to pay for 2019.

Premium Surcharges

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.

Employees who cover a spouse or state-registered domestic partner on their 2019 medical coverage may be required to attest to the spouse or state-registered domestic partner coverage premium surcharge during the PEBB Program annual open enrollment. The PEBB Program will notify the employees of the need to attest by mail.

Life and Long-Term Disability (LTD) Insurance

Employee's optional life insurance premiums will remain the same for the 2019 plan year.

Employee's optional LTD premiums will remain the same for the 2019 plan year.

The rate schedule for life and LTD insurance is also attached.

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 these rates, please contact me at 360-725-1828, or jeff.dixon-ross@hca.wa.gov.

Attachments

c: Kate LaBelle
Karin Freeman

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2019 PEBB Rate Book

Composite Active Rates for Other Employer Groups

Total Premium: January 1, 2019 through June 30, 2019				
Excluding Tobacco and Spouse Waiver (AV) Surcharges	Subscriber	Subscriber and Spouse**	Subscriber and Child(ren)	Full Family
Kaiser Permanente NW Classic*	\$1,059	\$1,212	\$1,166	\$1,319
Kaiser Permanente NW CDHP*	\$944	\$982	\$965	\$1,003
Kaiser Permanente WA Classic	\$1,081	\$1,256	\$1,205	\$1,380
Kaiser Permanente WA Value	\$1,004	\$1,102	\$1,070	\$1,168
Kaiser Permanente WA SoundChoice	\$951	\$996	\$977	\$1,022
Kaiser Permanente WA CDHP	\$941	\$976	\$960	\$995
Uniform Medical Plan Classic	\$1,023	\$1,140	\$1,103	\$1,220
UMP Plus	\$966	\$1,026	\$1,004	\$1,064
Uniform Medical Plan CDHP	\$941	\$976	\$960	\$995
Waive Coverage	\$916	\$916	\$916	\$916
Premium Surcharges				
Tobacco Use Surcharge	\$25	\$25	\$25	\$25
Spouse Waiver (AV) Surcharge	\$0	\$50	\$0	\$50

*Kaiser Foundation Health Plan of the Northwest, with plans offered in Clark and Cowlitz counties in WA, and the Portland, OR area

**or state-registered domestic partner

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

Employee Basic*	Monthly Cost:	\$3.96
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Employee Optional		
Monthly Cost for Each \$1,000 of Coverage (Available in \$10,000 increments)		
Age	Non-Smoker	Smoker
<25	\$0.028	\$0.037
25-29	\$0.031	\$0.043
30-34	\$0.034	\$0.057
35-39	\$0.043	\$0.066
40-44	\$0.064	\$0.073
45-49	\$0.092	\$0.111
50-54	\$0.143	\$0.170
55-59	\$0.268	\$0.317
60-64	\$0.411	\$0.482
65-69	\$0.758	\$0.929
70+	\$1.131	\$1.510

Employee Optional AD&D	
Monthly Cost for Each \$1,000 of Coverage (Available in \$10,000 increments)	
Cost per \$1,000	\$0.019

Spouse/State-Registered Domestic Partner Life		
Monthly Cost for Each \$1,000 of Coverage (Up to 50% of Employee Optional in \$5,000 increments)		
Age	Non-Smoker	Smoker
<25	\$0.028	\$0.037
25-29	\$0.031	\$0.043
30-34	\$0.034	\$0.057
35-39	\$0.043	\$0.066
40-44	\$0.064	\$0.073
45-49	\$0.092	\$0.111
50-54	\$0.143	\$0.170
55-59	\$0.268	\$0.317
60-64	\$0.411	\$0.482
65-69	\$0.758	\$0.929
70+	\$1.131	\$1.510

Spouse/State-Registered Domestic Partner AD&D	
Monthly Cost for Each \$1,000 of Coverage (Available in \$10,000 increments)	
Cost per \$1,000	\$0.019

Child Life	
Monthly Cost for Each \$1,000 of Coverage (Available in \$5,000 increments)	
Age 2 weeks - 26 years	\$0.124

Child AD&D	
Monthly Cost for Each \$1,000 of Coverage (Available in \$5,000 increments)	
Cost per \$1,000	\$0.016

* Represents premium paid to Plan

For State Actives, 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 basic coverage is included in the rates for the selected medical plan.

Coverage is not provided to Actives from K-12 Districts and Employer Groups Accepting Medical Only Package.

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PEBB Long Term Disability Plan - Rates Paid to Plan and Charged to Subscribers

Basic Plan for Actives	Monthly Cost*:	\$2.10
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Optional Plan		
Waiting Period	TIAA/CREF or Higher Education Academic Retirement Plan Employees	TRS, PERS, & other Retirement Plan Employees
30 days	2.60%	2.06%
60 days	1.32%	1.09%
90 days	0.72%	0.60%
120 days	0.42%	0.36%
180 days	0.32%	0.28%
240 days	0.30%	0.27%
300 days	0.28%	0.25%
360 days	0.27%	0.24%

* Represents premium paid to plan only.

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

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Additional Taxable Income for Non-Tax Qualified Dependents

Table 1: Employer Share Medical and Dental

2019 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	\$598	\$468	\$1,066

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	\$46	\$46	\$92

2019 Monthly State Contribution for Medicare Retirees (monthly state subsidy)**

Additional taxable income for non-tax qualified domestic partners

Kaiser Permanente NW Classic	\$164
Kaiser Permanente WA Medicare Only	\$162
Uniform Medical Plan Classic	\$168
Plan F Retired	\$106
Plan F Disabled	\$168

*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
Kaiser Permanente NW Classic	\$143	\$296	\$250	\$403
Kaiser Permanente NW CDHP	\$28	\$66	\$49	\$87
Kaiser Permanente WA Classic	\$165	\$340	\$289	\$464
Kaiser Permanente WA Value	\$88	\$186	\$154	\$252
Kaiser Permanente WA SoundChoice	\$35	\$80	\$61	\$106
Kaiser Permanente WA CDHP	\$25	\$60	\$44	\$79
Uniform Medical Plan Classic	\$107	\$224	\$187	\$304
UMP Plus	\$50	\$110	\$88	\$148
Uniform Medical Plan CDHP	\$25	\$60	\$44	\$79

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

Plan Name	Subscriber and Spouse	Subscriber	Partner
Kaiser Permanente NW Classic	\$296	\$143	\$153
Kaiser Permanente NW CDHP	\$66	\$28	\$38
Kaiser Permanente WA Classic	\$340	\$165	\$175
Kaiser Permanente WA Value	\$186	\$88	\$98
Kaiser Permanente WA SoundChoice	\$80	\$35	\$45
Kaiser Permanente WA CDHP	\$60	\$25	\$35
Uniform Medical Plan Classic	\$224	\$107	\$117
UMP Plus	\$110	\$50	\$60
Uniform Medical Plan CDHP	\$60	\$25	\$35

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

Plan Name	Full Family	Subscriber and Child(ren)	Partner
Kaiser Permanente NW Classic	\$403	\$250	\$153
Kaiser Permanente NW CDHP	\$87	\$49	\$38
Kaiser Permanente WA Classic	\$464	\$289	\$175
Kaiser Permanente WA Value	\$252	\$154	\$98
Kaiser Permanente WA SoundChoice	\$106	\$61	\$45
Kaiser Permanente WA CDHP	\$79	\$44	\$35
Uniform Medical Plan Classic	\$304	\$187	\$117
UMP Plus	\$148	\$88	\$60
Uniform Medical Plan CDHP	\$79	\$44	\$35

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

Plan Name	Full Family	Subscriber	Partner and Child(ren)
Kaiser Permanente NW Classic	\$403	\$143	\$260
Kaiser Permanente NW CDHP	\$87	\$28	\$59
Kaiser Permanente WA Classic	\$464	\$165	\$299
Kaiser Permanente WA Value	\$252	\$88	\$164
Kaiser Permanente WA SoundChoice	\$106	\$35	\$71
Kaiser Permanente WA CDHP	\$79	\$25	\$54
Uniform Medical Plan Classic	\$304	\$107	\$197
UMP Plus	\$148	\$50	\$98
Uniform Medical Plan CDHP	\$79	\$25	\$54

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
Kaiser Permanente NW Classic	\$250	\$143	\$107
Kaiser Permanente NW CDHP	\$49	\$28	\$21
Kaiser Permanente WA Classic	\$289	\$165	\$124
Kaiser Permanente WA Value	\$154	\$88	\$66
Kaiser Permanente WA SoundChoice	\$61	\$35	\$26
Kaiser Permanente WA CDHP	\$44	\$25	\$19
Uniform Medical Plan Classic	\$187	\$107	\$80
UMP Plus	\$88	\$50	\$38
Uniform Medical Plan CDHP	\$44	\$25	\$19