



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 and Training Team

SUBJECT: Calendar Year 2019 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, 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 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 in 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.

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) 725-1828, or jeff.dixon-ross@hca.wa.gov.

Attachments

c: Kate LaBelle
Karin Freeman

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2019 PEBB Rate Book

Other Employer Groups Active Tiered Rates for Medical Only Package with Surcharge Tables

Plan Names	Subscriber	Subscriber and Spouse**	Subscriber and Child(ren)	Full Family
Kaiser Permanente NW Classic*	\$771.90	\$1,476.58	\$1,300.41	\$2,005.09
Kaiser Permanente NW CDHP*	\$665.41	\$1,257.63	\$1,124.16	\$1,658.06
Kaiser Permanente WA Classic	\$794.64	\$1,522.05	\$1,340.20	\$2,067.62
Kaiser Permanente WA Value	\$717.50	\$1,367.79	\$1,205.21	\$1,855.50
Kaiser Permanente WA SoundChoice	\$664.46	\$1,261.69	\$1,112.38	\$1,709.62
Kaiser Permanente WA CDHP	\$661.69	\$1,250.71	\$1,118.04	\$1,648.72
Uniform Medical Plan Classic	\$736.10	\$1,404.97	\$1,237.75	\$1,906.63
UMP Plus	\$679.32	\$1,291.43	\$1,138.40	\$1,750.50
Uniform Medical Plan CDHP	\$661.79	\$1,250.90	\$1,118.21	\$1,648.99

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

*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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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