



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](http://www.hca.wa.gov/pebb)

August 21, 2019

TO: Personnel, Payroll, and Benefits Offices of Counties, Municipalities, Other Political Subdivisions, and Tribal Governments

FROM: Amy Corrigan, Management Analyst 5  
PEB Outreach & Training Team

SUBJECT: Calendar Year 2020 Rates – Tiered - Full Benefits Package

### **Medical/Dental Insurance**

Based on new contracts with the health plans, the revised rates for medical and dental coverage effective January 1, 2020 are attached. As the employer, you determine the portion of the total premium your employees are required to pay.

### **Employer Group Rate Surcharge**

Senate Bill 6475 passed during the 2016 legislative session and described in RCW 41.05.050(2) requires participating counties, municipalities, other political subdivisions, and tribal governments incur an employer group rate surcharge. The employer group rate surcharge is applied to the monthly rate (included on the attached rate sheet).

### **PEBB Program 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](#) before the start of open enrollment.

Employees who make online plan changes using *My Account* will not see premium rates. 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 will be expected to pay for 2020.

### **Premium Surcharges**

The tobacco use premium surcharge will remain at \$25 per-account permonth in addition to the monthly medical 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 medical premium for subscribers who cover a spouse or state-registered domestic partner in PEBB medical coverage 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 2020 medical coverage may be required to attest to the spouse or state-registered domestic partner coverage premium surcharge during the PEBB Program open enrollment. The PEBB Program will notify the employees of the need to attest.

**Life, Accidental Death and Dismemberment (AD&D), and Long-Term Disability (LTD) Insurance**

Employee's supplemental life and AD&D insurance premiums will remain the same for the 2020 plan year (unless an employee changes age brackets or increases their coverage).

Employee's supplemental LTD premiums will remain the same for the 2020 plan year (unless their wages increase or they shorten their waiting period). The 30 and 60-day waiting periods will no longer be offered under the PEBB LTD plan beginning January 1, 2020. The Paid Family Medical Leave (PFML) replaces the 30 and 60-day waiting periods. Employees enrolled in supplemental LTD with a 30 or 60-day waiting period must change to a 90-day or a longer benefit waiting period no later than December 31, 2019, or they will be defaulted to a 90-day waiting period.

The rate schedule for life, AD&D, 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 the rates, please contact me at 360-725-0826, or [amy.corrigan@hca.wa.gov](mailto:amy.corrigan@hca.wa.gov).

Attachments  
c: Kate LaBelle

**Washington State Health Care Authority  
2020 PEBB Rate Book**

Counties, Municipalities, Other Political Subdivisions, and Tribal Governments Active Tiered Rates for Full Benefits Package with Surcharge Tables

Plans	Subscriber	Subscriber and Spouse**	Subscriber and Child(ren)	Full Family
Kaiser Permanente NW Classic*	\$ 876.96	\$ 1,599.55	\$ 1,418.90	\$ 2,141.50
Kaiser Permanente NW CDHP*	\$ 770.15	\$ 1,380.29	\$ 1,242.34	\$ 1,794.15
Kaiser Permanente WA Classic	\$ 913.45	\$ 1,672.54	\$ 1,482.77	\$ 2,241.85
Kaiser Permanente WA Value	\$ 837.01	\$ 1,519.66	\$ 1,349.00	\$ 2,031.65
Kaiser Permanente WA SoundChoice	\$ 779.79	\$ 1,405.22	\$ 1,248.87	\$ 1,874.30
Kaiser Permanente WA CDHP	\$ 771.46	\$ 1,383.40	\$ 1,245.00	\$ 1,798.62
Uniform Medical Plan Classic	\$ 841.02	\$ 1,527.67	\$ 1,356.01	\$ 2,042.67
Uniform Medical Plan Plus - PSHVN	\$ 806.27	\$ 1,458.18	\$ 1,295.21	\$ 1,947.12
Uniform Medical Plan Plus - UW	\$ 806.27	\$ 1,458.18	\$ 1,295.21	\$ 1,947.12
Uniform Medical Plan CDHP	\$ 769.65	\$ 1,379.78	\$ 1,241.83	\$ 1,793.64

Medical Waived	\$ 154.36	\$ 154.36	\$ 154.36	\$ 154.36
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Surcharges				
Tobacco Use Surcharge	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00
Spouse Waiver (AV) Surcharge	\$ -	\$ 50.00	\$ -	\$ 50.00

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

\*\*or state-registered domestic partner

These rates include the employer group rate surcharge authorized by RCW 41.05.050(2) (as amended by SB6475 (2016)), which for 2020 are \$12 for a single subscriber, \$24 for a subscriber and spouse, \$21 for subscriber and child(ren), and \$33 for full family coverage including the offset from the employer group rate surcharge to the non-political subdivision rates.

Washington State Health Care Authority  
 2020 PEBB Rate Book  
 PEBB Life and AD&D Rates Paid to Plan and Charged to Subscribers

<b>Employee Basic*</b>	<b>Monthly Cost:</b>	\$3.95
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<b>Employee Supplemental Monthly Cost for Each \$1,000 of Coverage (Available in \$10,000 increments)</b>		
<b>Age</b>	<b>Non-Smoker</b>	<b>Smoker</b>
<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

<b>Spouse/State-Registered Domestic Partner Life Monthly Cost for Each \$1,000 of Coverage (Up to 50% of Employee Supplemental in \$5,000 increments)</b>		
<b>Age</b>	<b>Non-Smoker</b>	<b>Smoker</b>
<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

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

<b>Employee Supplemental AD&amp;D Monthly Cost for Each \$1,000 of Coverage (Available in \$10,000 increments)</b>	
Cost per \$1,000	\$0.019

<b>Spouse/Registered Domestic Partner AD&amp;D Monthly Cost for Each \$1,000 of Coverage (Available in \$10,000 increments)</b>	
Cost per \$1,000	\$0.019

<b>Child AD&amp;D Monthly Cost for Each \$1,000 of Coverage (Available in \$5,000 increments)</b>	
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 Employer Groups Accepting Medical Only Package.

**Washington State Health Care Authority**

**2020 PEBB Rate Book**

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

<b>Basic Plan for Actives</b>	<b>Monthly Cost*:</b>	<b>\$2.10</b>
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<b>Optional Plan</b>		
<b>Waiting Period</b>	<b>TIAA/CREF or Higher Education Academic Retirement Plan Employees</b>	<b>TRS, PERS, &amp; other Retirement Plan Employees</b>
30 days	No longer available effective 1/1/2020	
60 days	No longer available effective 1/1/2020	
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.

**Washington State Health Care Authority**

**2020 PEBB Rate Book**

Additional Taxable Income for Non-Tax Qualified Dependents

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

2020 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	\$608	\$475	\$1,083

**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	\$47	\$47	\$94

**2020 Monthly State Contribution for Medicare Retirees (monthly state subsidy)\*\***

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

Kaiser Permanente NW Classic	\$ 168.85
Kaiser Permanente WA Medicare Only	\$ 169.49
Uniform Medical Plan Classic	\$ 183.00
Plan F Retired	\$ 107.78
Plan F Disabled	\$ 183.00
Plan G Retired	\$ 92.50
Plan G Disabled	\$ 157.25

\*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

**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	\$ 140	\$ 290	\$ 245	\$ 395
Kaiser Permanente NW CDHP	\$ 25	\$ 60	\$ 44	\$ 79
Kaiser Permanente WA Classic	\$ 176	\$ 362	\$ 308	\$ 494
Kaiser Permanente WA Value	\$ 100	\$ 210	\$ 175	\$ 285
Kaiser Permanente WA SoundChoice	\$ 42	\$ 94	\$ 74	\$ 126
Kaiser Permanente WA CDHP	\$ 27	\$ 64	\$ 47	\$ 84
Uniform Medical Plan Classic	\$ 104	\$ 218	\$ 182	\$ 296
Uniform Medical Plan Plus - PSHVN	\$ 69	\$ 148	\$ 121	\$ 200
Uniform Medical Plan Plus - UW	\$ 69	\$ 148	\$ 121	\$ 200
Uniform Medical Plan CDHP	\$ 25	\$ 60	\$ 44	\$ 79

Washington State Health Care Authority

2020 PEBB Rate Book

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

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

Plan Name	Subscriber and Spouse	Subscriber	Partner
Kaiser Permanente NW Classic	\$ 290	\$ 140	\$ 150
Kaiser Permanente NW CDHP	\$ 60	\$ 25	\$ 35
Kaiser Permanente WA Classic	\$ 362	\$ 176	\$ 186
Kaiser Permanente WA Value	\$ 210	\$ 100	\$ 110
Kaiser Permanente WA SoundChoice	\$ 94	\$ 42	\$ 52
Kaiser Permanente WA CDHP	\$ 64	\$ 27	\$ 37
Uniform Medical Plan Classic	\$ 218	\$ 104	\$ 114
Uniform Medical Plan Plus - PSHVN	\$ 148	\$ 69	\$ 79
Uniform Medical Plan Plus - UW	\$ 148	\$ 69	\$ 79
Uniform Medical Plan 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)
Kaiser Permanente NW Classic	\$ 395	\$ 140	\$ 255
Kaiser Permanente NW CDHP	\$ 79	\$ 25	\$ 54
Kaiser Permanente WA Classic	\$ 494	\$ 176	\$ 318
Kaiser Permanente WA Value	\$ 285	\$ 100	\$ 185
Kaiser Permanente WA SoundChoice	\$ 126	\$ 42	\$ 84
Kaiser Permanente WA CDHP	\$ 84	\$ 27	\$ 57
Uniform Medical Plan Classic	\$ 296	\$ 104	\$ 192
Uniform Medical Plan Plus - PSHVN	\$ 200	\$ 69	\$ 131
Uniform Medical Plan Plus - UW	\$ 200	\$ 69	\$ 131
Uniform Medical Plan CDHP	\$ 79	\$ 25	\$ 54

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

Plan Name	Full Family	Subscriber and Child(ren)	Partner
Kaiser Permanente NW Classic	\$ 395	\$ 245	\$ 150
Kaiser Permanente NW CDHP	\$ 79	\$ 44	\$ 35
Kaiser Permanente WA Classic	\$ 494	\$ 308	\$ 186
Kaiser Permanente WA Value	\$ 285	\$ 175	\$ 110
Kaiser Permanente WA SoundChoice	\$ 126	\$ 74	\$ 52
Kaiser Permanente WA CDHP	\$ 84	\$ 47	\$ 37
Uniform Medical Plan Classic	\$ 296	\$ 182	\$ 114
Uniform Medical Plan Plus - PSHVN	\$ 200	\$ 121	\$ 79
Uniform Medical Plan Plus - UW	\$ 200	\$ 121	\$ 79
Uniform Medical Plan 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
Kaiser Permanente NW Classic	\$ 245	\$ 140	\$ 105
Kaiser Permanente NW CDHP	\$ 44	\$ 25	\$ 19
Kaiser Permanente WA Classic	\$ 308	\$ 176	\$ 132
Kaiser Permanente WA Value	\$ 175	\$ 100	\$ 75
Kaiser Permanente WA SoundChoice	\$ 74	\$ 42	\$ 32
Kaiser Permanente WA CDHP	\$ 47	\$ 27	\$ 20
Uniform Medical Plan Classic	\$ 182	\$ 104	\$ 78
Uniform Medical Plan Plus - PSHVN	\$ 121	\$ 69	\$ 52
Uniform Medical Plan Plus - UW	\$ 121	\$ 69	\$ 52
Uniform Medical Plan CDHP	\$ 44	\$ 25	\$ 19