



Washington State Health Care Authority
Public Employees Benefits Board

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August 21, 2019

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

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

SUBJECT: Fiscal Year 2020 Program Rates – Composite

Overview

The monthly base rate of \$939 per eligible employee for health care contributions for fiscal year 2020 will remain unchanged until July 1, 2020.

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.

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](#) 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 2020.

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

Other PEBB Employer Groups
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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 annual 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 these rates, please contact me at 360-725-0826, or amy.corrigan@hca.wa.gov.

Attachments
c: Kate LaBelle

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Composite Active Rates for Other Employer Groups (for January through June 2020 only)

Plans	Total Premium: January - June 2020			
	Subscriber	Subscriber and Spouse**	Subscriber and Child(ren)	Full Family
Kaiser Permanente NW Classic*	\$ 1,079	\$ 1,229	\$ 1,184	\$ 1,334
Kaiser Permanente NW CDHP*	\$ 964	\$ 999	\$ 983	\$ 1,018
Kaiser Permanente WA Classic	\$ 1,115	\$ 1,301	\$ 1,247	\$ 1,433
Kaiser Permanente WA Value	\$ 1,039	\$ 1,149	\$ 1,114	\$ 1,224
Kaiser Permanente WA SoundChoice	\$ 981	\$ 1,033	\$ 1,013	\$ 1,065
Kaiser Permanente WA CDHP	\$ 966	\$ 1,003	\$ 986	\$ 1,023
Uniform Medical Plan Classic	\$ 1,043	\$ 1,157	\$ 1,121	\$ 1,235
Uniform Medical Plan Plus - PSHVN	\$ 1,008	\$ 1,087	\$ 1,060	\$ 1,139
Uniform Medical Plan Plus - UW	\$ 1,008	\$ 1,087	\$ 1,060	\$ 1,139
Uniform Medical Plan CDHP	\$ 964	\$ 999	\$ 983	\$ 1,018

Surcharges				
Tobacco Use Surcharge	\$ 25	\$ 25	\$ 25	\$ 25
Spouse Waiver (AV) Surcharge	\$ -	\$ 50	\$ -	\$ 50

*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

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 2020 PEBB Rate Book
 PEBB Life and AD&D Rates Paid to Plan and Charged to Subscribers

Employee Basic*	Monthly Cost:	\$3.95
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Employee Supplemental 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

Spouse/State-Registered Domestic Partner Life Monthly Cost for Each \$1,000 of Coverage (Up to 50% of Employee Supplemental 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

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

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

Spouse/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 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 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	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.

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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

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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