

PEBB Perspective . . .

Washington State
Health Care Authority
Public Employees Benefits Board

Open enrollment October 29— November 30

This is your chance to change medical and/or dental plans, and add family members to your coverage.

October 29

Open enrollment begins. Go online at www.pebb.hca.wa.gov for more information or to make plan changes. Benefits fairs start; look for the schedule on page 5.

November 21

Last day to request an open enrollment booklet.

November 30

This is the *last day to make changes*. You may make changes online or use the enrollment form.

Washington State
Health Care Authority
Steve Hill,
Administrator

Public Employees
Benefits Board
1-800-200-1004
360-412-4200
www.pebb.hca.wa.gov

Changes for 2008 include new plans, better benefits, and lower-cost life insurance

The Health Care Authority strives to purchase health care insurance that compares well with other large employers, emphasizes preventive care to improve enrollees' health, and keeps health care affordable. Meeting these goals means good news for Public Employees Benefits Board (PEBB) enrollees in 2008. The 2008 plan year brings new plans, benefit improvements, a **temporary** decrease in optional life insurance costs for 2008, and other changes.

Please read this notice about changes to your 2008 PEBB benefits. If you'd like to switch plans or add family members to your coverage, open enrollment is the time to do it.

Two medical plans going away

Community Health Plan Classic and **Regence Classic** will not be available in 2008. If you are enrolled in either plan, you must choose a new plan during open enrollment. If you don't, we will enroll you and your covered family members in the Uniform Medical Plan (UMP).

If we enroll you in UMP for 2008 because you didn't choose a plan during open enrollment, you cannot change your plan until PEBB's 2009 open enrollment period.

There is a new medical plan in 2008 (see below) that has similar benefits to Community Health Plan Classic and Regence Classic, except you can see specialists without a referral.

One dental plan going away

Regence BlueShield Columbia Dental Plan will not be available in 2008. If you are enrolled in Regence BlueShield Columbia Dental Plan, you must choose a new plan during open enrollment. If you don't, we will enroll you and your covered family members in a new dental plan, Willamette Dental of Washington. (See "New dental plan available" on page 2.)

New medical plan available

Aetna Public Employees Plan is a new preferred provider organization available in 2008. It has copays similar to managed-care plans, but

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This is your *only* 2008 open enrollment notice.

Please read this carefully to become familiar with your benefits options.
For more information and to make changes to your 2008 coverage,
go to www.pebb.hca.wa.gov or call **1-866-577-2793**
(Oct. 29 - Nov. 21) to request a booklet with an enrollment form.

Changes for 2008

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you can access providers through a large network like the Uniform Medical Plan. Aetna Public Employees Plan contracts with about 95% of Community Health Plan's and Regence BlueShield's providers, and is available throughout the U.S. (except Alaska and Hawaii).

New dental plan available

Willamette Dental of Washington, Inc. is a new managed-care dental plan available to PEBB enrollees. Willamette Dental has the same provider network currently offered through Regence BlueShield Columbia Dental Plan.

Benefit changes

Some medical and dental benefits will change for 2008.

- There will be no lifetime maximum for medical benefits beginning January 1, 2008. The \$2 million lifetime maximum has been removed.
- The mental health outpatient visit limit will increase to 50 visits per year. Inpatient mental health coverage will be the same as the inpatient hospital

benefit. The 10-day inpatient limit has been removed.

- Uniform Dental Plan will increase its annual maximum plan payment and lifetime orthodontia benefit to \$1,750 per enrollee.
- Both managed-care dental plans, DeltaCare and Willamette Dental, will have a more standardized benefit design. This means that enrollees' costs (coinsurance and copays) will be about the same for both plans.
- Enrollees in both DeltaCare and Willamette Dental will have a \$1,500 maximum copay for orthodontia.

Life insurance rates decrease

For 2008, employees will pay less for their optional life insurance coverage due to excess reserves. This means that PEBB members will have less deducted from their paychecks for PEBB optional life insurance. The rate reduction is temporary for 2008.

You can find these rates on PEBB's Web site at www.pebb.hca.wa.gov or by contacting your personnel, payroll, or benefits office.

Dependent Care Assistance Program

The PEBB program's flexible spending account administrator, Application Software, Inc. (ASI), will also manage the Dependent Care Assistance Program (DCAP) starting January 1, 2008. DCAP allows employees of state agencies, higher-education institutions, and community and technical colleges to set aside pre-tax money from their paychecks to pay for eligible dependent care costs. You can find more information about this program on page 3 or at www.asiflex.com/pebb.

Eligibility and enrollment changes

- **Domestic partners**—PEBB eligibility now includes qualified domestic partners who are barred from a lawful marriage, including partners of the same sex, or if one or both partners are transgender.

PEBB will enroll a subscriber's same-sex domestic partner registered through the Washington State Secretary of State's office.

You may add a qualified domestic partner to your account as soon as he or she meets the eligibility criteria under PEBB rules. If you have

a qualified domestic partner who meets the new PEBB criteria, you may add him or her anytime throughout 2007 without showing proof of previous health coverage.

- **Dependent children**—Your dependent child over age 20 will qualify for PEBB coverage if he or she is attending high school.

PEBB rules also clarify eligibility for extended (legal) dependents and dependents with disabilities.

- **Retiree coverage**—PEBB rules clarify the timing of retiree eligibility, when retirees' health premiums are due, and when enrollment begins.

New medical premiums

Medical plan premiums have changed. Please see "2008 monthly premiums" on the next page.

You may find PEBB's existing laws in chapter 41.05 of the Revised Code of Washington (RCW), and rules in chapters 182-04, 182-08, 182-12, 182-13, and 182-16 of the Washington Administrative Code (WAC) online at slc.leg.wa.gov.

2008 monthly premiums

These premiums apply to employees in state agencies, higher-education institutions, and community and technical colleges.

School-district employees and employees who work for a city, county, port, water district, hospital, etc. need to contact their personnel, payroll, or benefits office to find their monthly premiums.

PEBB Medical Plans	Employee Contribution			
	Employee	Employee and Spouse*	Employee and Child(ren)	Employee, Spouse,* and Child(ren)
Aetna Public Employees Plan	\$104	\$218	\$182	\$296
Group Health Classic	74	158	130	214
Group Health Value	20	50	35	65
Kaiser Permanente Classic	101	212	177	288
Kaiser Permanente Value	59	128	103	172
Uniform Medical Plan	28	66	49	87

**or qualified domestic partner*

Dependent Care Assistance Program can save you money on childcare, eldercare costs

The Dependent Care Assistance Program (DCAP) is only available to employees of state agencies, higher-education institutions, and community and technical colleges.

In addition to the flexible spending account (FSA), you have another option to save money on the care of your dependents.

DCAP is similar to the FSA in that it allows you to contribute to a savings account—tax free—to pay for your eligible dependent care costs. You can set aside up to \$5,000 per household each year in the DCAP. This also reduces your federal income and taxable salary.

You can enroll in the DCAP during open enrollment.

Who qualifies as a dependent?

- A child under age 13 who qualifies as an Internal Revenue Service (IRS) dependent.
- Any other IRS dependent who is physically or mentally incapable of self-care and living in your household at least eight hours each day.
- A spouse who is physically or mentally incapable of self-care.

Which expenses qualify for reimbursement?

- Charges you incur for the care of a qualified dependent inside or outside your home, which allow you to work.
- If you are married, the charges must also

occur while your spouse is employed, looking for work, or attending classes as a full-time student (on days when your spouse attends school).

Where can I find more information?

Application Software, Inc. (ASI), the company that administers the FSA, also administers the DCAP. You can visit ASI's Web site at www.asiflex.com/pebb, call ASI at 1-800-659-3035, or go to a benefits fair to talk to an ASI representative.

If you are currently enrolled in DCAP through the Department of Retirement Systems, you must enroll with ASI during open enrollment to continue your participation in 2008.

What if your spouse or qualified domestic partner is also eligible for PEBB coverage as an employee?

PEBB does not allow dual coverage. This means that your eligible family members may be enrolled on one account, but not both. You can waive your medical coverage (you cannot waive dental), and enroll on your spouse's or partner's account, or enroll under separate accounts. You must decide who will cover your eligible dependents.

How can you lower your out-of-pocket medical costs? Set up a flexible spending account

Flexible spending accounts are only available to employees of state agencies, higher-education institutions, and community and technical colleges.

If you're spending at least \$240 each year in health insurance copays, coinsurance, deductibles, and even many over-the-counter medications, you can lower those costs by about 25 percent. Enroll in a flexible spending account (also called an FSA) during open enrollment, to set up a tax-free savings account to help pay for your and your family's health care costs.

Note: Your eligible family members do **not** have to be enrolled in PEBB coverage to have expenses qualify for reimbursement from your FSA account.

How does an FSA work?

An FSA is a tax-free savings account that you can enroll in every year. You contribute money toward the FSA through payroll deductions, then either use a debit card to withdraw money from your account or submit a claim form to receive reimbursement for eligible

health expenses. You do not pay taxes on the money deducted from your paycheck, so your FSA also reduces your taxable income.

What expenses qualify for reimbursement?

- Copayments, coinsurance, and deductibles
- Vision care (including corrective eye surgery, prescription glasses, contact lenses, and solution)
- Prescription and many over-the-counter drugs
- Chiropractic care
- Orthodontia, braces, and other dental expenses

What expenses don't qualify for reimbursement?

- Monthly insurance premiums
- Cosmetic procedures
- Long-term care
- Medicines, drugs, herbs, or vitamins for general health (not used to treat a medical condition)
- Health club dues

For a complete list of expenses that do and don't qualify for reimbursement, go to Application Software,

Inc.'s (ASI, the FSA administrator) Web site at www.asiflex.com/pebb.

How and when do I get reimbursed?

You can either:

- Apply for and use a debit card to pay for treatments or services; or
- Submit a claim form with supporting documentation to receive reimbursement from your FSA. You can choose to receive a reimbursement check, or have your reimbursement directly deposited into a bank account. You can send your claim forms anytime during the year (January 1 - December 31), or through your claims run-out period (March 31 of the following plan year).

How do I enroll in an FSA?

1. Go to ASI's Web site to download and print the *Summary & Worksheet*.
2. Complete the worksheet to estimate your annual expenses that qualify for FSA reimbursement. This will help you determine how much you need to contribute to your FSA. (The

minimum is \$240; the maximum is \$2,400.)

3. Enroll online at ASI's Web site (go to the Enrollment button on the menu bar) during PEBB's open enrollment. Or you can download and print the enrollment form from ASI's Web site. Complete and return this form by **November 30, 2007**.

Where can I find more information on FSAs?

You can visit ASI's Web site at www.asiflex.com/pebb, call ASI at 1-800-659-3035, or go to a benefits fair in your area. An ASI representative will be there to answer your questions.

If you are already enrolled in an FSA

Don't forget—you must complete an enrollment form **every open enrollment** to continue your FSA participation for the next plan year.

Benefits Fairs Schedule

Attend a benefits fair in your area to find more information on PEBB health plans, the flexible spending account (FSA), and the Dependent Care Assistance Program (DCAP). Health plan representatives will be present to answer your questions.

Maps to the benefit fairs are available online at www.pebb.hca.wa.gov.

Aberdeen

*November 5, 2007
1 to 5 p.m.*
Grays Harbor Community College
Choker Dining Room
1620 Edward P. Smith Dr.
Aberdeen, WA 98520

Bellingham

*November 20, 2007
12 to 4 p.m.*
Western Washington University
Viking Building
Multipurpose Room
516 High Street
Bellingham, WA 98225

Cheney

*November 8, 2007
10 a.m. to 2 p.m.*
Eastern Washington University
LA Hall Lounge
905 Elm Street
Cheney, WA 99004

Ellensburg

*November 15, 2007
10 a.m. to 2 p.m.*
Central Washington University
SURC Ballroom
400 E. University Way
Ellensburg, WA 98926

Everett

*November 9, 2007
10 a.m. to 2 p.m.*
Everett Community College
Jackson Center
Jackson Conference Room
2000 Tower Street
Everett, WA 98201

Lacey

*November 5, 2007
10 a.m. to 2 p.m.*
Saint Martin's University
Worthington Conference Center
5300 Pacific Avenue
Lacey, WA 98503

Longview

*November 19, 2007
10 a.m. to 2 p.m.*
Lower Columbia Community College
Student Center
1600 Maple Street
Longview, WA 98632

Moses Lake

*November 20, 2007
10 a.m. to 2 p.m.*
Big Bend Community College
1800 Building
Conference Rooms C & D
7662 Chanute Street NE
Moses Lake, WA 98837

Mount Vernon

*November 14, 2007
10 a.m. to 2 p.m.*
Cotton Tree Best Western
Orcas Room
2300 Market Street
Mount Vernon, WA 98273

Pasco

*November 1, 2007
10 a.m. to 2 p.m.*
Red Lion Hotel
Olympic Room
2525 N. 20th Avenue
Pasco, WA 99301

Port Angeles

*November 8, 2007
10 a.m. to 2 p.m.*
Red Lion Hotel
San Juan Room
221 North Lincoln
Port Angeles, WA 98362

Pullman

*October 30, 2007
12 to 3 p.m.*
Washington State University
French Admin. Building
2nd floor Atrium
Stadium Way & Wilson Rd.
Pullman, WA 99164

Renton

*November 15, 2007
10 a.m. to 2 p.m.*
Renton Technical College
Building H - Business
Technology, H102
3000 NE 4th Street
Renton, WA 98056

Seattle

*October 30, 2007
10 a.m. to 4 p.m.*
University of Washington
UWMC & Health Science
Lobbies
1959 NE Pacific
Seattle, WA

*October 31, 2007
10 a.m. to 4 p.m.*
University of Washington
Harborview Research & Training Building
325 9th Avenue
Seattle, WA

*November 1, 2007
10 a.m. to 4 p.m.*
University of Washington
HUB East Ballroom
UW Seattle Campus
Stevens Way
Seattle, WA

Shoreline

*November 16, 2007
10 a.m. to 2 p.m.*
Shoreline Conference Ctr.
Spartan Room
18560 1st Avenue NE
Shoreline, WA 98155

Spokane

*November 7, 2007
10 a.m. to 3 p.m.*
Spokane Community College
Sasquatch Bigfoot Room
1810 N. Greene Street
Spokane, WA 99217

Tacoma

*November 6, 2007
10 a.m. to 2 p.m.*
Bates Technical College
Multimedia E101A & E101B
2201 S. 78th Street
Tacoma, WA 98409

Tumwater

*October 29, 2007
10 a.m. to 2 p.m.*
Comfort Inn
Tumwater Room
1620 74th Avenue SW
Tumwater, WA 98501

Vancouver

*November 2, 2007
10 a.m. to 2 p.m.*
Clark College
Student Center
1933 Fort Vancouver Way
Vancouver, WA 98663

Walla Walla

*October 31, 2007
10 a.m. to 2 p.m.*
Walla Walla Community College
Room 185 A-C
500 Tausick Way
Walla Walla, WA 99324

Wenatchee

*November 19, 2007
10 a.m. to 2 p.m.*
Red Lion Hotel
Columbia River Room
1225 N. Wenatchee Avenue
Wenatchee, WA 98801

Yakima

*November 14, 2007
10 a.m. to 2 p.m.*
Yakima Clarion Hotel
Wapato Room
1507 N. 1st Street
Yakima, WA 98901

Reminders about choosing a provider

- Call the medical plan you choose for 2008 to verify that your provider(s) will be participating with the plan to serve PEBB members.
- If your doctor, dentist, or health care facility discontinues participation in your plan, you will not be allowed to change plans until the next open enrollment period, **with coverage effective January 1st of the following year.**
- Both the Uniform Dental Plan and DeltaCare are administered by Washington Dental Service. If you choose one of these plans, be sure that you choose a WDS-contracting dentist who participates with your plan.
- Willamette Dental requires that you receive care from Willamette Dental dentists or specialists.

Go online for more health plan information and to make plan changes

You can find more health plan information for 2008 on PEBB's Web site (www.pebb.hca.wa.gov) beginning in mid-October.

You can also change your medical or dental plans for 2008, waive medical coverage, or enroll eligible family members who were not covered in 2007.

On PEBB's Web site, find "How Do I?" on the top right side of the page, then select "Change My Coverage." Change your plans as many times as you wish during open enrollment. The last changes received by the PEBB program on November 30 will be your final selections for 2008.

To obtain this document in another format or to request special accommodations, call our Americans with Disabilities Act (ADA) Coordinator at 360-923-2805. TTY users (deaf, hard of hearing, or speech impaired), call 360-923-2701 or toll-free 1-888-923-5622.

