

PEB Board approves changes for 2010

For immediate release: 7/8/09

At their July 8 meeting, the Public Employees Benefits Board (PEB Board) approved several changes to PEBB employee premiums, members' costs for benefits, and eligibility. These changes take effect January 1, 2010.

Changes for employees

Monthly premiums

Half of the medical plans' premiums will increase for 2010, and the other plans' premiums will decrease or stay about the same.

Due to the state's budget shortfall, the HCA required that the medical plans meet a budget target that would keep the average employee contribution at around 12%. To do this, the plans increased the costs of certain benefits, deductibles, and out-of-pocket maximums (*see below*). The employer will continue to pay 88% of the premium costs, based on enrollment across all PEBB medical plans.

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.

Plan Name	EMPLOYEE CONTRIBUTION BY FAMILY TIER							
	Employee		Employee & Spouse*		Employee & Child(ren)		Full Family	
	2009	2010	2009	2010	2009	2010	2009	2010
Aetna Public Employees Plan	\$112	\$132	\$234	\$274	\$196	\$231	\$318	\$373
Group Health Classic	107	71	224	152	187	124	304	205
Group Health Value	25	22	60	54	44	39	79	71
Kaiser Permanente Classic	76	72	162	154	133	126	219	208
Kaiser Permanente Value	33	42	76	94	58	74	101	126
Uniform Medical Plan	26	41	62	92	46	72	82	123

*or qualified domestic partner

Costs for medical benefits

All medical plans will cover the same benefits as in 2009, but some plans will add or increase deductibles as well as increase other member out-of-pocket costs in 2010.

Aetna Public Employees Plan (non-Medicare and Medicare members)

Member costs	Member pays in 2009	Member pays in 2010
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Annual deductible	\$0	\$250 per person/ \$750 per family
Annual out-of-pocket limit	\$750 per person/ \$1,500 per family	\$2,000 per person/ \$6,000 per family

Benefits	Member pays in 2009	Member pays in 2010
Office visit	\$10	\$25
Prescription drugs—retail	Tier 1: \$10 Tier 2: \$25 Tier 3: \$40	Tier 1: \$20 Tier 2: \$40 Tier 3: \$60
Prescription drugs—mail order	Tier 1: \$20 Tier 2: \$50 Tier 3: \$80	Tier 1: \$40 Tier 2: \$80 Tier 3: \$120

Group Health Classic (non-Medicare members only)

Member costs	Member pays in 2009	Member pays in 2010
Annual deductible	\$0	\$250 per person/ \$750 per family
Annual out-of-pocket limit	\$750 per person/ \$1,500 per family	\$2,000 per person/ \$6,000 per family

Benefits	Member pays in 2009	Member pays in 2010
Office visit	\$10	\$25
Prescription drugs—retail	Tier 1: \$10 Tier 2: \$30 Tier 3: Not covered	Tier 1: \$20 Tier 2: \$40 Tier 3: \$60
Prescription drugs—mail order	Tier 1: \$20 Tier 2: \$40 Tier 3: Not covered	Tier 1: \$40 Tier 2: \$80 Tier 3: \$120

Group Health Value (non-Medicare members only)

Member costs	Member pays in 2009	Member pays in 2010
Annual deductible	\$100 per person/ \$300 per family	\$350 per person/ \$1,050 per family
Annual out-of-pocket limit	\$1,500 per person/ \$3,000 per family	\$2,000 per person/ \$6,000 per family

Benefits	Member pays in 2009	Member pays in 2010
Hospital—inpatient	\$200 per day/max. \$600 per year	\$300 per day/max. \$900 per year
Hospital—outpatient	\$150	\$100
Office visit	\$15	\$30
Prescription drugs—retail	Tier 1: \$10 Tier 2: \$30 Tier 3: Not covered	Tier 1: \$20 Tier 2: \$40 Tier 3: \$60
Prescription drugs—mail order	Tier 1: \$20 Tier 2: \$60 Tier 3: Not covered	Tier 1: \$40 Tier 2: \$80 Tier 3: \$120

Kaiser Permanente Classic (non-Medicare members only)

Member costs	Member pays in 2009	Member pays in 2010
Annual out-of-pocket limit	\$750 per person/ \$1,500 per family	\$1,500 per person/ \$3,000 per family

Benefits	Member pays in 2009	Member pays in 2010
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Ambulance	\$75	\$100
Diagnostic tests, laboratory, and x-rays	\$0	\$10
Hospital—inpatient	\$200 per day/max. \$600 per year	\$200 per day/ max. \$1,000 per admission
Office visit injections	\$0	\$5
Prescription drugs—retail	Tier 1: \$10 Tier 2: \$25 Tier 3: Not covered	Tier 1: \$15 Tier 2: \$30 Tier 3: Not covered
Prescription drugs—mail order	Tier 1: \$20 Tier 2: \$50 Tier 3: Not covered	Tier 1: \$30 Tier 2: \$60 Tier 3: Not covered
Skilled nursing facility care	\$200 per day/max. \$600 per year	\$200 per day/ max. \$1,000 per admission
Spinal manipulations	\$10	\$30
Urgent care	\$10	\$40
Vision—examination (primary care)	\$10	\$20

Kaiser Permanente Value (non-Medicare members only)

Member costs	Member pays in 2009	Member pays in 2010
Annual deductible	\$100 per person/ \$300 per family	\$300 per person/ \$900 per family
Annual out-of-pocket limit	\$1,500 per person/ \$3,000 per family	\$2,000 per person/ \$4,000 per family

Benefits*	Member pays in 2009	Member pays in 2010
Ambulance	10%	25%
Diagnostic tests, laboratory, and x-rays	10%	25%
Home health care	10%	25%
Hospital—inpatient	10%	25%
Hospital—outpatient	10%	25%
Prescription drugs—retail	Tier 1: \$10 Tier 2: \$30 Tier 3: Not covered	Tier 1: \$20 Tier 2: \$40 Tier 3: Not covered
Prescription drugs—mail order	Tier 1: \$20 Tier 2: \$60 Tier 3: Not covered	Tier 1: \$40 Tier 2: \$80 Tier 3: Not covered
Skilled nursing facility care	10%	25%
Spinal manipulations	\$20	\$40
Urgent care	\$20	\$50
Vision—examination (primary care)	\$20	\$30

**Except for preventive care services, any Kaiser Permanente Value benefits that have a 10% or 20% coinsurance in 2009 will have a 25% coinsurance in 2010.*

Uniform Medical Plan (non-Medicare and Medicare members)

Member costs	Member pays in 2009	Member pays in 2010
Annual medical deductible	\$200 per person/ \$600 per family	\$250 per person/ \$750 per family
Annual out-of-pocket limit	\$1,500 per person/	\$2,000 per person/

	\$3,000 per family	\$4,000 per family
Benefits	Member pays in 2009	Member pays in 2010
Coinsurance for network services*	10%	15%

*This includes several benefits, including but not limited to, acupuncture, diagnostic tests, laboratory tests, x-rays, durable medical equipment, home health care, massage therapy, mental health, outpatient surgery, office visits, spinal manipulations, and vision exams.

Eligibility

At the June 24 PEB Board meeting, the PEB Board voted and approved the following policy changes to dependent eligibility effective January 1, 2010.

- Domestic partners enrolling in PEBB must register their partnership with the Washington Secretary of State's Office. This expands eligibility for PEBB coverage to opposite-sex domestic partners ages 62 and over. (Current PEBB members enrolled as a qualified domestic partner do not need to do this, because they have already met PEBB's criteria.)
- Employees may choose whether to enroll eligible dependents either when the employee becomes eligible and enrolls in PEBB coverage or during any open enrollment.
- PEBB can deny enrollment or terminate coverage for dependents if subscribers fail to enroll their eligible dependents or provide proof of their dependent's eligibility within PEBB's timelines.

At their July 8 meeting, the PEB Board also approved the following clarifications to eligibility changes made in House Bill 2245, approved by the 2009 Legislature and signed into [law](#).

- Defined "stacking" for non-faculty employees as *"all non-faculty hours worked in a single agency are counted ("stacked") in determining whether an employee is eligible for benefits."*
- Ruled that faculty who lose eligibility will retain their eligibility if they return to a faculty position in which their employer anticipates that they will work half time or more for the quarter/semester no later than 12 months after the month in which they lost eligibility.
- Defined half-time for seasonal employees as *"working an average of at least 80 hours per month."*

Background on PEBB eligibility legislation

The 2009 Legislature passed House Bill 2245, which establishes a baseline for eligibility, and authorizes the PEB Board to adopt eligibility policy. The legislation also allows the **PEBB Program** to:

- Create eligibility standards.
- Require agencies to determine whether positions are benefits-eligible; inform the employee of that decision, and his or her appeal rights; comply with HCA directives.
- Change funding for K-12 employees' health benefits to align with the K-12 fiscal year.
- Allow K-12 school districts to determine employee eligibility, and the employee/employer contribution.
- Develop rules to implement Revised Code of Washington (RCW) 41.05.
- Develop an administrative appeals process that individuals must follow before suing the state.

The law also states the **PEB Board's** role is to:

- Make policy decisions about retirees and their dependents.
- Appropriately expand and clarify employee eligibility.

Changes for retirees

State contribution for Medicare retirees

Due to the state's budget shortfall, the state's contribution for Medicare retirees' monthly premiums will remain \$182.89 for 2010—the same as in 2009.

Estimated non-Medicare retiree monthly premiums

Retirees who are not enrolled in Medicare pay the full cost of their PEBB health coverage, without a contribution from the state. The rates below are estimates, and will be finalized by open enrollment. Half of the plan premiums decreased for 2010, based on changes to the benefits costs described earlier.

Plan Name	ESTIMATED NON-MEDICARE RETIREE RATES BY FAMILY TIER							
	Retiree		Retiree & Spouse*		Retiree & Child(ren)		Full Family	
	2009	2010	2009	2010	2009	2010	2009	2010
Aetna Public Employees Plan	\$513	\$531	\$1,021	\$1,056	\$894	\$925	\$1,401	\$1,450
Group Health Classic	509	471	1,011	935	885	819	1,388	1,283
Group Health Value	426	421	846	836	741	733	1,161	1,148
Kaiser Permanente Classic	477	472	947	937	829	820	1,300	1,285
Kaiser Permanente Value	434	441	862	876	755	767	1,183	1,202
Uniform Medical Plan	427	440	848	874	741	766	1,164	1,199

*or qualified domestic partner

Medicare retiree monthly premiums (subscriber only)

Most Medicare rates will decrease or stay about the same for 2010, after the employer contribution of \$182.89 per month (or 50% of plan premium, whichever is less). The premiums shown below are for a Medicare retiree subscriber only, after the \$182.89 state contribution. Other Medicare rates will be available in October.

Plan Name	Monthly premium (subscriber only)	
	2009	2010
Aetna Public Employees Plan	\$202.28	\$277.38
Group Health Classic	142.31	132.36
Group Health Value	126.81	124.44
Kaiser Permanente Classic	171.31	166.40
Kaiser Permanente Value	139.04	135.44
Premera Medicare Supplement Plan E (Retired)	72.21	72.56
Premera Medicare Supplement Plan E (Disabled)	118.49	118.84
Premera Medicare Supplement Plan J with Rx (Retired)	141.52	141.87
Premera Medicare Supplement Plan J with Rx (Disabled)	283.68	284.03
Premera Medicare Supplement Plan J without Rx (Retired)	101.62	101.97
Premera Medicare Supplement Plan J without Rx (Disabled)	168.49	168.84
SecureHorizons Classic	186.16	210.70
SecureHorizons Value	144.58	127.02
Uniform Medical Plan	170.02	162.86

Costs for Medicare Advantage benefits

All Medicare Advantage plans will cover the same benefits as in 2009, but some benefits will have higher costs in 2010. Benefit costs for Group Health's Medicare Advantage plans (both Classic and Value) and SecureHorizons' Classic plan will not change for 2010.

Kaiser Senior Advantage Classic

Benefit	Member pays in 2009	Member pays in 2010
Office visit (primary care)	\$10	\$20
Office visit (specialty care)	\$10	\$30
Physical, occupational, and speech therapy—outpatient	\$10	\$30
Spinal manipulations	\$10	\$30
Urgent care	\$10	\$20
Vision—examination	\$10	\$20

Kaiser Senior Advantage Value

Benefits	Member pays in 2009	Member pays in 2010
Office visit (primary care)	\$15	\$30
Office visit (specialty care)	\$15	\$30
Physical, occupational, and speech therapy—outpatient	\$15	\$30
Spinal manipulations	\$15	\$30
Urgent care	\$15	\$30
Vision—examination	\$15	\$30

SecureHorizons Value

Member costs	Member pays in 2009	Member pays in 2010
Annual deductible	\$0	\$300
Annual out-of-pocket limit	No limit	\$2,000

Benefits	Member pays in 2009	Member pays in 2010
Ambulance	\$50	\$100
Laboratory, x-rays, and imaging	\$0	20%
Hospital—inpatient	\$200 per day/max. \$1,000 per admission	\$250 per day for days 1-8
Office visit (primary care)	\$15	\$20
Office visit (specialty care)	\$30	\$35
Prescription drugs—retail	Tier 1: \$15 Tier 2: \$35 Tier 3: \$50	Tier 1: \$15 Tier 2: \$40 Tier 3: \$55
Prescription drugs—mail order	Tier 1: \$30 Tier 2: \$70 Tier 3: \$100	Tier 1: \$30 Tier 2: \$80 Tier 3: \$110
Spinal manipulations	\$15	\$35
Urgent care	\$15	\$20
Vision—hardware	\$20 copay, plus costs over \$150 (plan maximum)	Costs over \$130 for glasses, \$175 for contacts (plan maximum)