



Washington State Health Care Authority
Public Employees Benefits Board

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Changes to your PEBB health coverage costs coming in July— find out what actions to take before April 1

Changes are coming to your Public Employees Benefits Board (PEBB) health coverage costs that will require you to take action.

You may have heard about two new premium surcharges established by the Legislature last year. These surcharges are related to tobacco use, and whether your PEBB-enrolled spouse or domestic partner qualifies for health coverage through their employer.

In addition, Governor Inslee issued an Executive Order in October 2013 to improve the health and productivity of state employees. One of the directives is to create a wellness incentive program for PEBB subscribers. Subscribers who participate in the wellness incentive program in 2014 will be eligible to receive a wellness incentive in 2015, if state funding is approved.

You can respond to the premium surcharges starting April 1, 2014. If you don't respond by May 15, 2014, you will pay premium surcharges starting July 1, 2014.

We will mail another letter in late March with details on how to respond, and where to find answers to your questions. In the meantime, you can:

- Learn more about what steps to take before April 1 (see below).
- Find more information on PEBB's website at www.hca.wa.gov/pebb.
- Read the questions and answers starting on page 2.

What can I do to get started before April 1?

- ✓ **Register as a new user on *My Account* at www.hca.wa.gov/pebb, if you haven't done so since October 1, 2013.** Starting April 1, you can use *My Account* to respond about the premium surcharges and wellness incentive. Don't have internet access? We will provide alternatives in the March letter.
- ✓ **Choose a primary care provider.** If you don't already have a primary care provider who you see for routine care, your medical plan can help you find one. Call your plan's customer service or visit your plan's website. (You do not need to visit the provider, but make sure he or she is accepting new patients if you're not a current patient.)
- ✓ **Complete your PEBB medical plan's health assessment.** Don't know how? **Visit www.hca.wa.gov/pebb** and select *Take your health assessment*. (You may also need to register on your medical plan's website to do this.)
- ✓ **If your spouse or domestic partner is eligible for other employer-sponsored medical coverage but chose not to enroll, find out whether you need to gather information about it.** See question 10 on page 3.

PEBB is committed to offering you attractive health benefits at the best possible cost. By taking these steps, you can help ensure we can continue to do just that. Our goal is the same as yours—to improve your health and your family's health in 2014 and beyond.

Questions and Answers



Tobacco use premium surcharge

1. What is the tobacco use premium surcharge?

A monthly \$25-per-account surcharge will be required in addition to your premium if you or any enrolled family member uses a tobacco product (even if the family member does not live with you). If more than one enrolled family member uses tobacco products, you will not pay more than \$25 per month.

2. Should I respond if my family members or I don't use tobacco?

Yes. If we don't receive your response by May 15, 2014, you will pay a premium surcharge starting July 1, 2014.

3. What if I don't respond to the tobacco use surcharge between April 1 and May 15, 2014?

You will pay an extra \$25 per month—in addition to your monthly premium—starting July 1, 2014.

4. How do you define “tobacco products”?

Tobacco products are defined as any product made with or derived from tobacco that is intended for human consumption, including any component, part, or accessory of a tobacco product. This includes, but is not limited to, cigars, cigarettes, chewing tobacco, snuff, and other tobacco products.

Tobacco products **do not** include:

- Tobacco cessation aids approved by the U.S. Food and Drug Administration (FDA).
- E-cigarettes (until their tobacco-related status is determined by the FDA).

5. How do you define “tobacco use”?

Tobacco use is defined as any use of tobacco products within the past two months. It does not include the religious or ceremonial use of tobacco.

6. How can I avoid paying the tobacco use surcharge?

Here are situations in which you can avoid paying the tobacco use surcharge:

Situation	Do I have to respond between April 1 and May 15, 2014?	Will I pay the tobacco use surcharge?
My family members and I do not use any tobacco products, or have not used tobacco products for two months before responding about the surcharge.	YES	NO
My enrolled family members and I who use tobacco products also currently participate in a tobacco cessation program through my PEBB medical plan.	YES	NO
My family members and I have waived PEBB medical coverage, and are only enrolled in PEBB dental coverage (does not apply to PEBB retirees).	NO*	NO

* If you choose to enroll in PEBB medical coverage, you must respond about the tobacco use surcharge.



Spouse or domestic partner coverage premium surcharge

7. What is the spouse or domestic partner coverage premium surcharge?

A \$50-per-month surcharge will be required in addition to your premium if you have a spouse or domestic partner enrolled on your PEBB medical coverage, and your spouse or domestic partner has chosen not to enroll in his or her employer's medical coverage that is comparable in premiums and benefits to Uniform Medical Plan (UMP) Classic.

8. If I do not have a spouse or domestic partner enrolled on my PEBB medical coverage, will I have to respond to the spouse or domestic partner coverage surcharge?

No. The surcharge will not apply to your account.

9. If I have a spouse or domestic partner enrolled on my PEBB medical coverage, what happens if I don't respond between April 1 and May 15, 2014?

You will pay an extra \$50 per month—in addition to your monthly premium—starting July 1, 2014.

10. How do I know if my spouse's or domestic partner's employer-sponsored medical coverage is comparable to UMP Classic?

If your spouse or domestic partner is currently enrolled on your PEBB medical plan, ask yourself:

- Is my spouse or domestic partner eligible for medical coverage through their employer?
- Does my spouse's or domestic partner's employer offer at least one medical plan that serves our county of residence?
- Has my spouse or domestic partner chosen not to enroll in their employer's medical coverage?
- Is the coverage offered by my spouse's or domestic partner's employer **not** through the PEBB Program?
- Would my spouse or domestic partner's share of the medical premium be less than \$84.56 per month?

If you answered "yes" to **all** of these questions, you may have to pay the spouse or partner coverage surcharge. To determine if the surcharge will apply, your spouse or domestic partner should ask their employer (or the medical plan) for a *Summary of Benefits and Coverage* for **all** medical plans where the employee's cost would be \$84.55 per month or less available in your county of residence. Starting April 1, you will need this information to respond to questions about your spouse's or domestic partner's employer-sponsored medical coverage.

If you answered "no" to **any** of these questions, you will not have to pay the surcharge. However, you must still respond between April 1 and May 15, 2014.

11. How can I avoid paying the spouse or domestic partner coverage surcharge?

Situation	Do I have to respond between April 1 and May 15, 2014?	Will I pay the spouse or partner coverage surcharge?
I don't have a spouse or domestic partner enrolled on my PEBB medical coverage.	NO	NO
My spouse or domestic partner is eligible for coverage under their own PEBB account (for example, as a state employee or retiree), but has waived or deferred their enrollment to be covered on my PEBB medical coverage.	YES	NO
My spouse or domestic partner is enrolled in both their employer's medical coverage and my PEBB medical coverage.	YES	NO
My spouse or domestic partner is enrolled only in PEBB dental coverage (does not apply to PEBB retirees) or PEBB life insurance on my account.	NO	NO



Wellness Incentive Program

12. What is the PEBB Wellness Incentive Program?

The PEBB Program is offering a new Wellness Incentive Program called SmartHealth that offers a wellness incentive to help you reach healthy goals (*the incentive amount is pending state budget approval*):

- \$125 discount off your PEBB medical deductible in 2015 (if not enrolled in a consumer-directed health plan); OR
- Your employer or the PEBB Program will contribute an additional \$125 in your health savings account in 2015 (if enrolled in a consumer-directed health plan and a health savings account).

Our goal is simple: We want to motivate more members to get or stay healthy, improve their well-being and productivity, and lower health care costs for everyone.

13. What do I need to do to earn the PEBB wellness incentive?

You must attest between **April 1 and June 30, 2014** that you have:

1. Chosen a primary care provider.
2. Completed your PEBB medical plan's health assessment.
3. Started a wellness program activity. (We will provide details on these activities in the letter you receive in March.)

14. What if I don't respond that I've done these three things between April 1 and June 30, 2014?

You will not earn the wellness incentive on January 1, 2015 (pending approval for state funding).



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What actions should you take by April 1? Look inside.