

PEBB Open Enrollment 2013

Pre-OE Roadshow
PEBB Outreach and Training
September 13 – October 26, 2012

Agenda

- General OE Information
- Changes for 2013
 - Medical plan changes
 - HSA changes/updates
 - FSA changes
- Affordable Care Act
- Reminders
- Resources



General OE Information

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- Annual Open Enrollment
 - **November 1** through **November 30**
 - Changes are effective January 1, 2013
- Benefits Fairs
 - 23 fairs state-wide
 - **October 30** through **November 16**

General OE Information

- Benefits Fairs Posters
 - Available to agencies in early October
 - Download or print from the Pers/Pay website
- Benefits Fairs Schedule
 - Available in early October on the PEBB and Pers/Pay websites
 - Included in the October newsletter *"For Your Benefit"*

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OE – Employee Changes

- During annual open enrollment employees may:
 - Change medical and/or dental plans
 - Reinstate previously waived coverage without proof of loss
 - Waive medical if have other comprehensive group medical coverage, Medicaid or CHIP
 - Add eligible dependents without proof of loss
 - DV documents are required if the dependent was not previously verified
 - Remove dependents

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OE – Employee Changes

- Employees may also:
 - Change premium deduction to pre or post tax
(IRC Section 125)
 - Change the tax status of a dependent
(IRC Section 152)
- State agency and higher education institution employees
 - Enroll/Re-enroll in the FSA and/or DCAP
 - Employees must enroll every year, even if the contribution amount remains the same

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OE – Employee Communications

- *“For Your Benefit”* newsletter
 - Two versions:
 - State agency and higher education – tentative mail date **October 10**
 - Plan changes
 - 2013 rates
 - Employer Group/K-12 school districts – tentative mail date **October 15**
 - Plan changes

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OE – Employee Communications

- *“For Your Benefit”* newsletter *continued*
 - Mailed to all employees enrolled in benefits as of **September 20**
 - Available on the PEBB website on **October 10**
 - E-mail subscribers will receive an email with a link to the newsletter on **October 10**

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OE – Employee Communications

- Open Enrollment Video
 - Available electronically on PEBB site in October
 - CD's available upon request
 - Contact Outreach and Training through:
 - FUZE
 - Phone: 1-800-700-1555



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Insurance System

- Begin entering OE changes into PAY1
 - **November 1**



Online Enrollment

- Available November 1 through November 30
 - Employees may:
 - Change medical and/or dental plans
 - Waive or reinstate medical coverage for themselves
 - Remove a dependent
 - Enroll a dependent in dental if dependent is currently enrolled in medical
 - Enroll a dependent in medical if dependent is currently enrolled in dental

Online Enrollment

- Employees may:
 - Subscribe to email notifications from PEBB
- Employees cannot use online enrollment to:
 - Add a dependent not currently enrolled
 - A paper form is required to add the dependent
- Employees should not use the online enrollment to:
 - Remove a spouse or domestic partner due to divorce or dissolution of a partnership
 - Dependents do not receive a COBRA packet if disenrolled online

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Online Enrollment

- Web changes are submitted to PAY1 daily
- Online changes are shared with:
 - State agencies – through the Daily Tran Log (D2025)
(if your agency has not turned it off)
 - Higher education – through the Premium and Change Report in late December
 - Employer groups and school districts – through a list shared in mid-December

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Statement of Insurance

- Statement of Insurance
 - Suppressed November 1 through December 31
 - Begin sending again January 31, 2013
 - A statement of insurance is generated for every employee
 - Exception – Employees of the higher education institutions who suppress the statement

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Changes for 2013

Plans – What's the Same?

- Medical Plans
 - Group Health – Classic, Value, and CDHP
 - Kaiser – Classic and CDHP
 - Uniform Medical Plan – Classic and CDHP
- Dental Plans
 - DeltaCare
 - Uniform Dental Plan
 - Willamette Dental
- Benefits
 - Same covered benefits



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Plans – What's Changed?

- Changes to co-pays, out-of-pocket maximums and deductibles
 - Co-pays
 - Group Health Classic – Emergency department visit co-pay increases from \$150 to \$250
 - Group Health Value – Emergency department visit co-pay increases from \$200 to \$300
 - Out-of-pocket maximum
 - Kaiser Classic – increases from \$1,500 to \$2,000 per person and from \$3,000 to \$4,000 per family
 - Deductible
 - Kaiser Classic – increases from \$150 to \$250 and from \$450 to \$750 per family

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Plans – What’s Changed?

- Additional changes
 - Kaiser Classic
 - Durable medical equipment and ambulance are subject to the deductible and out-of-pocket maximum
 - Group Health brand name change
 - The Group Health CDHP will be listed on the enrollment form under Group Health Options
 - This is not a change to the plan and this is not the Options plan that was offered several years ago

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Employee Premiums

for State Agencies and Higher Education Institutions

- Group Health Classic, Value, CDHP and Kaiser Classic increase
- Kaiser CDHP and Uniform Medical Plan Classic and CDHP decrease

Plan	2012	2013	2012	2013	2012	2013	2012	2013
	EMP	EMP	EMP + SP/DP	EMP + SP/DP	EMP + CHILD	EMP + CHILD	FAMILY	FAMILY
GH Classic	\$ 101	\$ 115	\$ 212	\$ 240	\$ 177	\$ 201	\$ 288	\$ 326
GH Value	\$ 52	\$ 66	\$ 114	\$ 142	\$ 91	\$ 116	\$ 153	\$ 192
GH CDHP*	\$ 26	\$ 36	\$ 62	\$ 82	\$ 46	\$ 63	\$ 82	\$ 109
Kaiser Classic	\$ 89	\$ 98	\$ 188	\$ 206	\$ 156	\$ 172	\$ 255	\$ 280
Kaiser CDHP*	\$ 24	\$ 21	\$ 58	\$ 52	\$ 42	\$ 37	\$ 76	\$ 68
UMP Classic	\$ 82	\$ 77	\$ 174	\$ 164	\$ 144	\$ 135	\$ 236	\$ 222
UMP CDHP*	\$ 27	\$ 22	\$ 64	\$ 54	\$ 47	\$ 39	\$ 84	\$ 71

*Annual employer contribution to an HSA remains at \$700 for an employee and \$1,400 for an employee + one or more

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Health Savings Account (HSA)

- Maximum* contribution amounts increase for 2013
 - Individual – increases from \$3,100 to \$3,250
 - Family – increases from \$6,250 to \$6,450
 - Employees age 55 or older may contribute an additional \$1,000 per year

**Includes employer and employee contributions*

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Health Savings Account (HSA)

- Employees who are changing plans from a CDHP to a traditional plan
 - Employees need to advise payroll to stop any automatic payroll deduction for their HSA
 - PEBB has a form the employee may submit to payroll
 - When an employee is no longer enrolled in a CDHP, Health Equity will charge a \$3.95 per month administration fee for accounts with a balance less than \$1,500
 - While enrolled in the CDHP PEBB pays the admin fee

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HSA Reminders

- Money deposited into HSA belongs to the employee and remains with the employee even if they change plans during OE, retire, or leave employment
- Employees in CDHP do not need to do anything if remaining in CDHP for 2013
- Enrollees can save \$1 per month by selecting e-statements
- Employee may select investment options when balance is greater than \$2,000

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HSA Reminders

- Employees who will be Medicare eligible in 2013 and are enrolled in a CDHP
 - Will experience tax consequences and tax penalties if remain enrolled in CDHP and are enrolled in Medicare
 - If wait to change plans mid-year when become eligible for Medicare – accumulators (e.g., deductible, out-of-pocket maximum) will start over
 - Some people are automatically enrolled in Medicare at age 65 and may not be aware that they have been enrolled until after it has occurred

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CDHP/HSA Reminders

- Employees with family members enrolled in the CDHP
 - Must meet family deductible before the plan begins to pay and the family out-of-pocket maximum before the plan pays 100% for covered benefits
- Prescriptions are subject to the out-of-pocket maximum
- Cannot enroll in a CDHP/HSA if
 - The employee or the employee's spouse enrolls in an FSA for 2013 unless the FSA is a limited purpose FSA
 - The state FSA cannot be made limited purpose
- Employees with an FSA in 2012 and changing to a CDHP/HSA for 2013 must empty the FSA account by December 31, 2012

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FSA/DCAP

- For state agencies and higher education institutions
 - Employer administrative fee for FSA and DCAP
 - Decreases from \$4.75 to \$4.25 in 2013
 - Maximum FSA employee contribution amount decreases
 - From \$3,600 to \$2,500 in 2013

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Flexible Spending Account (FSA)

- FSA debit “Benny” card
 - In previous years – could not access previous years funds during the grace period (January 1 – March 15) with the debit card – a claim form was required
 - Beginning January 1 2013 – will be able to access previous years funds with the debit card during the grace period

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Flexible Spending Account (FSA)

- FSA debit “Benny” card
 - Employee will see two separate account balances during the grace period
 - The previous year’s balance will only display until the balance is exhausted or March 15, whichever is earlier
 - Funds not used by March 15 will be forfeited
 - Paper claims must be submitted by March 31



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Flexible Spending Account (FSA)

- Remind employees
 - They can enroll in the FSA and DCAP online during open enrollment
 - Fast and easy
 - No lost forms or missed faxes
 - They cannot enroll in an FSA if
 - They or their spouse are enrolled in a CDHP, or
 - They change their plan to a CDHP for 2013

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Life and LTD

- No benefit or premium changes for:
 - Life Insurance
 - Long-Term Disability Insurance



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The Affordable Care Act Health Care Reform

Affordable Care Act

- Affordable Care Act requirements PEBB has in place
 - Pre-existing conditions exclusion
 - Eliminate lifetime limits on coverage
 - Ability to seek emergency care outside of the plan network
 - Preventive care at no cost to the patient
 - Guaranteed right to appeal
 - Dependents eligible for coverage up to age 26
 - Limits on rescissions of coverage

Affordable Care Act

- Affordable Care Act requirements PEBB is implementing now
 - 85% of all large group plan premiums must fund provision/improvement of healthcare
 - Employers must report the cost of healthcare on the W-2 for 2012
 - FSA maximum contribution reduced to \$2,500
 - Plans must provide a Summary of Benefits (SBC)

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Summary of Benefits and Coverage

- In 2013 the Affordable Care Act requires plans provide a
 - Standardized comparison tool of
 - Medical plan benefits
 - Terms and Conditions
 - The tool is called a Summary of Benefits and Coverage or SBC

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Summary of Benefits and Coverage

- The SBC will include things like:
 - Deductibles and out-of-pocket limits
 - Services the plan does and doesn't cover
 - When a referral to a specialist is needed
 - Coverage examples
- Each plan will create an SBC

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Summary of Benefits and Coverage

- The SBC will not replace the
 - PEBB plan comparison
 - Plan's summary of benefits, or
 - Plan's certificate of coverage
- The SBC will be available:
 - On each of the plan's websites, and
 - Through the plan's customer service by request

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Affordable Care Act

- Affordable Care Act requirements in the future
 - Create a Health Care Exchange for small employers and individuals
 - "Individual Mandate" – All individuals must purchase healthcare insurance
 - Employer's must provide affordable healthcare coverage to full-time employees
 - Provide funding to help low-income individuals afford health coverage
 - Automatic enrollment for certain large employers

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Reminders

Email Subscription

- Employees may sign-up
 - Through the “My Account” or “Change My Coverage” link on the PEBB website
 - Employees will receive links to information on the PEBB website for:
 - Premium changes
 - Newsletters
 - Information about their benefits



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W-2 Reporting

- 2012 W-2 Forms issued in January 2013 must contain
 - Employee contributions toward medical and dental insurance
 - Cost of employer-sponsored medical and dental care
 - HSA contributions from the employer and optional employee through payroll deduction
- Guidance is available on the pers/pay website Rates page (www.perspay.hca.wa.gov)

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Non-Tax Qualified Dependents

- Employees with dependents that are non-tax qualified (IRC Section 152) should
 - Submit the Declaration of Tax Status form each year, and
 - Anytime there is a change in the status of the dependent
- Guidance is available on the pers/pay website Rates page (www.perspay.hca.wa.gov)

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Resources

Agency Resources

- Pers/Pay *(agency use only)*
 - Outreach and Training: **1-800-700-1555**
 - Website: www.perspay.hca.wa.gov
 - FUZE

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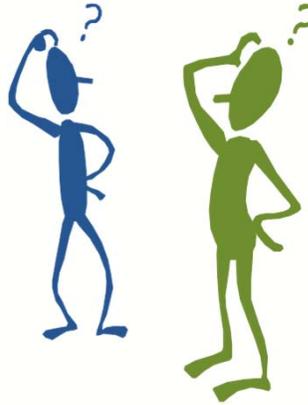
Employee and Agency Resources

- PEBB *(agency and employee use)*
 - Customer Service: **1-800-200-1004**
(retirees, COBRA, self-pay, and eligibility calls to carrier)
 - Website: www.pebb.hca.wa.gov
 - ASIFlex (FSA and DCAP): www.asiflex.com/pebb
 - Health Equity (HSA)
 - Website: www.healthequity.com/pebb
 - Customer Service: 1-877-873-8823

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Thank You

- Questions



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