

# Open Enrollment 2010

PEBB Outreach and Training  
PPA Meeting  
September 29, 2009

## Agenda

- Open Enrollment Information
- Rule Changes
- Benefits Changes
- Life Insurance
- UMP Contract Changes
- Dependent Verification
- Resources
- Questions



## Open Enrollment

- Annual Open Enrollment
  - **October 26** through **November 30**
  - Changes are effective January 1, 2010
- Employees may:
  - Reinstate previously waived coverage without proof of loss
  - Add eligible dependents without proof of loss
  - Remove dependents
  - Change medical and/or dental plans
  - Change premium deduction to pre or post tax (*IRC Section 125*)
  - Enroll/Re-enroll in FSA/DCAP
    - Employees must enroll every year

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## Employee Communications

- Newsletter will be mailed October 7:
  - "For Your Benefit" newsletter will include:
    - Plan Comparisons
    - 2010 Rates
    - Dependent verification reminder
  - Will be sent to mailing/home address listed in HCA's insurance system as of **September 17**
  - New employee enrollments after September 18 will not receive the newsletter
    - Newsletter will be available on the PEBB website
- Employees will not receive a reminder OE postcard

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## Benefits Fairs

- Benefits Fair Posters
  - Available to agencies on **October 7**
  - Download/Print from Pers/Pay website
- Benefits Fair Schedule
  - Will be available on PEBB and Pers/Pay websites on **October 7**
  - Benefits Fairs **October 27 – November 18**
- Open Enrollment Video
  - Will be available on PEBB website
  - Agencies may request copies through FUZE or by calling 1-800-700-1555

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## 2010 Materials

- Forms
  - Available on websites for download on **October 26**
    - For Employees: [www.pebb.hca.wa.gov](http://www.pebb.hca.wa.gov)
    - For Agency use only: [www.perspay.hca.wa.gov](http://www.perspay.hca.wa.gov)
  - Available to order from warehouse on **November 16<sup>th</sup>**
    - May get a message that some items are backordered – you will receive the order when the warehouse has the materials
- New Employee Kit
  - Will be available in November
  - May pre-order beginning **November 16<sup>th</sup>**
    - May get a message that some items are backordered – you will receive the order when the warehouse has the materials

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## Insurance System

- Open enrollment keying dates:
  - K-12 School Districts and ESD's – **October 26**
  - Higher Education and Employer Groups – **October 28**
  - State Agencies – **November 2**
- Remember to use the correct enrollment or termination codes when keying
  - The reason code chart is available on the Quick Reference Guide page of the Pers/Pay website: [www.perspay.hca.wa.gov](http://www.perspay.hca.wa.gov)

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## Online Enrollment

- Available from: **October 26** through **November 30**
- Employees may:
  - Change medical and/or dental plans
  - Waive or reinstate medical coverage for themselves
  - Remove dependents from coverage
  - Enroll medical and/or dental coverage for eligible dependents
- Cannot use online enrollment to:
  - Add a dependent who has never been enrolled in PEBB coverage

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## Online Enrollment

- Changes are submitted to PAY1 daily
- Change shared daily with each state agency through the Daily Tran Log (D2025)

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REPORT NO: 2025 DEPT. OF PERSONNEL..DATE: 11/01/09

ON-LINE PERSONNEL/PAYROLL TRANSACTION LOG TIME: 19:02 AGY PAGE 1
AGY/SUB: 095 .....APPOINTMENT CHANGES

DOE, JOHN INSURANCE 999 99 9999 DATA UPDATED 11/01/2009 AT 13:34
BY 999 99 9999 095 USING WEB

PHYS CLINIC ID : OE1234 NEW HLTH CARRIER: CV
NEW HLTH EFF DAT: 00/0000
01/2010
    
```

- A file with a list of employees who made online changes will be shared with all other employers

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## Online Enrollment

- A.44 screen example:

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***** A.44 - HEALTH AND DENTAL COVERAGE ***** MAPA441

SOCIAL SECURITY NUMBER: 999 99 9999 NAME : DOE, JOHN M
ELIGIBILITY TYPE : Y EMPLOYER CONTRIBUTION : 561.00
----- HEALTH INSURANCE -----
SUBSCRIBER ENROLLED: Y HEALTH CHANGE DATE :
HEALTH ENR REASON :
HEALTH CARRIER : U UNIFORM ME PHYSICIAN CLINIC ID : OE1234 Y
HEALTH MEDICARE A : N HEALTH MEDICARE B : N
HEALTH EFF DATE : 01 01 2006 HEALTH END DATE :
PREMIUM EFF DATE : 01 01 2007 PREMIUM - EMPLOYEE : 26.00
NEW HEALTH CARRIER : CV GROUP HEAL W NEW CARRIER EFF DATE: 01/2010
PENDING ENROLLMENT : PENDING EFF DATE :
----- DENTAL INSURANCE -----
SUBSCRIBER ENROLLED: Y DENTAL CHANGE DATE :
DENTAL ENR REASON :
DENTAL CARRIER : 1 UNIFORM DE DENTAL CLINIC ID :
DENTAL EFF DATE : 08 19 1991 DENTAL END DATE :
PREMIUM EFF DATE : 01 01 2009 PREMIUM - EMPLOYEE : 0.00
NEW DENTAL CARRIER : NEW CARRIER EFF DATE:
PENDING ENROLLMENT : PENDING EFF DATE :
NEXT FUNCTION: A 45 TYPE: I SSA: 999 99 9999 AGY: 107 SUB: PAY ACTION:
INQUIRY ONLY ENTER-NXT, PF1-HELP, PF2-RETURN, PF3-SYSTEM, PF9-HISTORY
    
```

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## Statement of Insurance

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- Statement of Insurance:
  - Will be suppressed **November 1** through **January 31**
  - Will begin generating again on **February 1, 2010**
  - Employees will receive their Statement of Insurance in February
    - A Statement of Insurance is sent anytime there is a change, including premium changes

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Rule Changes

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## Rule Changes

- WAC revisions will be:
  - Available for Public Comment – **September 23 – October 27**
  - Final filing date – **November 4**
  - Rules available on WA State Legislature website – **Mid-December**  
<http://apps.leg.wa.gov/WAC/default.aspx?cite=182>
  - Rules effective – **January 1, 2010**

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## Rule Changes

- Employee Eligibility
  - WAC is being revised to clarify eligibility rules
  - RCW 41.05.008 has been updated to reflect HB2245
- Dependent Coverage
- Domestic Partners
- Michelle's Law
- Newborns and Newly Adopted Children

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## Employee Eligibility

- Past PEBB support of employers included:
  - Help in understanding the eligibility laws and rules
  - Requiring employers to “interpret” the law
- New approach to support accurate eligibility decisions:
  - Guide agencies through eligibility decisions by creating on-line Tools and Worksheets
  - Expect employers to:
    - Use our worksheets (or criteria) when making eligibility decisions
    - Maintain the worksheets (hardcopy or electronically) as a record of the decision process

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## Employee Eligibility

- We anticipate that these worksheets will:
  - Be in use beginning January 1, 2010
  - Minimize the need for agencies to be experts on or interpret the law and rule
  - Act as a source document for entering eligibility decisions into the insurance system
  - Act as a source document for any reviews within your agency as well as reviews by PEBB, as required by law
  - Shift our training from understanding the law to use of the tools to make accurate eligibility decisions

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## Employee Eligibility

- The worksheets have the following advantages:
  - Changes may be made at PEBB if there is a change in the law, rule, or policy
  - Any changes are then automatically incorporated into your eligibility decision
  - Worksheets will be available 24/7 on the Pers/Pay website
  - Criteria within the worksheet may be incorporated into your current systems and processes, if you desire
  - Employee access to information facilitating greater ownership of their benefits and eligibility status

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## Worksheets

- Worksheet layout includes all criteria for eligibility from the law and WAC
  - Calculates Due Dates
  - Identifies consequences if employee fails to return the forms on time

**DRAFT**  
Worksheet A - This worksheet is for Newly Hired Statutory and Hourly employees.

Employee Name \_\_\_\_\_ Employee ID \_\_\_\_\_

Requirements for Eligibility		Decision	
		Yes	No
Indicate employee will:			
a. Work an average of at least 80 hours per month, and (When calculating hours exclude the following: <ul style="list-style-type: none"> <li>- Standby hours</li> <li>- Temporary increase in work hours caused by training or emergency hours that have not been or are not anticipated to be part of the employee's regular work schedule.)</li> </ul>		<input type="checkbox"/>	<input type="checkbox"/>
b. Work at least 8 hours in each month, and		<input type="checkbox"/>	<input type="checkbox"/>
c. For more than six (6) consecutive months		<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> If answered "Yes" to all requirements, employee is benefits eligible. Continue with worksheet. <input type="checkbox"/> If answered "No" to any of the requirements, employee is not benefits eligible at this time. Go to end of worksheet. Monitor the employee regularly for changes in eligibility.			
Choose the date from the calendar or enter the date of hire in the Date of Eligibility field. Choose "Yes". The Due Date field will automatically populate with the correct date. Enter the date coverage begins.			
1. Initial Date of Eligibility:	Date of Eligibility		
Employee is benefits eligible on the date of hire, enter the hire date:			
2. Employee Enrollment Kit:			
Give the employee the Employee Enrollment Kit as soon as the employee is benefits eligible.			
The Employee Enrollment Kit includes:			
<ul style="list-style-type: none"> <li>- Employee Enrollment Guide with forms</li> <li>- Long-Term Disability booklet with forms</li> <li>- Life Insurance booklet with forms</li> <li>- Flexible Spending Account (FSA) brochure (state agencies and higher education only)</li> </ul>		<ul style="list-style-type: none"> <li>- Department Case Assistance Program (DCAP) brochure (state agencies and higher education only)</li> <li>- Long-Term Care RFR</li> <li>- Auto-Home Insurance brochure</li> </ul>	
3. Form Submission Dates:			
Employee Enrollment/Change form is due within 31 days of eligibility date	Due Date		
Life Insurance Enrollment form is due within 60 days of eligibility date			
Long-Term Disability Enrollment/Change form is due within 31 days of eligibility date			
FSA and DCAP Enrollment form is due to ADPlex within 31 days of eligibility date			
Long-Term Care application is due to John Hancock anytime. If apply within 31 days, proof of good health may not be required.			
May apply to Liberty Mutual for Auto/Home insurance at anytime.			
*If the employee does not return the forms by the deadline, except the employee only (i.e. no dependents) at the Uniform Medical Plan, Uniform Dental Plan, Basic LTD, and Basic Life.			
4. Coverage Begins:	Effective Date		
The first day of the month following the day the employee becomes eligible. If the employee becomes eligible on the first working day of the month, coverage begins that day.			

Continued on page 2... 1

## Tracking and Reporting

- New Oversight Responsibility for PEBB
  - Establish a process to assure that benefit eligibility determinations made by employers comply with the law
    - Anticipate implementation in early 2010
  - Two aspects of PEBB responsibility
    - Establish a process and assure employers use the process
    - Review individual benefit eligibility decisions made by employers
  - Goal – help you identify errors and correct them

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## Tracking and Reporting

- Responsibility of Employers
  - Gather data defined by PEBB on employees to identify possible benefit eligibility determination errors
    - Anticipate this self-review process will begin January 1, 2010
  - Report possible errors to PEBB on a quarterly basis
    - Identify errors confirmed and corrected by employer
  - Provide additional information requested by PEBB to determine if an error has occurred.
  - The above is:
    - Required of State Agencies and Higher Education Institutions
    - For employer groups and K-12s participation is defined by the contract with PEBB

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## Dependent Coverage

- Beginning January 1, 2010
  - Eligible dependents will no longer be required to have other comprehensive group coverage when removed from PEBB benefits
- The following have not changed:
  - Subscribers enrolling eligible dependents during a special open enrollment must provide proof of loss of other comprehensive group coverage
  - Subscribers enrolling eligible dependents during annual open enrollment are not required to provide proof of loss of other comprehensive group coverage

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## Domestic Partners

- Beginning January 1, 2010
  - Subscriber's may enroll opposite-sex domestic partners
    - At least one of the partners must be 62 years of age or older
    - Partnership must be registered with WA Secretary of State
  - Subscriber's enrolling a same-sex domestic partner
    - Partnership must be registered with WA Secretary of State
    - Does not affect domestic partners already enrolled
  - To enroll a domestic partner
    - Complete an Enrollment/Change form (attestation will be included on the form)
    - Submit a *Declaration of Tax Status* form

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## Insurance System Changes

- Changes to the insurance system on **October 24<sup>th</sup>**:
  - To support the implementation of the legislation that expands dependent eligibility to include age 62 and older opposite-sex domestic partners
  - The A.41 Subscriber Data and A.42 Display Dependents screens will have cosmetic changes
  - The A.43 Dependents Data screen will have cosmetic changes, as well as, functionality changes
    - Adding a spouse or domestic partner on the A.43 screen will require an "M" for Marriage or a "P" for Partner in the Qualify Reason code field
    - There will be no distinction between same-sex and opposite-sex domestic partners

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## Insurance System Changes

- A.43 Dependent Data screen changes

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***** A.43 - DEPENDENTS DATA ***** MAPA431
SUBSCR SOC SEC :                               SUBSCR NAME :
----- DEPENDENT DATA -----
DEPEND SOC SEC :                               DEPEND NAME :
GENDER          :                               RELATIONSHIP :
MEDICARE - A    :                               BIRTHDATE   :
MEDICARE - B    :                               QUAL REASON  : M
CERTIFICATION IND:                             CERT EFF DATE:
----- CURRENT ----- PENDING -
ENR  EFF DATE  PREM DATE  REASON  ENR  EFF DATE
HEALTH:
DENTAL:
PHYS/CLINIC :                               DENTAL/CLINIC :
ADDRESS (IF DIFFERENT FROM SUBSCRIBER):
ADDR LINE 1 :
ADDR LINE 2 :
ADDR LINE 3 :
CITY        :                               STATE :           ZIP :
NEW DEPEND SSA :
NEXT FUNCTION: A 43 TYPE: I SUBSCR SSA:       DEPEND SSA:
  
```

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## Insurance System Changes

- Agencies will continue to key an "M" for Marriage or an "S" for Single on the A.41 screen
  - The display next to the Marital Status field will now read (S = Single, M = Married/Partnership)
- On October 23<sup>rd</sup> HCA will update all current records in the insurance system to include the "M" or the "P" on the A.43 screen

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## Michelle's Law

- If a student enrolled in PEBB coverage:
  - Becomes seriously ill or injured, and
  - Requires a medically necessary leave of absence from attending school
- PEBB coverage may continue if the leave of absence qualifies under and is in accordance with the federal Michelle's Law (*Public Law 110-381*)
  - Michelle's Law allows a seriously ill or injured college student to take up to one year of medical leave without losing health insurance

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## Newborns

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- Newborns and Newly Adopted Children
  - First child (*change to premium*)
    - Employee must submit an enrollment form no later than **12 months** after the date of birth or date legal obligation for total or partial support is assumed
  - Subsequent child (*no change to premium*)
    - Employee should submit an enrollment form as soon as possible to ensure timely payment of claims
  - In either case, if employee wishes to add their spouse or make a plan change
    - The enrollment form must be submitted no later than **60 days** after the date of birth or the date legal obligation for total or partial support is assumed

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## Benefit Changes

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## Premium Changes

- Medical Premiums
  - About half the plans have an increase in premiums for 2010
  - The other plans either decrease or stay about the same

Plan	EMPLOYEE CONTRIBUTION							
	Subscriber		Sub & Spouse*		Sub & Child(ren)		Full Family	
	2009	2010	2009	2010	2009	2010	2009	2010
Aetna	\$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 Classic	76	72	162	154	133	126	219	208
Kaiser Value	33	42	76	94	58	74	101	126
Uniform Medical Plan	26	41	62	92	46	72	82	123

\*or domestic partner

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## Revised Cost Sharing

- All medical plans will cover the same benefits, but
- Some benefits will have higher costs at point-of-service
- All plans increased:
  - **Annual Deductible**
    - Will increase for plans that had a deductible in 2009
    - Will be added to plans that didn't have a deductible in 2009 (except Kaiser Classic)
  - **Out-of-Pocket Maximum**
    - All plans will increase their out-of-pocket maximums
  - **Copayment and Coinsurance**
    - All plans will increase the copayment or coinsurance for office visits
    - All plans, except UMP, will increase the copayment or coinsurance for prescription drugs

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## Certificates of Coverage

- Plan Certificates of Coverage
  - Will be available for download in December on the:
    - Plan websites
    - Pers/Pay and PEBB websites
  - No hard copies are being sent to agencies
  - May request hard copies from plans
    - We will share how and when to request as soon as we have the information via ListServ

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## Service Area Changes

- DeltaCare – new clinics in:
  - Aberdeen, Covington, Des Moines, Gig Harbor, Lake Stevens, Maple Valley, Marysville, Mercer Island, Mount Vernon, Poulsbo, Silverdale, Snohomish, Spokane Valley, Stanwood, Tumwater, and in Oregon, Clackamas
  - This list includes new clinics since the last open enrollment, many are already open and operating
  - Some clinics that were not accepting new patients last year have expanded and are now available

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## PEBB Specific Plan Website

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- Plan website:
  - New PEBB specific website for Aetna Public Employee Plan members: [www.aetnahca.com](http://www.aetnahca.com)
  - New website will be available **October 1**

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Life Insurance

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## Life Insurance

- Retiree Rehires
  - Must continue their Retiree Life Insurance when they return to work if they want to continue life insurance after they retire again
    - Agencies are responsible for collecting the retiree life insurance premium
- New for 2010
  - Employees separating from employment, retiring, or losing benefits due to a reduction in hours will have two choices:
    - **Portability**
    - Conversion

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## Portability

- Portability is:
  - Included in the 2010 Continuation of Coverage packet
  - Term life rates are based on age
  - Rates increase as the employee enters a new age group
- Employees must:
  - Apply for Portability coverage within 31 days of their last day of eligibility
  - Answer three health related questions
  - Carrier approval is required

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## Portability

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- Employees may:
  - Elect all or a percentage of their Basic, Optional, and Supplemental coverage in effect at the time employment ends
    - Percentages include: 25%, 50%, 75%, or 100%
    - Not to exceed 5 times their base annual salary
  - Include any spouse and child coverage, as long as, the employee has elected Portability Coverage
    - Spouse and dependent coverage may not exceed 50% of the employees election amount for portability
- Employers must:
  - Complete the top section of the Group Life Portability Application
    - An agency representative must sign and date the form and include a contact phone number

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## UMP Contract Changes

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## UMP Contract Changes

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- UMP will use an interim third-party administrator for calendar year 2010
  - The previously announced Aetna award will not be implemented for 2010
  - We are negotiating a one-year contract with a vendor with the capacity to maintain UMP's high level of service for members
    - We do not anticipate significant changes to UMP for 2010
    - UMP network provider's are being notified of the change

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## Dependent Verification

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## Dependent Verification

- Eligibility is being verified for dependent's of all active employees
- Letters have gone out to all subscribers with dependents on their account
- Members should send **copies** of the documents used for proof, not originals (*e.g., a copy of a 2008 Federal Tax Return*)
  - Any financial information may be blacked out by the member
  - Information is private, as per the law
  - Hard copies will be shredded by HCA after 60 days

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## Dependent Verification

- Members are asked to provide proof their dependent is eligible for PEBB benefits
  - This includes dependents listed on their account and enrolled in medical and/or dental (spouse, domestic partner, children, students)
    - Proof of dependent's eligibility as a student is not required for this verification. That is done through the student certification process
  - Members will not be asked to verify extended dependents or dependents with disabilities. That is done through the certification process

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## Dependent Verification

- Some tips that may help you answer your employee's questions:
  - The form included with the letter should only be filled out if the employee wants to cancel a dependent's benefits
  - If possible, all dependent verification/cancellation information should be returned to HCA in the envelope provided
  - The employee should include their social security number on the top of the verification documents.
    - If the employee does not want to use their entire social security number, they may include the last four digits
  - The employee should black out financial information on the IRS forms or bank statements they submit

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## Dependent Verification

- Resources for obtaining documentation:
  - 2008 Tax Return Transcript
    - Call IRS – 1-800-829-1040, press 0
    - <http://tinyurl.com/2zv8l>
  - Birth or Marriage Certificate
    - Order online at – [www.vitalchek.com](http://www.vitalchek.com)
    - In WA state – [www.doh.wa.gov/EHSPHL/CHS/Cert.htm](http://www.doh.wa.gov/EHSPHL/CHS/Cert.htm)
    - Foreign Country – [www.cdc.gov/nchs/w2w/foreign.htm](http://www.cdc.gov/nchs/w2w/foreign.htm)
  - Register a Domestic Partnership
    - [www.secstate.wa.gov/corps/domesticpartnerships](http://www.secstate.wa.gov/corps/domesticpartnerships)

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## Dependent Verification

- Agencies are asked to help by:
  - Forwarding any verifications received from employees to PEBB
    - Mail Stop 42685
    - Mailing Address:  
Washington State Health Care Authority  
Public Employees Benefits Board  
PO Box 42685  
Olympia, WA 98504-2685
  - Distributing and supporting messages to employees
  - Reaching out to employees who have not responded (*later*)
  - Please forward questions to HCA PEBB Dependent Verification at [pebbdv@hca.wa.gov](mailto:pebbdv@hca.wa.gov)

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## Resources

- PEBB Outreach and Training: **1-800-700-1555**  
(*agency use only*)
- PEBB Customer Service: **1-800-200-1004**  
(*for retiree, COBRA, self-pay, eligibility calls to carrier use only*)
- Pers/Pay website: [www.perspay.hca.wa.gov](http://www.perspay.hca.wa.gov)  
(*agency use only*)
- PEBB website: [www.pebb.hca.wa.gov](http://www.pebb.hca.wa.gov)
- ASIFlex website: [www.asiflex.com/pebb](http://www.asiflex.com/pebb)

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## Closing

- Thank you
- Questions and Answers

