

WSU Presentation: PEBB Retiree Portfolio Open Enrollment

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Agenda

- ▶ Medicare and Public Employee Benefits Board (PEBB)
- ▶ PEBB Medicare Plan Types
- ▶ Medicare Part D coverage
- ▶ 2027 Medical Plan Changes
- ▶ 2027 PEBB Retiree Premiums
- ▶ 2027 Non-Medicare PEBB Retiree Plans
- ▶ Split Accounts
- ▶ Why choose PEBB?
- ▶ Open enrollment for 2027 changes
- ▶ Q & A

Medicare and PEBB

- ▶ When eligible, you must be enrolled in Medicare Part A and Medicare Part B to enroll in a PEBB Medicare plan
- ▶ HCA offers different Medicare plan types – each works differently with Medicare
- ▶ You pay your Part B premium directly to Medicare; it is **in addition** to what you pay for HCA plan premiums
- ▶ Medicare premiums and deductibles are set by CMS in October (In 2026, Medicare Part B premium \$202.90 and deductible \$283)
- ▶ Some members may be subject to Income-Related Monthly Adjustment Amount (IRMAA)

Medicare Income-Related Monthly Adjustment Amount (IRMAA)

- ▶ IRMAA is an additional monthly surcharge some Medicare beneficiaries must pay on top of the standard Medicare premiums
- ▶ IRMAA is determined by the Social Security Administration based on IRS tax returns of the two previous years.
- ▶ IRMAA is applied to the premium cost you pay Medicare for Part B and Part D
- ▶ PEBB does not have access to IRMAA data and cannot receive or adjust amounts owed to Medicare
- ▶ Questions, concerns, or appeals regarding IRMAA must be directed to Medicare

PEBB Medicare Plan Types

- ▶ Coordination of Benefits (COB)
 - ▶ Traditional Medicare (Fee for Service) pays primary on medical claims for Medicare covered services
 - ▶ COB savings bank can offset out-of-pocket amounts paid on Medicare covered services
- ▶ Medicare Advantage
 - ▶ Employer group waiver plans (not commercial plans)
 - ▶ Can be HMO or PPO
 - ▶ Include Part D prescription drug coverage
- ▶ Medicare Supplement
 - ▶ Designed to cover copays for Medicare covered services
 - ▶ Does not cover anything that Medicare does not
 - ▶ Offers **no drug coverage** (must purchase Part D plan from the commercial market)

PEBB Plans by Type

- ▶ Coordination of Benefits
 - ▶ UMP Classic Medicare with Part D (PDP)
- ▶ Medicare Advantage
 - ▶ KPNW Senior Advantage with Part D
 - ▶ KPWA Medicare Advantage with Part D
 - ▶ UHC PEBB Complete (MAPD)
 - ▶ UHC PEBB Balance (MAPD)
- ▶ Medicare Supplement
 - ▶ Premiera Plan F (closed for new enrollment)
 - ▶ Premiera Plan G

Differences in How Plans Work

- ▶ Coordination of Benefits (UMP Classic with Part D) –
 - ▶ Acts as full secondary insurance to Medicare
 - ▶ Includes Part D pharmacy coverage
 - ▶ Provides nation-wide coverage
 - ▶ Covers non-emergencies internationally
 - ▶ Members must reside within US or territories
- ▶ Kaiser Medicare Advantage Plans –
 - ▶ All Kaiser plans are Group HMO plans
 - ▶ Plan are regional (must reside within specific service area)
 - ▶ Closed network (limited exceptions for out-of-network services)
 - ▶ Includes Part D pharmacy coverage

Differences (continued)

- ▶ UnitedHealthcare Medicare Advantage Plans–
 - ▶ Group Medicare Advantage PPO plans
 - ▶ Can see any provider who accepts Medicare and takes the plan
 - ▶ No difference in member copay between in-network and out-of-network if OON provider is willing to bill
 - ▶ Includes Part D pharmacy coverage
 - ▶ Members must reside within US or territories
 - ▶ Nationwide coverage
 - ▶ Covers non-emergencies internationally

Differences (continued)

- ▶ Premera Medicare Supplement Plans –
 - ▶ Premera Plan F closed for new enrollment (as of 1/1/2020)
 - ▶ Premera Plan G open for enrollment
 - ▶ Designed to cover the 20% copay that Medicare does not cover
 - ▶ Medicare Part B Deductible paid by member
 - ▶ Nationwide (covers emergency only internationally)
 - ▶ Members must reside within US or territories
 - ▶ No drug coverage; members must obtain a standalone Part D plan from the individual market
 - ▶ Premera has discounts for gym membership, hearing aids and more

Summary Benefit Comparisons

	Coordination of Benefits	Medicare Advantage with Part D		Medicare Supplement
Plan Options	UMP Classic Medicare with Part D (PDP)	Kaiser Senior Advantage; Kaiser WA Medicare Advantage (HMO)	United PEBB Balance; United PEBB Complete (PPO)	Premera Plan G
Nationwide Coverage	Yes	No	Yes	Yes
Medical Deductible?	Yes	No	No	Yes
Pharmacy Deductible?	Yes	No	Yes	N/A
Hearing Aids, Glasses/Contacts, Massage Therapy	Yes	Yes	Yes	No
Gym Membership	No	Yes	Yes	No
Drug Coverage	Yes	Yes	Yes	No

Medicare Part D Coverage

Medicare Part D Overview

- ▶ All PEBB Medicare retiree plans (except for Plan F&G) have Medicare Part D coverage for pharmacy benefit
- ▶ People who live outside the US or US territories are not eligible for Part D coverage
- ▶ Cannot use manufacturer coupons with Part D plans

PEBB Part D

- ▶ Mail order drugs
 - ▶ 90-day supply for 2x copay of 30-day supply
 - ▶ Exception: Specialty drugs are limited to 30-day supply
- ▶ True Out-of-Pocket (TrOOP) Maximum
 - ▶ Member will not pay more than \$2,400 in 2027 for covered prescription drugs
- ▶ Low Income Subsidy (LIS, LIPS or Extra Help) may be available; members should contact Social Security directly

2027 Medical Plan Changes

Kaiser Permanente NW

- ▶ **Mail orders for Medicare members** allow up to 100-day supply of maintenance medications at in-network pharmacies.
- ▶ **Non-emergency medical transportation** by wheelchair and gurney vans will be available at \$0 copay (with prior authorization) to specific locations such as a hospital, skilled nursing facility, or hospital home. Consumer-Directed Health Plan (CDHP) members must first meet the deductible.

Kaiser Permanente WA

- ▶ **Mail orders for Medicare members** will allow up to 100-day supply of maintenance medications at in-network pharmacies.
- ▶ **Transportation services for Medicare members** will increase to ten round trips per calendar year to get members to and from a network provider when provided by a designated transportation provider.
- ▶ **Non-emergency medical transportation** by wheelchair and gurney vans will be available at \$0 copay (with prior authorization) to specific locations such as a hospital, skilled nursing facility, or hospital home. CDHP members must first meet the deductible.
- ▶ **Provider network name change for non-Medicare:** Classic, CDHP, and Value plans will use the SoundChoice network. There will be no changes to providers due to the name change. Members will receive a new ID card.
- ▶ **Post-mastectomy bras for non-Medicare members** will no longer be limited to two every six months.
- ▶ **Urine drug screening for non-Medicare members** is subject to member cost-sharing.

Uniform Medical Plan

- ▶ **Centers of Excellence program for non-Medicare members** for total joint replacement and spine surgery ends December 31, 2026.

UnitedHealthcare Balance and Complete

2027 PEBB Medicare Retiree Premiums

2027 Medicare Single Subscriber Monthly Premiums

Plan	Monthly Premiums
Kaiser NW Senior Advantage with Part D	\$175.13
Kaiser WA Medicare Advantage with Part D	\$221.88
Premiera Plan G (eligible by age)	\$143.42
UMP Classic Medicare with Part D (PDP)	\$396.02
UnitedHealthcare PEBB Balance (MAPD)	\$279.61
UnitedHealthcare PEBB Complete (MAPD)	\$342.87

Premium after Medicare Explicit Subsidy (\$183 or 50% of premium, whichever is less) applied. Includes administrative fee of \$6.44 for 2027.

2027 Retiree Dental Premiums

- ▶ Applies whether Medicare eligible or not
- ▶ Delta Care (managed care plan) - \$46.48
- ▶ Willamette (managed care plan) - \$59.84
- ▶ Uniform Dental Plan - \$55.01

2027 Non-Medicare PEBB Retiree Plans

Non-Medicare Retiree Options

- ▶ All retirees are in PEBB regardless of Medicare eligibility
- ▶ Non-Medicare plan options are the same as those available to *Active* PEBB employees
 - ▶ School Employee Benefits Board (SEBB) Premera plans not available
- ▶ Vision plans in PEBB for non-Medicare eligible members
 - ▶ Optional for retirees (just like dental)
 - ▶ Must enroll in PEBB retiree medical to enroll in Vision

Vision Plans

- ▶ Routine vision coverage is carved out of medical coverage
 - ▶ Davis Vision
 - ▶ EyeMed
 - ▶ MetLife Vision
- ▶ These plans are **not** available for **Medicare retirees**
 - ▶ Routine vision is included in Medicare medical plan coverage with exception of Premera Plans F & G
- ▶ Vision coverage for medical conditions (e.g., eye diseases, glaucoma or cataracts) will remain under medical plan coverage

Vision Benefits

- ▶ Hardware benefit will reset in **odd** years (beginning in January 2025)
- ▶ Core benefits are the same across all 3 plans
- ▶ Specific plan benefits will be available on HCA website (www.hca.wa.gov)

2027 Non-Medicare Retiree Standalone Vision Premiums

- ▶ Davis Vision - \$5.02
- ▶ EyeMed - \$6.57
- ▶ MetLife Vision - \$8.30
- ▶ NOTE: Medicare plans *already include* vision coverage

2027 Non-Medicare Retiree Premiums

Plan	Monthly Premium
Kaiser Permanente NW Classic	\$1,000.95
Kaiser Permanente NW CDHP	\$905.46
Kaiser Permanente WA Classic	\$1,000.95
Kaiser Permanente WA CDHP	\$905.46
Kaiser Permanente WA SoundChoice	\$1,001.93
Kaiser Permanente WA Value	\$997.94
UMP Classic	\$995.52
UMP CDHP	\$911.75
UMP Select	\$932.72

Why does non-Medicare coverage cost more?

- ▶ As a retiree you no longer have access to the Employer Contribution (which is how the Legislature has funded reductions in premiums for employees)
- ▶ You don't have access to the Medicare Explicit Subsidy, which is also funded by the Legislature
- ▶ As appropriate, tobacco use and spousal surcharges are applied
- ▶ Alternatives
 - ▶ Defer PEBB coverage
 - ▶ Other employer plans available?
 - ▶ Health Benefit Exchange (HBE)
 - ▶ COBRA

Split Accounts

Split Accounts

- ▶ Describes an account where one person is enrolled in Medicare and the other(s) are not
- ▶ Premium rate is a combination of Medicare and non-Medicare coverage
- ▶ Some internal restrictions are in place which determine the corresponding non-Medicare plan available when accounts are split

Why Choose PEBB?

Why choose PEBB?

- ▶ PEBB is an employer group (like a union)
- ▶ PEBB consolidates the market basket to drive negotiations for the best possible plans
- ▶ Part D in PEBB plans usually have better benefits
 - ▶ Lower copays
 - ▶ More drugs on formulary
 - ▶ Over-the-counter products
- ▶ PEBB can advocate when escalation is needed

Why choose PEBB? (cont.)

- ▶ You can change your Medicare plan every year during Open Enrollment
 - ▶ No restrictions on switching PEBB plans during Open Enrollment
 - ▶ No medical exams
 - ▶ No added fees for health condition
- ▶ PEBB Medicare plans are richer and provide lower costs overall than anything on the commercial market
 - ▶ \$0 premium plans have very high out-of-pocket limits and more restrictive drug formularies

PEBB Open Enrollment

2026 Open Enrollment

- ▶ PEBB Open Enrollment is October 26 to November 23
- ▶ Changes made go into effect 01/01/2027
- ▶ Forms must be **received** by HCA by November 23
- ▶ OE starts on **last** Monday in October
- ▶ OE ends on Monday **before** Thanksgiving

Making Changes

- ▶ Make changes online with Benefits 24/7
 - ▶ Option available 10/26
- ▶ Make changes by submitting forms via mail or fax
 - ▶ Submit Form A-OE
 - ▶ Additional forms may be needed depending on plan selection
 - ▶ Forms must be received in office by 11/23
- ▶ Don't want to change? No action needed!

Benefits Fairs

- ▶ Details regarding locations and daily schedule can be found on HCA Website and are also included in PEBB Retiree Newsletters
- ▶ Fourteen HCA hosted fairs across the state
- ▶ Four University of Washington hosted fairs around Seattle area
- ▶ Fairs are open to ALL (SEBB, PEBB, retirees)
- ▶ PEBB retiree presentations from HCA, UnitedHealthcare, Premiera Plan G, Regence UMP, Kaiser WA and Kaiser NW
- ▶ Virtual benefits fair has information about plans and is available 24/7

Resources

- ▶ HCA Website – www.hca.wa.gov
 - ▶ Virtual benefits fair
 - ▶ Retiree Open Enrollment page
 - ▶ Premiums

- ▶ PEBB Customer Service 1-800-200-1004
 - ▶ Monday-Friday 8am-4:30pm
 - ▶ Lobby Services 8am-4pm

- ▶ SHIBA 1-800-562-6900
 - ▶ Monday-Friday 8am-5pm
 - ▶ TDD: [360-586-0241](tel:360-586-0241)

Questions?

HCAPEBBMedicare@hca.wa.gov

Appendix

- ▶ PEBB Retiree website

- ▶ <https://www.hca.wa.gov/employee-retiree-benefits/retirees>

- ▶ PEBB Retiree Open Enrollment website

- ▶ <https://www.hca.wa.gov/employee-retiree-benefits/retiree-open-enrollment>

- ▶ 2027 PEBB Retiree Monthly Premiums

- ▶ <https://www.hca.wa.gov/assets/pebb/51-0275-retiree-monthly-premiums-2027.pdf>

- ▶ Benefits 24/7 Tool

- ▶ <https://benefits247.hca.wa.gov/auth>