

UW Presentation: PEBB Medicare Retiree Portfolio Open Enrollment 2025

Laura Ryan
Retiree Benefits Manager,
Employees and Retirees Benefits Division

Agenda

- ▶ Medicare and PEBB
- ▶ PEBB Medicare Plan Types
- ▶ Medicare Part D coverage
- ▶ 2026 Medical Plan Changes
- ▶ PEBB Retiree Premiums
- ▶ Split Accounts
- ▶ Why choose PEBB?
- ▶ Open enrollment
- ▶ 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 early October (In 2025, Medicare Part B premium \$185 and deductible \$257)
- ▶ 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

2025 Part B IRMAA Brackets

Your premium will change based on income as follows:

Your annual income		
Individuals	Couples	Your monthly premium in 2025
Equal to or below \$106,000	Equal to or below \$212,000	\$185
\$106,001 – \$133,000	\$212,001 – \$266,000	\$259
\$133,001 – \$167,000	\$266,001 – \$334,000	\$370
\$167,001 – \$200,000	\$334,001 – \$400,000	\$480.90
\$200,001 – \$499,999	\$400,001 – \$749,999	\$591.90
\$500,000 and above	\$750,000 and above	\$628.90

2025 Part D IRMAA Brackets

For 2025, your additional premium based on income is as follows:

Your annual income		
Individuals	Couples	What you pay in addition to your regular Part D premium
Equal to or below \$106,000	Equal to or below \$212,000	\$0
\$106,001 - \$133,000	\$212,001 - \$266,000	\$13.70
\$133,001 - \$167,000	\$266,001 - \$334,000	\$35.30
\$167,001 - \$200,000	\$334,001 - \$400,000	\$57
\$200,001 - \$499,999	\$400,001 - \$749,999	\$78.60
\$500,000 and above	\$750,000 and above	\$85.80

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 (MAPD)
- ▶ 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 enrollment)
 - ▶ Premiera Plan G

Differences in How Plans Work

- ▶ Coordination of Benefits (UMP Classic with Part D) –
 - ▶ acts as full secondary insurance to Medicare;
 - ▶ expensive, but very rich plan with lots of flexibility;
 - ▶ covers non-emergencies internationally
 - ▶ includes Part D pharmacy coverage
 - ▶ Permanent residence must be in US
- ▶ Kaiser Medicare Advantage Plans –
 - ▶ all Kaiser plans are HMO plans
 - ▶ regional (must be 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
 - ▶ reimbursement for Medicare covered services for which the provider did not bill United is limited to the Medicare-allowed amount (less the copay, if any)
 - ▶ reimbursement for non-Medicare services that are covered by the plan – 100% (less copay, if any)
 - ▶ includes Part D pharmacy coverage
 - ▶ Nationwide coverage
 - ▶ provides medical coverage for non-emergencies internationally and covered rx after international co-pay

Differences (continued)

- ▶ Premera Medicare Supplement Plans –
 - ▶ Premera Plan F closed for enrollment (as of 1/1/2020)
 - ▶ Premera Plan G open for enrollment
 - ▶ designed to cover the 20% copays that Medicare does not cover
 - ▶ Medicare Part B Deductible paid by member; currently \$257 for 2025; will be set by CMS late fall for 2026
 - ▶ nationwide (covers emergency only internationally)
 - ▶ no drug coverage; members must obtain a standalone Part D plan from the commercial 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

Some Benefits Comparisons



What you pay ↴	Original Medicare	Medicare Supplement	Medicare Advantage with Part D			
	Uniform Medical Plan	Premiera Blue Cross	Kaiser Permanente WA	Kaiser Permanente NW	UnitedHealthcare	
	UMP Classic Medicare with Part D (PDP)	Medicare Supplement Plan G	Medicare Advantage with Part D	Senior Advantage with Part D	PEBB Balance	PEBB Complete
Hospital care						
Inpatient	\$200 per day up to \$600 per admission	\$0	\$200 per day up to \$1,000 per admission†	\$500 per admission	\$500 per admission	\$0
Outpatient	15%		\$200	\$50	\$250	
Office visits						
Primary care	15%	\$0	\$15	\$25	\$15	\$0
Specialist			\$30	\$35	\$30	
Urgent care			\$15 (\$30#)		\$15	\$15
Preventive care	\$0		\$0	\$0	\$0	\$0
Telemedicine/ virtual care	Varies‡		\$0	\$0	Varies‡	

Some Benefits Comparisons (cont.)

What you pay ↘	Original Medicare	Medicare Supplement	Medicare Advantage with Part D			
	Uniform Medical Plan UMP Classic Medicare with Part D (PDP)	Premiera Blue Cross Medicare Supplement Plan G	Kaiser Permanente WA Medicare Advantage with Part D	Kaiser Permanente NW Senior Advantage with Part D	UnitedHealthcare	
					PEBB Balance	PEBB Complete

Hearing services

Hearing aids (per ear)	\$0 up to the allowed amount every 36 months‡	Not covered	\$0 up to \$3,000 every 36 months	\$0 up to \$3,000 every 36 months	\$0 up to \$3,000 every 3 years (limited to UnitedHealthcare Hearing Network)	
Routine annual hearing exam	\$0*		\$15 (\$30#)	\$35	\$0	

Vision care

Glasses and contact lenses	Any amount over \$200 every 2 years‡	Not covered	Any amount over \$300 every 24 months	Any amount over \$200 every 24 months	Any amount over \$300 every 24 months	
Routine annual eye exam	\$0‡		\$15‡	\$25	\$0	

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 \$2,100 in 2026 for covered prescription drugs
- ▶ Low Income Subsidy (LIS, LIPS or Extra Help) may be available; members should contact Social Security directly

Some Drug Benefit Comparisons



Plan	Deductible	Maximum Out-of-Pocket
UMP Classic Medicare with Part D (PDP)	\$100 Tiers 3, 4, or 5	\$2,100
Kaiser NW Senior Advantage with Part D	None	\$2,100
Kaiser WA Medicare Advantage with Part D	None	\$2,100
UnitedHealthcare PEBB Balance	\$100 Tiers 2, 3, or 4	\$2,100
UnitedHealthcare PEBB Complete	\$100 Tiers 2, 3, or 4	\$2,100

Drug Benefit Comparisons



Plan Name	Tier 1 Preferred generic	Tier 2 Generic	Tier 3 Preferred brand name	Tier 4 Non-preferred brand name	Tier 5 Specialty
UMP Classic with Part D	\$0	\$10	\$40	\$75	\$90
KP WA MAPD	\$20	\$20	\$40	\$100	\$250
KPNW Senior Advantage with Part D	\$20	\$20	\$40	\$100	\$200
UnitedHealthCare Balance and Complete	\$5	\$45	\$100	\$100	N/A

2026 Medical Plan Changes

Kaiser Permanente NW and Kaiser Permanente WA

- ▶ **Hearing aids for non-Medicare members** will no longer be capped at a specific dollar amount. Members must see an in-network provider to receive hearing aids or they will not be covered by the plan, and the member will have to pay for them out of pocket. Members use the hearing aid benefit every 36 months.
- ▶ **ClassPass Affinity for non-Medicare members** (access to discounted fitness and wellness perks) will no longer be offered after December 31, 2025

Uniform Medical Plan

- ▶ **Diagnostic and supplemental breast exams** are covered without member cost share, effective January 1, 2025.

For Non-Medicare Members:

- ▶ **UMP Plus–Puget Sound High Value Network (PSHVN) and UMP Plus–UW Medicine Accountable Care Network (ACN)** will no longer be offered. If you are enrolled in one of these plans, you must choose a new plan during open enrollment or you (and your enrolled dependents) will be automatically enrolled in UMP Classic.
- ▶ **Hearing aids** will no longer be capped at a specific dollar amount. Members can use the hearing aid benefit every 36 months.

UnitedHealthcare Balance and Complete

- ▶ **Personal Emergency Response System** benefit will no longer be covered after December 31, 2025. Members who use this service will have the option to convert to pay for it privately.

PEBB Retiree Premiums

2026 Medicare Single Subscriber Monthly Premiums

	Monthly Premiums
Kaiser NW Senior Advantage with Part D	\$174.44
Kaiser WA Medicare Advantage with Part D	\$220.61
Premiera Plan G (eligible by age)	\$122.42
UMP Classic Medicare with Part D (PDP)	\$337.67
UnitedHealthcare PEBB Balance (MAPD)	\$172.83
UnitedHealthcare PEBB Complete (MAPD)	\$220.18

Premium after Medicare Explicit Subsidy (\$183 or 50% of premium, whichever is less) applied. Includes administrative fee of \$5.75 for 2025.

2026 Medicare Subscriber and Spouse Monthly Premiums

	Monthly Premiums
Kaiser NW Senior Advantage with Part D	$\$174.44 \times 2 = \$348.88 - 5.75 = \textbf{\$343.13}$
Kaiser WA Medicare Advantage with Part D	$\$220.61 \times 2 = \$441.22 - 5.75 = \textbf{\$435.47}$
Premiera Plan G (eligible by age)	$\$122.42 \times 2 = \$244.84 - 5.75 = \textbf{\$239.09}$
UMP Classic Medicare with Part D (PDP)	$\$337.67 \times 2 = \$675.34 - 5.75 = \textbf{\$669.59}$
UnitedHealthcare PEBB Balance (MAPD)	$\$172.83 \times 2 = \$345.66 - 5.75 = \textbf{\$339.91}$
UnitedHealthcare PEBB Complete (MAPD)	$\$220.18 \times 2 = \$440.36 - 5.75 = \textbf{\$434.61}$

Assumes both spouses are Medicare Part A and B eligible

2026 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 - \$52.45

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

2026 Split Account Premiums

(excluding Tobacco & Spousal surcharges)

Medicare/Non-Medicare Plan	Premium for Subscriber/Spouse
Kaiser NW Senior Advantage/KP NW Classic	\$1,250.32
Kaiser WA Medicare Advantage/KP WA Classic	\$1,181.61
Kaiser WA Medicare Advantage/KP WA Value	\$1,190.53
Kaiser WA Medicare Advantage/KP WA Sound Choice	\$1,142.77
UMP Classic Medicare/UMP Classic	\$1,302.35
United PEBB Complete/UMP Classic	\$1,184.86
United PEBB Balance/UMP Classic	\$1,137.51

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

Open Enrollment

Open Enrollment Dates

- ▶ OE will start on ***last*** Monday in October
- ▶ OE will end on Monday ***before*** Thanksgiving
- ▶ 2025 dates: October 27 to November 24
- ▶ Forms must be **received** by HCA by November 24

Benefits Fairs

- ▶ Cities and schedules in October newsletter and on HCA website
- ▶ Open to ALL (SEBB, PEBB, retirees)
- ▶ Presentations from retiree plans
- ▶ Virtual benefits fair has information about plans and is available 24/7

Resources

- ▶ HCA Website – www.hca.wa.gov
 - ▶ Virtual benefits fair
 - ▶ Retiree OE 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