UW Presentation: PEBB Non-Medicare Retiree Portfolio Open Enrollment 2025

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Agenda

- PEBB Retiree Non-Medicare Plans
- What is a CDHP?
- PEBB Non-Medicare Premiums
- Split Accounts
- Vision and Dental Plans
- 2026 Medical Plan Changes
- Why choose PEBB?
- Open enrollment
- Q & A

Non-Medicare Retiree Intro

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

PEBB Retiree Non-Medicare Plans

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Kaiser Permanente Northwest

- KP NW Classic
- KP NW CDHP
- These plans are available in:
  - **Washington counties**: Clark and Cowlitz counties
  - **Oregon counties**:
    - Benton (ZIP codes: 97330, 97331, 97333, 97339, and 97370)
    - Clackamas
    - Columbia
    - Hood River (ZIP code: 97014)
    - Lane
    - Linn (ZIP codes: 97321, 97322, 97335, 97348, 97355, 97358, 97360, 97374, 97377, and 97389)
    - Marion
    - Multnomah
    - Polk
    - Washington
    - Yamhill

Kaiser Permanente Northwest

Annual Cost	Kaiser Permanente NW CDHP	Kaiser Permanente NW Classic
	Member pays	Member pays
Medical deductible What is a medical deductible?	$1,700 / person $3,400 / family	$300 / person $900 / family
Medical out-of-pocket limit What is a medical out-of-pocket limit?	$5,100 / person $10,200 / family	$2,500 / person $5,000 / family
Prescription drug deductible	Combined with medical deductible	None
Prescription drug out-of-pocket limit	Combined with medical out-of-pocket limit	Combined with medical out-of-pocket limit

Kaiser Permanente of Washington

- KP WA Classic
- KP WA CDHP
- KP WA SoundChoice
- KP WA Value
- These plans are available in:
  - **Washington counties only**:
    - Benton, Columbia, Franklin, Island, King, Kitsap, Lewis, Mason, Pierce, Skagit, Snohomish, Spokane, Thurston, Walla Walla, Whatcom, Whitman, and Yakima

Kaiser Permanente of Washington

Annual Cost	Kaiser Permanente WA CDHP	Kaiser Permanente WA Classic	Kaiser Permanente WA SoundChoice	Kaiser Permanente WA Value
	Member pays	Member pays	Member pays	Member pays
Medical deductible What is a medical deductible?	$1,700 / person $3,400 / family	$175 / person $525 / family	$125 / person $375 / family	$250 / person $750 / family
Medical out-of-pocket limit What is a medical out-of-pocket limit?	$5,100 / person $10,200 / family	$2,000 / person $4,000 / family	$2,000 / person $4,000 / family	$3,000 / person $6,000 / family
Prescription drug deductible	Combined with medical deductible	$100 / person $300 / family Does not apply to Value or Tier 1 drugs.	$100 / person $300 / family Does not apply to Value or Tier 1 drugs.	$100 / person $300 / family Does not apply to Value or Tier 1 drugs.
Prescription drug out-of-pocket limit	Combined with medical out-of-pocket limit	$2,000 / person $8,000 / family	$2,000 / person $8,000 / family	$2,000 / person $8,000 / family

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Uniform Medical Plans

- UMP Classic
- UMP CDHP
- UMP Select
- These plans are available in:
  - All Washington counties and nationwide

Uniform Medical Plans

Annual Cost	Uniform Medical Plan (UMP) CDHP	Uniform Medical Plan (UMP) Classic	Uniform Medical Plan (UMP) Select
	Member pays	Member pays	Member pays
Medical deductible What is a medical deductible?	$1,700 / person $3,400 / family	$250 / person $750 / family	$750 / person $2,250 / family
Medical out-of-pocket limit What is a medical out-of-pocket limit?	$4,200 / person $8,400 / family (Not to exceed $7,000 per member)	$2,000 / person $4,000 / family	$3,500 / person $7,000 / family
Prescription drug deductible	Combined with medical deductible	$100 / person $300 / family Applies to Tier 2 drugs only	$250 / person $750 / family Applies to Tier 2 drugs only
Prescription drug out-of-pocket limit	Combined with medical out-of-pocket limit	$2,000 / person $4,000 / family	$2,000 / person $4,000 / family

What is a CDHP?

- A CDHP (Consumer Directed Health Plan) is a high-deductible health plan (HDHP), with a health savings account (HSA). CDHPs offer lower premiums, a higher medical deductible, and a higher medical out-of-pocket limit than most traditional health plans.
- Kaiser Permanente NW, Kaiser Permanente WA, and Uniform Medical Plan offer CDHPs.

More about CDHPs

- The IRS has annual limits for contributions from all sources into an HSA.
  - For **2026**, the contribution limit for an HSA is $4,400 (subscriber only), and $8,750 (subscriber and one or more dependents).
  - For **2025**, the contribution limit for an HSA is $4,330 (subscriber only) and $8,550 (subscriber and one or more dependents).
  - Members ages 55 or older, you may contribute up to $1,000 more annually in addition to these limits.

CDHP Eligibility

- You must meet certain eligibility requirements to enroll in a CDHP with an HSA. If you (the subscriber) are not eligible and enroll, you may be liable for tax penalties.
- To be eligible to enroll in a CDHP, **you cannot be enrolled in**:
  - **Medicare Part A or Part B** or Medicaid
  - Another health plan that is not an IRS-qualified high-deductible medical health plan — for example, on a spouse's or state-registered domestic partner's plan
  - A Voluntary Employee Beneficiary Association Medical Expense Plan (VEBA MEP), unless you convert it to a limited health reimbursement account (HRA) coverage.
  - A CHAMPVA plan or a TRICARE plan.
  - A fully claims-eligible health reimbursement arrangement (HRA), such as a Voluntary Employees' Beneficiary Association (VEBA) plan.
  - A Flexible Spending Arrangement (FSA). This also applies if your spouse has an FSA, even if you are not covering your spouse on your CDHP. This does not apply if the FSA is a limited purpose account or a post deductible FSA.
  - You also cannot be claimed as a dependent on someone else's tax return.

Leaving Your CDHP

- When you switch to a non-CDHP:
  - You won't forfeit any unspent funds in your HSA after enrolling in a different plan. You can spend your HSA funds on qualified medical expenses in the future. However, you and the PEBB Program can no longer contribute to your HSA.
  - HealthEquity will charge you a monthly fee if you have less than $2,500 in your HSA after December 31. You can avoid this charge by either ensuring you have at least $2,500 in your HSA or by spending all of your HSA funds by December 31. Other fees may apply. Contact HealthEquity for details.
  - If you set up automatic contributions to your HSA through HealthEquity, you must contact them to stop the deductions.

2026 Non-Medicare Retiree Premiums

Plan	Subscriber	Subscriber and spouse/SRDP
Kaiser Permanente NW Classic	$1,081.31	$2,157.51
Kaiser Permanente NW CDHP	$889.16	$1,771.31
Kaiser Permanente WA Classic	$966.75	$1,927.75
Kaiser Permanente WA CDHP	$855.84	$1,704.67
Kaiser Permanente WA SoundChoice	$927.91	$1,850.07
Kaiser Permanente WA Value	$975.67	$1,945.59
UMP Classic	$970.43	$1,935.11
UMP CDHP	$887.83	$1,768.65
UMP Select	$907.50	$1,809.25

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

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

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 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 are available on HCA website (www.hca.wa.gov)

2026 Non-Medicare Retiree Standalone Vision Premiums

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

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

2026 Medical Plan Changes

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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.

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

Washington State Health Care Authority

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

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Questions?

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