SCHOOL EMPLOYEES BENEFIT BOARD

SEBB Implementation – January 2020

Updated: July 18, 2019

FEATURES OF THE SEBB PROGRAM

All districts and charter schools are in one **statewide pool**

Eligibility for benefits set for anyone who would work **630 hours** or more in a school year (equivalent to an average of 3.5 hours per day in 180 day school year)

Full **family** benefits will be **no more than 3 times** the premium paid by individuals

Statewide collective bargaining between a coalition of K-12 labor organizations and representatives of the Governor

WHAT BENEFITS ARE AVAILABLE IN SEBB?

- Medical
- Basic Life & AD&D
- Basic Long Term Disability
- Vision
- Dental

- Additional employee paid options
  - Additional Life or LTD
  - Medical Flexible Spending Arrangements (FSAs)
  - Dependent Care Assistance Program (DCAP)

COLLECTIVE BARGAINING AGREEMENT (CBA) FOR 2019-21 BIENNIUM

- Employer will pay **85% of a good medical plan** (88% actuarial value)
- Employer will pay **100%** of:
  - Basic Life and AD&D
  - Basic Long Term Disability
  - Vision
  - Dental
  - Retiree subsidy (carve out)
- **Wellness Benefit** – $125 in reduced medical deductible or HSA deposit when wellness activities completed.
- **Surcharges will cease if not required by law.** Current budget language includes a smoking and a spouse surcharge if that spouse has coverage available through another employer.

CBA - FUNDING FOR DISTRICTS

- Funding to the districts will adjust state funded FTEs to reflect the number of individuals who would be eligible based on the 630 hour eligibility threshold.
- These **Benefit Allocation Factors (BAF)** are based on statewide averages.
- Factors are **1.43** for classified staffing allocations and **1.02** for certificated staffing allocations.

K-12 Monthly Benefit Allocations	
2018-19 SY	$844
Sept – Dec 2019 (pre-SEBB)	$973
January – June 2020	$994
July 2020-Aug 2021	$1,056

CAN DISTRICTS CONTINUE TO OFFER BENEFITS WE HAVE TODAY?

- Generally, **NO**.
- Every school district is required to be part of SEBB and cannot offer their own benefit plans.
- Districts can offer eligibility for SEBB benefits for those who work less than 630 hours as local cost and enrichment to basic education.
- Districts can offer **optional benefits** that are separate from and beyond the benefits under SEBB's statutory authority. Examples include VEBA, employees assistance programs, supplemental cancer care insurance, travel insurance, and loan forgiveness or tuition assistance.

WHAT CAN MY DISTRICT DO WITH TRUST RESOURCES?

- **Local trust plans** should include procedures for what to do upon termination of assets.
- Per WAC 200-110-080 – Termination of a Program:
  - *All individual and joint health and welfare self-insurance programs shall maintain a written plan that provides for the partial or complete termination of the program and for liquidation of its assets upon termination of the program. The termination procedure shall include, but not be limited to, a provision for the settling of all its liabilities for unpaid claims and claim adjustment expenses.*
- School districts file plans with the WA Dept of Enterprise Services.
- State laws and rules governing trusts are found in **Chapter 48.62 RCW** and **WAC Chapter 200-110**.

WHO CAN I COVER UNDER SEBB PLANS?

- **Eligible dependents** are:
  - Legal spouse or state registered domestic partner
  - Child up to age 26
    (biological and adopted children, children of the employee's spouse or state-registered domestic partner, children for which a court order of divorce decree created a legal obligation to provide support or health care coverage, and children of any age with a developmental or physical handicap who are not capable of self-support)

- If dependents have been covered under existing district plans, can they continue in SEBB?
  - If individuals do not meet the eligibility standards above, they are not eligible as dependents for employer paid coverage.
  - But, in an effort to address transition issues, the Board has approved a policy that will allow school employees to continue **coverage for these ineligible dependents at the employee's expense** (if those dependents are covered on December 31, 2019) for up to 36 months.

CAN I KEEP MY DOCTOR?

- **Information on provider networks will be available through SEBB My Account.**
- Carriers under contract to offer SEBB Plans are:
  - Kaiser Permanente NW
  - Kaiser Permanente of WA
  - Premera
  - Regence (to administer self-insured, Uniform Medical Plan)

If you currently have coverage through one of these carriers, the odds are good that your doctors will still be part of the plans offered by SEBB.

Even if you currently have coverage from another carrier, there is still expected to be a high percentage of crossover among the provider networks of current carriers and SEBB carriers.

WHAT WILL I PAY?

	Subscriber (Employee Only)	Subscriber & Spouse	Subscriber & Children	Subscriber, Spouse, and Children
UMP Achieve 1	$33	$66	$58	$99
UMP Achieve 2	$98	$196	$172	$294
UMP Plus	$68	$136	$119	$204
UMP High Deductible	$25	$50	$44	$75
Kaiser Permanente NW 1	$28	$56	$49	$84
Kaiser Permanente NW 2	$41	$82	$72	$123
Kaiser Permanente NW 3	$106	$212	$186	$318
Kaiser Permanente WA Core 1	$13	$26	$23	$39
Kaiser Permanente WA Core 2	$19	$38	$33	$57
Kaiser Permanente WA Core 3	$89	$178	$156	$267
Kaiser Permanente WA SoundChoice	$49	$98	$86	$147
Kaiser Permanente WA Options Access PPO 1	$39	$78	$68	$117
Kaiser Permanente WA Options Access PPO 2	$69	$138	$121	$207
Kaiser Permanente WA Options Access PPO 3	$116	$232	$203	$348
Premera Blue Cross High PPO	$98	$196	$172	$294
Premera Blue Cross Peak Care EPO	$80	$160	$140	$240
Premera Blue Cross Standard PPO	$48	$96	$84	$144

- Plan options will vary by county. For county-level information, go to the following document: https://www.washingtonea.org/file_viewer.php?id=22311
- Rates will not be considered final until the SEBB adopts them at the July 25th meeting.

HOW WILL OPTIONS VARY BY COUNTY?

- School employees will choose among plan options based on the **county in which they live**.
- In some circumstances, school employees will have **additional plan** choices based on where they work, if they work in a school district that straddles county lines or a district that borders Oregon or Idaho.
- There will be statewide coverage through the self-insured Uniform Medical Plans (UMP) administered by Regence.
- About 99% of school employees will have access to at least 2 carriers (likely Regence and Premera) and 4 - 5 plans from those carriers

HOW IS COVERAGE SIMILAR OR DIFFERENT?

- HCA has a table that compares major elements of the plans for SEBB, showing deductibles, copays, and other plan details such as orthodontia coverage within the dental plans.


Washington State Health Care Authority

School Employees Benefits Board (SEBB) Program benefits: A high-level overview

Medical benefits

	Kaiser NW			Kaiser WA				Kaiser WA Options		
Premium Name	Plan 1	Plan 2	Plan 3	Plan 1	Plan 2	Plan 3	Plan 4	Plan 1	Plan 2	Plan 3
Annual Costs/Benefits	EPO/HA 1	EPO/HA 2	EPO/HA 3	EPO/HA Core 1	EPO/HA Core 2	EPO/HA Core 3	HMO Island Choice	EPO/KAISER Access PPO 1	EPO/KAISER Access PPO 2	EPO/KAISER Access PPO 3
Deductible (single / family)	$1,250 / $2,500	$750 / $1,500	$100 / $200	$1,250 / $2,750	$750 / $1,250	$300 / $700	$100 / $200	$1,250 / $2,750	$750 / $2,250	$300 / $700
Out-of-pocket max	$4,000 / $8,000	$3,000 / $6,000	$2,000 / $4,000	$4,000 / $8,000	$3,000 / $6,000	$2,000 / $4,000	$2,000 / $4,000	$4,000 / $8,000	$3,000 / $7,000	$2,500 / $5,000
Coinsurance	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
No deductible	None	None	None	None	None	None	None	None	None	None
Out-of-pocket limit	Applies to max	Applies to max	Applies to max	Applies to max	Applies to max	Applies to max	Applies to max	Applies to max	Applies to max	Applies to max

	Premera			UMP			
Premium Name	Plan 2		Plan 3				
Annual Costs/Benefits	High PPO	Peak Care PPO	Standard PPO	UMP Advtage 1	UMP Advtage 2	UMP High Deductible	UMP Plus
Deductible (single / family)	$700 / $1,400		$1,250 / $2,500	$700 / $1,400	$850 / $1,700	$1,400 / $2,800 (Combined Med/Rx)	$100 / $200
Out-of-pocket max	$3,500 / $7,000		$6,000 / $12,000	$3,500 / $7,000	$2,800 / $4,000	$4,000 / $8,000**	$2,000 / $4,000
Coinsurance	20%		20%	20%	20%	20%	20%
Rx deductible	$250 / $525*		$250 / $525*	See 1 percent specialty cost share	See 2 percent specialty cost share	Applies to medical deductible	None
Out-of-pocket limit	Applies to max		Applies to max	$3,500 per person	$3,500 per person	Applies to max	$2,000 per person

*Waived for preferred generic prescription drugs.

The deductible for Premera Plan 2 shows the SEB Board's maximum deductible. Premera has proposed changing this figure to $525 / $1012.

**Out-of-pocket expenses for a single member under a family account are not to exceed $6,850.

1/24/2019

- **For the most up to date information, use the following HCA link:**

https://www.hca.wa.gov/assets/pebb/sebb-program-benefits-comparison.pdf

HOW WILL I CHOOSE AMONG PLANS?

- Open enrollment will be held **Oct 1 through Nov 15th**.
- **SEBB My Account** will be an online tool where you can:
  - Compare plans and review premiums and coverage
  - Select benefits
  - Add or remove dependents
  - Attest to the tobacco use and spousal coverage premium surcharges
  - Upload and submit documents for dependent verification
- This demonstration video previews some of the major SEBB My Account functions that have already been developed (https://www.youtube.com/watch?v=EcR9KrHBdNM&feature=youtu.be)
- 20 in-person **benefit fairs** coordinated by HCA will be held across the state this Fall. You can find details here: (https://www.hca.wa.gov/assets/perspay/sebb-benefits-fairs-schedule.pdf),
- Districts can choose to offer benefit fairs, and **online virtual benefit fair** will be available through HCA.

STAY UP TO DATE ON UPCOMING CHANGES…

- **WEA Our Voice** has a page dedicated to this transition where you can find background information as well as links to HCAs most up to date fact sheets

- https://www.washingtonea.org/ourvoice/health-benefits/