

## WSR 23-17-143

## POLICY STATEMENT

## health care authority

(Public Employees Benefits Board)

[Filed August 22, 2023, 9:15 a.m.]

Notice of Public Employees Benefits Board (PEBB) Program  
Administrative Policy Statements

The following is a list of administrative policies published by the PEBB program. These policies are effective January 1, 2024. You can download the complete policy statements on the PEBB program rules and policies page at [hca.wa.gov/pebb-rules](http://hca.wa.gov/pebb-rules).

The following policies were amended to support the PEBB program:

**Policy 11-1: Providing a notice to an employee and a state agency.** This policy clarifies the requirements of a state agency-to-employee and employee-to-state agency notice, as stated in WAC 182-12-113(2), and RCW 41.05.009(2) and 41.05.065 (4)(c)(iii), (iv), and (v).

**Policy 17-2: Determining faculty eligibility after a layoff.** This policy applies the criteria for maintaining the employer contribution toward PEBB benefits for faculty following a layoff, as described in WAC 182-12-129, to: (1) Faculty who move from one position to another due to a layoff; and (2) employees who move from any type of position to a faculty position after a layoff.

**Policy 19-1: Termination due to loss of eligibility or enrollment error.** This policy applies whenever coverage for a subscriber or a subscriber's dependent is terminated due to loss of eligibility, or because a subscriber or dependent was enrolled when they were not eligible for coverage.

**Addendum 19-1A: Termination due to loss of eligibility or enrollment error: Employee.**

**Addendum 19-1B: Termination due to loss of eligibility or nonpayment: Self-pay subscriber.**

**Policy 21-1: Exemption from the retiree deferral form requirement.** This policy exempts certain retirees from the "deferral form requirement" under WAC 182-12-171 (1)(d), 182-12-180 (3)(d), 182-12-205 (4)(a), and 182-12-265 (1), (2), and (3).

**Policy 26-1: Administering PEBB retiree medical plan enrollment in coordination with medicare Part D.** This policy administers PEBB program retiree medical plan enrollment to participate in the employer incentive program established in 42 U.S.C. § 1395w-132.

**Policy 31-1: Verifying dependent eligibility before enrollment.** This policy clarifies which documents the PEBB program considers valid for dependent verification and identifies which accounts are included in the dependent verification process.

**Policy 31-2: Use of the PEBB spousal plan calculator.** This policy provides direction when a PEBB subscriber enrolled in PEBB medical, but not enrolled in medicare Part A and Part B and in the medicare risk pool as described in RCW 41.05.080(3), is determining if a premium surcharge will be applied for a spouse or state registered domestic partner enrolled in PEBB medical.

**Policy 36-1: Certifying eligibility for a dependent child with a disability who is age 26 or older.** This policy applies whenever a subscriber requests to enroll or continue enrollment for a dependent child with a disability who is age 26 or older on their PEBB program subscriber account.

**Policy 45-2: Special open enrollment (SOE).** This policy applies whenever a subscriber requests an enrollment change or election change outside of the PEBB program annual open enrollment period.

**Addendum 45-2A: SOE matrix: Summary of permitted election changes.**

**Policy 56-1: Continuation coverage and retiree insurance coverage reinstatement for subscribers with mental or physical impairment or incapacitation.** This policy applies whenever a subscriber (or another party acting on behalf of the subscriber) requests reinstatement of continuation coverage or retiree insurance coverage due to nonpayment of premiums, or applicable premium surcharges, for reason of mental or physical impairment or incapacitation; when a state of emergency is declared by the governor of Washington state, as described in chapter 43.06 RCW, or when a federal emergency is declared under 44 C.F.R. Part § 206, Subpart B, the Internal Revenue Service (IRS) recognizes the emergency for purposes of delaying deadlines, and the emergency prevents a subscriber from making a timely payment.

This policy establishes the methodology that the PEBB program will use to make a determination of mental or physical impairment or incapacitation for the purpose of reinstatement of coverage terminated due to nonpayment of premiums, or applicable premium surcharges. The policy also establishes the methodology the PEBB program will use to make a determination when a state of emergency is declared by the governor of Washington state, as described in chapter 43.06 RCW, or when a federal emergency is declared under 44 C.F.R. Part § 206, Subpart B, the IRS recognizes the emergency for purposes of delaying deadlines, and the emergency prevents a subscriber from making a timely payment.

This policy provides timing requirements for requesting reinstatement due to nonpayment of premiums, or applicable premium surcharges, for reason of mental or physical impairment or incapacity; when a state of emergency is declared by the governor of Washington state, as described in chapter 43.06 RCW, or when a federal emergency is declared under 44 C.F.R. Part § 206, Subpart B, the IRS recognizes the emergency for purposes of delaying deadlines, and the emergency causes a subscriber to be unable to make premium payments and applicable premium surcharges.

**Policy 56-2: Election period tolling for applicants with mental or physical impairment or incapacitation.** This policy applies whenever an applicant (or another party acting on behalf of the applicant) requests tolling of the continuation coverage, retiree insurance coverage, new employee eligibility, regained eligibility, annual open enrollment, or special open enrollment election period. Tolling may be requested for reason of mental or physical impairment or incapacitation, when a state of emergency is declared by the governor of Washington state, as described in chapter 43.06 RCW, or when a federal emergency is declared under 44 C.F.R. Part § 206, Subpart B, the IRS recognizes the emergency for purposes of delaying deadlines, and the emergency prevents an applicant from making a timely election.

This policy establishes the methodology that the PEBB program and the health care authority's (HCA) office of legal affairs (OLA) will use to make a determination of mental or physical impairment or incapacitation for the purpose of tolling the election period of continuation coverage, retiree insurance coverage, new employee eligibility, regained eligibility, annual open enrollment, or special open enrollment. The policy also establishes the methodology the PEBB program and OLA will use to make a determination when a state of emergency is declared by the governor of Washington state, as described in chapter

43.06 RCW, or when a federal emergency is declared under 44 C.F.R. Part § 206, Subpart B, the IRS recognizes the emergency for purposes of delaying deadlines, and the emergency prevents an applicant from making a timely election.

This policy provides timing requirements to request tolling of the election period for reason of mental or physical impairment or incapacity.

**Policy 90-1: Allowable mid-year termination for an employer group or board members of school districts and educational service districts.** This policy clarifies when an employer group or board members of school districts or educational service districts may terminate their participation in PEBB insurance coverage mid-year.

**Policy 90-2: What authority do employer groups or board of directors for school districts and educational service districts need before contracting with HCA for participation in PEBB for insurance coverage?** This policy clarifies what authority is required from employer groups or board of directors for school districts and educational service districts as part of the application process for benefits with the HCA and the PEBB program.

**Policy 90-3: Determining if an employer group or board of directors for school districts and educational service districts requesting eligibility criteria different from PEBB program rules shall be approved.** This policy clarifies the criteria used by HCA to approve or deny requests to use eligibility criteria that are different from the eligibility criteria used by the PEBB program received from one of the following: (1) An employer group; (2) the board of directors of one of the state's school districts for participation by members of the district's board of directors; or (3) the board of directors of one of the state's educational service districts for participation by members of the district's board of directors.

**Policy 91-1: Requesting a reasonable alternative for completing wellness incentive program requirements or avoiding the tobacco use premium surcharge.** This policy applies when a subscriber who is eligible to participate in the PEBB wellness incentive program is seeking a reasonable alternative to a wellness incentive program requirement in order to receive a wellness incentive as described in WAC 182-12-300.

This policy also applies when an enrollee on a PEBB medical plan is seeking a reasonable alternative so that a subscriber can avoid paying the tobacco use premium surcharge as described in WAC 182-08-185 (1) (c) (iii).

**Policy 91-2: Tobacco as it relates to religious or ceremonial use.** This policy applies whenever a PEBB subscriber is attesting to an enrolled member's tobacco use status and clarifies the exception for the religious or ceremonial use of tobacco.

**Policy 91-3: Washington wellness worksite designation program incentive requirements.** This policy provides a set of requirements for state agencies to use when offering wellness incentives under the Washington wellness worksite designation program.

**Policy 94-1: Accessing PEBB program salary reduction plan document.** This policy clarifies where a subscriber may access the PEBB program's salary reduction plan document.

**Policy 94-2: Accessing PEBB program wellness plan document.** This policy clarifies where a subscriber may access the PEBB program's wellness plan document.

**Policy 94-3: Subscriber mistake—Factor test.** This policy applies whenever an employee makes a mistake electing a medical flexible

spending arrangement (FSA), a limited purpose FSA, or a dependent care assistance program, or an employee, continuation coverage subscriber, or retiree requests a health plan change when they or their dependent experiences a disruption of medical care because of a mistake, which impacts a documented, ongoing course of treatment.

To receive a hard copy of the policy statements, contact Leanne Clark at P.O. Box 42684, Olympia, WA 98504-2684, or via email at [Leanne.Clark@hca.wa.gov](mailto:Leanne.Clark@hca.wa.gov).