

WSR 22-17-137  
INTERPRETIVE OR POLICY STATEMENT  
HEALTH CARE AUTHORITY  
(Public Employees Benefits Board)  
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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, 2023. 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 or created 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 11-3: Correcting employing agency and contracted vendor enrollment errors.** This policy clarifies the requirements placed on an employing agency or contracted vendor when they correct their own enrollment errors as described in WAC 182-08-187.

**Policy 15-1: Determining eligibility for a seasonal employee and maintenance of the employer contribution through the off season.** This policy clarifies seasonal employee eligibility.

**Policy 17-1: Determining faculty eligibility for summer/short class sessions.** This policy clarifies an institution of higher education's role in defining faculty eligibility for the purposes of PEBB benefits and clarifies institutions of higher education must consider class sessions that have different time frames than traditional quarters and semesters, including summer sessions, when determining a faculty member's eligibility for PEBB benefits and the employer contribution toward PEBB benefits. This policy also provides a method for calculating the percentage of full-time for faculty teaching these non-traditional class sessions and a method for determining when the employer contribution toward PEBB benefits begins and ends for faculty teaching these nontraditional class sessions.

**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 17-3: Determining faculty eligibility for off-quarter/semester or for decreases in workload.** This policy clarifies when an employee in a faculty position qualifies for the employer contribution toward PEBB benefits during an off-quarter/semester or when there is a decrease in workload.

**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 non-payment: 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 PEBB premium surcharge attestation help sheet and spousal plan calculator tools.** 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 33-1: Verifying legal union's residency status.** This policy sets forth special criteria, documentation criteria, and limitations for two persons in Washington state who have a legal union, other than a marriage, that was (1) validly formed in another state or jurisdiction; (2) provides substantially the same rights, benefits, and responsibilities as a marriage; and (3) does not meet the definition of a domestic partnership in RCW 26.60.030.

**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 37-1: Certifying eligibility for an extended dependent child.** This policy applies when a subscriber submits the required forms to enroll an extended dependent child in the subscriber's PEBB health plan coverage.

**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's annual open enrollment period.

**Addendum 45-2A: Special Open Enrollment (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 an applicant 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 an applicant 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 an applicant 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 SOE 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 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 SOE. 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 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 60-1: Required appeals related documents when the PEBB Program conducts a brief adjudicative proceeding.** This policy clarifies what particular documents are required from an employing agency or third-party administrator when the PEBB program is conducting a brief adjudicative proceeding at the request of one of its employees or subscribers.

**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 the Health Care Authority (HCA) for participation in Public Employees Benefits Board (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 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 Public Employees Benefits Board (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 or nonrepresented employees.

**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 93-2: PEBB Program payment plans for continuation coverage and retiree accounts.** This policy describes the process HCA will use when authorizing a payment plan request for continuation coverage or a retiree account from a subscriber or a subscriber's legal representative.

**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, a dependent care assistance program, or when a subscriber 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).