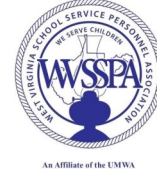




**CWA**



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Standing Together for Public Schools



## The PEIA Cost Shifting Bill (aka SB 268)

- ⇒ SB 268 is a comprehensive bill that affects 230,000 plan participants of PEIA in many different ways.
- ⇒ SB 268 will result in a 26% premium increase for all active PEIA participants beginning July 1, 2023.
- ⇒ Short-term and long-term effects to retiree and non-state coverage is unknown.
- ⇒ SB 268 places a “marriage penalty” on active participants whose spouse has access to health insurance through an employer, regardless of the level or cost of that option. PEIA has reported the penalty will be \$147 per month.
- ⇒ SB268 will result in over \$500 million in “savings” to the state by 2027. “Savings to the state” actually means that over \$500 million in additional premiums and other out-of-pocket costs will now fall on the backs of plan participants annually.
- ⇒ Legislative leaders are trying to make PEIA solvent by reducing benefits and kicking participants off the plan instead of creating a dedicated revenue stream for long-term stability.
- ⇒ Under SB 268, according to PEIA officials, an employee making \$45,000 with family coverage who also has to pay the “marriage penalty” will have to pay an additional \$2,672 next year for PEIA coverage. An employee making \$30,000 in the same situation would pay an additional \$2,494 next year.
- ⇒ Since 2017, premiums have remained roughly the same. However, both deductibles and out-of-pocket maximums have increased exponentially over the same period. For families, the deductible has increased \$450 annually and the out-of-pocket maximum has increased at least \$2,400, and in some cases over \$3,000, annually. It’s disingenuous to focus only on premiums when talking about participant costs associated with PEIA.
- ⇒ SB 268 mandates plan participants that utilize out-of-state providers will pay at least 30% of the costs. This will result in a 10% out-of-pocket increase or more for their care.

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