

Information about the Spouse Medical Plan Surcharge

Regardless of the medical plan you select, you could pay more for coverage if you enroll your spouse in your medical plan. A spouse surcharge will not apply if your spouse enrolls in both your spouse's employer plan and your employer plan. If your spouse does not enroll in his/her employer medical plan, you will pay more to enroll your spouse in your employer's medical plan. Review your specific situation before you enroll your spouse. Reference to the PPO Plan includes Retiree PMD/PSD Plans for a non-Medicare spouse enrolled in the PPO Plan.

The spouse surcharge will apply if:

1. Your spouse's employer offers a medical plan and your spouse is eligible for coverage under that plan and did not enroll in that plan; and
2. You cover your spouse in your employer PPO medical plan or HDP; then
3. A \$200 per month spouse surcharge will apply to the cost of covering your spouse on your employer medical plan (active employees - deducted from payroll).
4. The surcharge will also apply if you fail to complete or were late turning in the required Spouse Medical Plan Surcharge Affidavit. Spouse surcharge refunds are not retroactive, and are not allowed for failure to turn in the form or turning the form in late.

The spouse surcharge will NOT apply if:

1. Your spouse is enrolled in his/her employer medical plan (proof of enrollment required) and your employer PPO medical plan or HDP; or
2. Your spouse does not work outside the home and has no access to employer coverage; or
3. Your spouse's employer does not offer medical coverage or your spouse is not eligible for that coverage; or
4. Your spouse's other coverage is Medicare, Medicaid, TRICARE or care received at a VA facility; and
5. You turned in the required Spouse Medical Plan Surcharge Affidavit on time.

Required time-sensitive enrollment action

During annual enrollment each year, any employee who covers his/her spouse must sign a Spouse Medical Plan Surcharge Affidavit attesting to your spouse's access to employer medical plan coverage through his/her employer, regardless if he/she enrolled in that coverage.

If you are newly-hired and you enroll a spouse in your employer medical plan, you must turn in the Spouse Medical Plan Surcharge Affidavit within 14 days of your hire date. If you experience a qualified change in status event, you must notify the Human Resources Department and complete required paperwork within 31 days of the event. Provided the change is an eligible event, the change will become effective the first day of the month following timely notification.

Spouse's employer enrollment period

While many plans are calendar-year plans (like yours), some are not. If your spouse's employer plan is not a calendar year plan, and your spouse did not enroll in his/her employer plan during your spouse's annual enrollment, your spouse should check with his/her employer to see if it is still possible to enroll. If the employer's plan rules do not allow enrollment, then the spouse surcharge applies until your spouse's employer coverage is effective.

Cost considerations

It is important that you consider each of the following items to determine if you wish to enroll your spouse in your employer plan. Monthly premium is not the only item you should evaluate.

1. Monthly premium cost under each plan (single coverage with spouse's plan, employee plus spouse/family coverage in your employer plan) with and without the surcharge.
2. Plan design differences (deductibles, out-of-pocket maximum, copays and coinsurance).
3. Type of plan (IRS rules do not allow coverage in a high deductible plan and any other medical plan (like a PPO Plan) at the same time).
4. If both you and your spouse are enrolled in the HDP, consider the impact of employer seed money (if any) to your HSA.

Medical Plan

For purposes of this affidavit, a medical plan is an affordable plan with minimum essential coverage (MEC) offered through an employer as defined by the Affordable Care Act (ACA).