



HMO/Triple Option Spousal Surcharge—Frequently Asked Questions

Employees whose spouse is covered on their HMO or Triple Option medical plan may pay a monthly surcharge, in addition to their monthly premium. These FAQs address the most common questions you might have regarding the surcharge. If you have any questions not covered here, contact HR Benefits at 410-222-5219/5221.

General Questions

1. What is the spousal surcharge?

A charge applied to employees, in addition to regular healthcare premiums, who enroll their spouse in the AACPS HMO or Triple Option medical plan when that spouse has access to employer-provided medical coverage available through his/her own employer. The monthly surcharge will be deducted from an employee's pay on a biweekly basis.

2. Why was a spousal surcharge implemented?

The spousal surcharge encourages those participants whose spouse is eligible for other group insurance to take advantage of that coverage. It also helps AACPS keep medical plans affordable.

3. Does AACPS have a right under data privacy to ask if the spouse is eligible for insurance coverage from another company?

Yes, an employer has a right to inquire about a spouse's other insurance. Data privacy involves health information specific to an individual's medical condition or treatment.

4. Under what circumstances will a spousal surcharge apply?

- If your spouse is working for an employer that offers group medical insurance and you elect coverage for your spouse in the AACPS HMO or Triple Option medical plan, regardless if he/she has enrolled in or declined his/her employers' coverage.
- If your spouse is eligible for and/or enrolled in Medicare, but is still actively working for an employer that offers group medical coverage and you elect coverage for your spouse in the AACPS HMO or Triple Option medical plan.

- If your spouse is self-employed in a business that has other employees, provides employer coverage, and you elect coverage for your spouse in the AACPS HMO or Triple Option medical plan.
- If your spouse is offered coverage at any time during the year with his/her employer, and you elect coverage for your spouse in the AACPS HMO or Triple Option medical plan.

5. In what instances may a spouse enrolled in the AACPS medical plan be exempt from a spousal surcharge?

- Both you and your spouse are current AACPS employees.
- Your spouse is an AACPS retiree.
- Your spouse is unemployed.
- Your spouse is unemployed and eligible for or enrolled in Medicare and is covered under the AACPS medical plan.
- Your spouse is a retiree from another employer and not actively working.
- Your spouse is self-employed as a sole proprietor.
- Your spouse is a part-time employee and is not eligible for medical coverage with his/her employer.
- Your spouse works for an employer that does not offer medical coverage.
- You and your spouse are enrolled in the AACPS PPN plan.

Note: You must complete a Spouse Coverage Exemption Certification form annually during Open Enrollment to indicate the reason you should be exempt from the spouse surcharge.

Cost and Payments

6. How much is the surcharge?

Employees in Units I, II, V and VI will pay a \$80/month surcharge which will be deducted in addition to medical premiums.

Employees in Units III and IV will pay a \$70/month surcharge which will be deducted in addition to medical premiums.

7. How is the surcharge paid to AACPS?

Deductions will occur biweekly as indicated below:

Unit	Monthly cost	22 pay	26 pay
I, II, V, VI	\$80	\$43.64	\$36.93
III, IV	\$70	\$38.19	\$32.31

8. Will the surcharge be deducted pre-tax?

Yes. Like premiums, the surcharge will be deducted before taxes are calculated.

9. When was the spouse surcharge implemented?

The spouse surcharge became effective on January 1, 2018.

For new hires, the surcharge begins when your first premium deduction occurs.

10. How will AACPS know to charge me the spousal surcharge?

Employees are required to complete a *Spouse Coverage Exemption Certification* during the fall Open Enrollment period or upon enrollment in an AACPS medical plan.

If you certify that your spouse has other group medical coverage available with his/her employer, the surcharge will apply.

If you fail to submit a *Spouse Coverage Exemption Certification*, and have enrolled your spouse in the AACPS HMO or Triple Option medical plan, the surcharge will be deducted from your pay.

Note: The Spouse Coverage Exemption Certification expires December 31 each year. A new certification is required annually.

Eligibility

11. If my spouse has other coverage, do my other dependents have to enroll under his/her employer's medical plan?

No. The AACPS spousal surcharge only applies to spouse medical coverage. You may cover other dependents in AACPS medical coverage without a surcharge.

12. Does the surcharge apply if my spouse is only enrolled in a dental and/or vision plan?

No, the spousal surcharge only applies when your spouse is enrolled in an AACPS HMO or Triple Option medical plan and he/she has access to employer-provided medical coverage.

13. Will I be required to pay the surcharge if I only enroll my children (no spouse) in a medical plan?

No. The surcharge is only applied when a spouse is enrolled in an AACPS HMO or Triple Option medical plan and he/she has access to employer-provided medical coverage.

14. Will I be required to pay a spousal surcharge during a leave of absence?

Yes. Any employee who elects coverage in the AACPS HMO or Triple Option Medical plan for a working spouse who is eligible for coverage from his/her employer's medical plan will be required to pay the spousal surcharge.

15. What if my spouse's employer does not offer health care coverage, or he/she is ineligible for health coverage?

In this circumstance you would not be required to pay the spousal surcharge.

16. Do I have to pay the spousal surcharge if my spouse is unemployed?

No spousal surcharge will be applied if your spouse is unemployed.

17. My spouse is retired from his/her employer (not AACPS) and is eligible for coverage based on his/her retirement. Do I have to pay the surcharge?

If your spouse is not eligible for Medicare and his/her former employer's health coverage is the primary payer of medical claims, then the spousal surcharge would apply.

18. When the spousal surcharge is applied, how does the primary and secondary insurance work?

The spousal surcharge is a fee applied in addition to monthly healthcare premium costs. There is no impact on coordination of benefits between two or more plans.

19. My spouse is covered by Medicare (or Medicaid) and is not working. Will I have to pay the surcharge if I enroll him in the AACPS HMO or Triple Option medical plan?

No, there is no spousal surcharge if your spouse is not working.

20. Do I have to pay a surcharge if my spouse works for AACPS?

No. Covering an AACPS employed spouse does not require the payment of a surcharge. The annual certification is required to claim the exemption

21. Do I have to pay a surcharge if my spouse is an AACPS retiree and is covered in the AACPS active employee medical health plan?

No.

22. How will AACPS know if my spouse is eligible for coverage through his/her employer?

All AACPS employees are required to complete a spousal surcharge exemption form on Benelogic which will include a certification that you are submitting truthful and accurate information. Failure to provide truthful and accurate information may lead to disciplinary action, including but not limited to termination of employment, as well as reduction or loss of benefit or reversal of claim payments. Falsifying information regarding a spouse's eligibility for medical coverage will result in, at a minimum, the application of the spousal surcharge in addition to monthly healthcare premium costs.

23. Do I have to pay the surcharge if my spouse waives medical coverage with his/her current employer?

Yes. If your spouse is employed and eligible for healthcare through his or her employer, you are required to pay the spousal surcharge if you elect coverage for your spouse in the AACPS HMO or Triple Option medical health plan.

Changes in Eligibility

24. Will I be required to pay a spousal surcharge if I get divorced, or my spouse dies?

Upon notification to HR/Benefits within 31 days of a qualified lifestyle event and submission of appropriate benefit election documentation, a spousal surcharge will be discontinued. Note: After divorce, an employee's spouse is no longer eligible for AACPS healthcare and must be removed from AACPS coverage promptly.

25. Do I have to pay the spousal surcharge if my spouse is currently unemployed, but obtains employment in the future?

At any time your unemployed spouse becomes employed with an employer that offers health care coverage, and your spouse is eligible for that coverage, you are required to inform HR/Benefits within 31 days, as it is a qualifying lifestyle event.

You will make a determination whether you will:

1. discontinue AACPS coverage for your spouse in the AACPS HMO or Triple Option medical plan or
2. continue coverage with the application of a spousal surcharge in addition to monthly healthcare premium costs.

26. If my spouse loses his/her job and benefits or becomes ineligible for medical coverage through his/her employer do I have to wait until open enrollment to add my spouse to my medical coverage? Would a spousal surcharge be applied?

No, the loss of a spouse's employment and related benefits is a qualifying life event that would allow an employee to enroll the spouse and any affected dependents into healthcare coverage with AACPS (within 31 days of the qualifying event), with required documentation. In these instances, an employee would be exempt from the spousal surcharge.

27. What if my spouse resigns or loses his/her job, but has access to COBRA? Does COBRA constitute employer sponsored coverage?

COBRA coverage does not constitute an employer-sponsored medical plan. In this instance, the spouse no longer qualifies for employer-sponsored medical coverage and would not be subject to the spousal surcharge. You must notify HR/Benefits within 31 days of the qualifying event to make benefit changes.

Spouse Surcharge Certification

28. How frequently will I have to complete the *Spouse Surcharge Certification*?

Every year. Failure to submit a Certification will result in the application of a surcharge if you enroll a spouse in the AACPS HMO or Triple Option medical coverage.

29. What if I do not complete the *Spouse Surcharge Certification*?

The surcharge will be deducted from your pay if you have enrolled your spouse in the AACPS HMO or Triple Option medical plan.

30. What happens if I forgot to submit the *Certification* and my spouse's coverage is eligible for the exemption?

The spousal surcharge will cease upon submission of a *Spouse Surcharge Certification* on a Lifestyle Change form to HR/Benefits within 31 days of being charged the spousal surcharge. There will be no refund of any surcharge deductions taken prior to receiving your Certification.

31. What if I say I am exempt from paying the spousal surcharge and am not eligible for the exemption?

As indicated on the *Spouse Surcharge Certification* in Benelogic and the Lifestyle change form, any misrepresentation or omission of facts is a violation of AACPS Code of Conduct and is sufficient cause for disciplinary action, including but not limited to termination of employment, as well as reduction or loss of benefit or reversal of claim payments. Falsifying information regarding a spouse's eligibility for medical coverage will result in, at a minimum, the application of the spousal surcharge in addition to monthly healthcare premium costs.

AACPS may audit any employee's coverage as part of plan administration processes or in response to ethics complaints.