

# COVENTRY PUBLIC SCHOOLS

## Spousal Coverage Guidelines

February 2015

# Agenda

- Policy Overview
- What do I need to do?
- How does this impact me?
- Timeline
- Contact Information
- Q&A

# Spousal Coverage Policy

## Overview

- **New Coverage Policy takes effect on July 1, 2015**
  - Spouses or qualifying ex-spouses currently enrolled in Coventry coverage must obtain primary healthcare coverage through their employer, if such coverage is available.
  - If your spouse has employer coverage available, your spouse or ex-spouse may remain on the Coventry plan, but with secondary coverage only. (Coventry will not pay for benefits until after the spouse's coverage has paid.)
  - This change will NOT reduce your or your spouse's overall level of healthcare coverage.
  - If coverage is available to your spouse and he/she does not enroll in that coverage, your spouse or qualifying ex-spouse will no longer be eligible for continued coverage under Coventry's plan as of July 1, 2015.

**You will be reimbursed for the cost of individual coverage for your spouse/ex-spouse as long as you submit required documentation to Mercer by April 30, 2015.**

**The reimbursement for the cost of your spouse's individual coverage is taxable as income. This tax expense is offset by the tax savings your spouse receives when health insurance premiums are paid pre-tax through the spouse's employer.**

## Spousal Coverage Policy Certification Form

- **If you have been identified as currently having a spouse or ex-spouse enrolled on Coventry's plan, you will be receiving an information packet in the mail.**
- **You must complete and sign a certification form, and indicate which of the following situations apply:**
  - 1) My spouse/ex-spouse **does not have access to** coverage through his or her employer.
  - 2) My spouse/ex-spouse **has access to, and is currently enrolled in** coverage through his or her employer.
  - 3) My spouse/ex-spouse **has access to** coverage through his or her employer, and will be enrolling in that coverage before July 1, 2015.
- **You must return the signed certification form and required supplemental documentation (if applicable) to Mercer no later than **April 30, 2015.****

## Spousal Coverage Policy Supplemental Documentation

- If you select Option #2 or Option #3 (spouse is enrolled or will enroll in other coverage), you must submit additional documentation in order to receive reimbursement. It must contain both **proof** and **cost** of coverage.
- Documentation may be one or all of the following:
  - Two paychecks
  - Signed letter from employer
  - Summary of Benefits
- Documentation must clearly state the following information:
  - Coverage effective date
  - Cost of coverage (per paycheck, # of paychecks per year)
  - Proof that coverage is individual ONLY

**Coventry Public Schools is only requiring your spouse to enroll in individual coverage. Coventry will not reimburse you for the family rate if you decide to enroll dependents on your spouse's plan.**



# Spousal Coverage Policy

## Scenario #2

**My spouse or ex-spouse has access to, and is currently enrolled in coverage through his or her employer.**

- Check the appropriate box on the certification form (box #2)
- Send the completed and signed certification form to Mercer by 4/30/15.
- Send the required supplemental documentation showing proof of coverage and cost of coverage to Mercer by 4/30/15.
  - Documentation may include two paycheck stubs, signed letter from spouse's employer, and/or summary of benefits.
  - Documentation must show proof of individual coverage, effective date of coverage, and cost of coverage (per paycheck, # of paychecks per year.)
- Once these steps are completed, effective July 1<sup>st</sup> you will be reimbursed for the cost of individual coverage through your spouse's employer. The spouse's plan will pay as primary, and Coventry's plan will pay as secondary for your spouse.



I hereby certify that (check the statement that applies to you):

No Access to Spouse Coverage		
1) <input type="checkbox"/>	My spouse or qualified ex-spouse does not have access to coverage through his or her employer.	

Covered by Spouse Employer		
2) <input checked="" type="checkbox"/>	My spouse or qualified ex-spouse has access to and is enrolled in coverage through his or her employer, as follows:	
Insurance Carrier:	<input type="text"/>	
Policyholder/Subscriber Name:	<input type="text"/>	
Member Information:	<input type="text"/>	<input type="text"/>
	Group Name	Member ID#
Cost of INDIVIDUAL Coverage:	<input type="text"/>	<input type="text"/>
	\$ Withholdal per Paycheck	# of Paychecks per Year Total Annual Cost
Coverage is INDIVIDUAL ONLY:	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Note: If spouse or qualified ex-spouse is enrolled in family coverage, you will only be reimbursed for the cost of spouse's individual coverage.		
Documentation Attached:	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Proof of Coverage	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Cost of Coverage	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Please review the FAQ for details on required documentation which must accompany this certification form in order to receive reimbursement for spouse's coverage.		
Not Yet Covered by Spouse Employer		
3) <input type="checkbox"/>	My spouse or qualified ex-spouse has access to but is not currently enrolled in coverage through his/her employer. (Refer to FAQs regarding open enrollment periods or restrictions that may apply to your spouse's plan.)	
Effective Date of Spouse/Ex-Spouse's Coverage:	<input type="text"/>	

# Spousal Coverage Policy

## Scenario #3

### My spouse has access to, but is not yet enrolled in coverage through his or her employer.

- Your spouse needs to enroll in coverage through his or her employer by July 1, 2015.
  - Check off box #3 on the certification form and send signed form to Mercer before 4/30/2015.
  - Show the Coventry policy notice letter to spouse's employer for proof of qualifying event.
  - Once spouse is enrolled in his or her employer's coverage, complete a new certification form, check off box #2, and send signed form and required documentation to Mercer.
  - Receive reimbursement as of 7/1/2015, or the effective date of spouse's coverage, whichever is later.

**If your spouse is unable to enroll in coverage before July 1, 2015 due to restrictions in the employer's enrollment policy, please indicate the date he or she will be eligible for coverage on the certification form, and obtain a signed letter from the employer verifying the enrollment policy. He or she may maintain primary coverage through Coventry until then, but will be required to enroll other coverage as soon as he or she is eligible.**

I hereby certify that (check the statement that applies to you):

#### No Access to Spouse Coverage

- 1)  My spouse or qualified ex-spouse does not have access to coverage through his or her employer.

#### Covered by Spouse Employer

- 2)  My spouse or qualified ex-spouse has access to and is enrolled in coverage through his or her employer, as follows:

Insurance Carrier:

Policyholder/Subscriber Name:

Member Information:

Cost of INDIVIDUAL Coverage:

3 Withdrawal per Paycheck # of Paychecks per Year Total Annual Cost

Coverage Is INDIVIDUAL ONLY:  YES  NO

Note: If spouse or qualified ex-spouse is enrolled in family coverage, you will only be reimbursed for the cost of spouse's individual coverage.

Documentation Attached:  YES  NO

Cost of Coverage  YES  NO

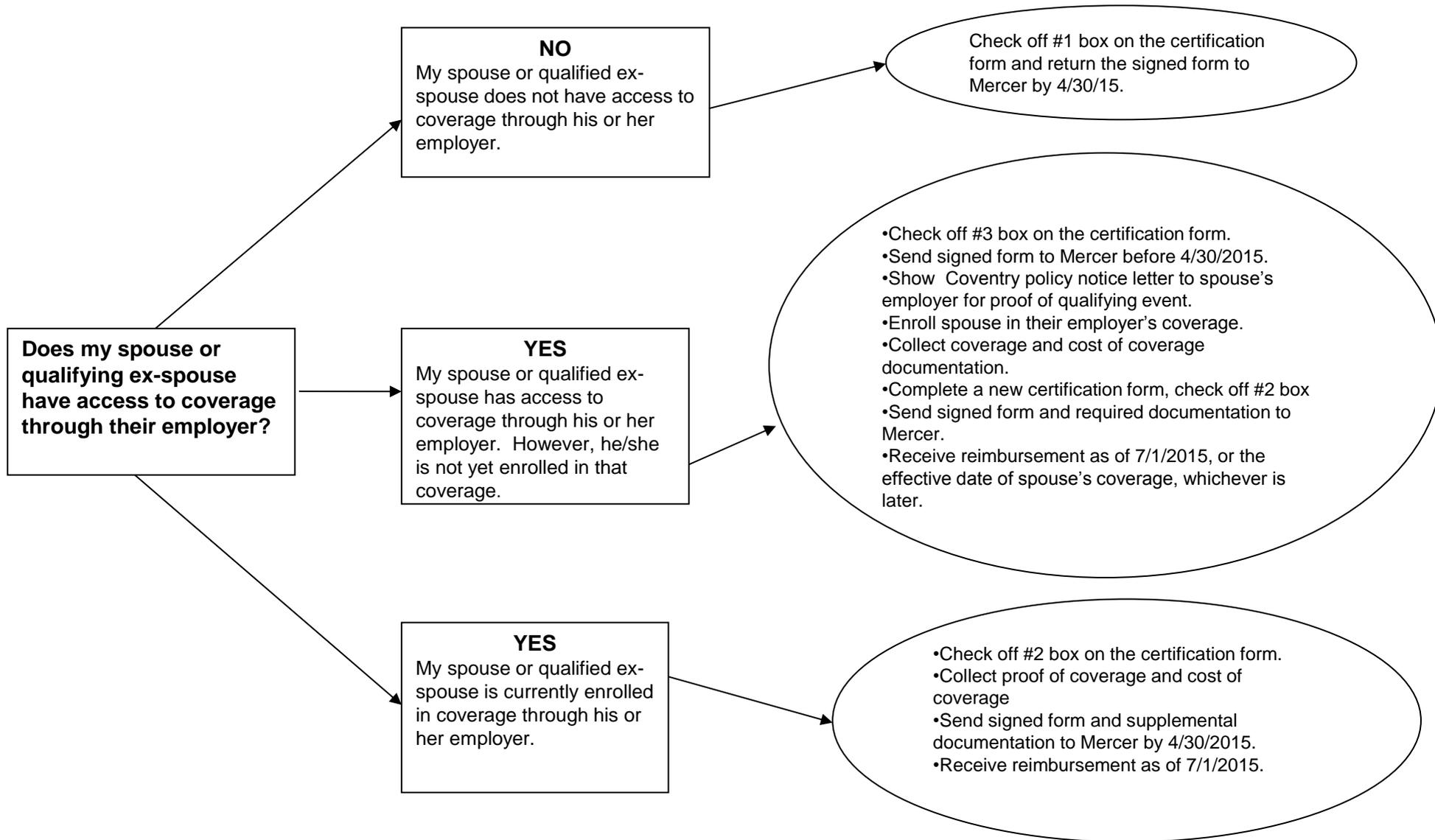
Please review the FAQ for details on required documentation which must accompany this certification form in order to receive reimbursement for spouse's coverage.

#### Not Yet Covered by Spouse Employer

- 3)  My spouse or qualified ex-spouse has access to but is not currently enrolled in coverage through his/her employer. (Refer to FAQs regarding open enrollment periods or restrictions that may apply to your spouse's plan.)

Effective Date of Spouse/Ex-Spouse's Coverage:

# Decision Tree



# Spousal Coverage Policy

## Individual Considerations

If your spouse has access to coverage through his or her employer, you have a few options which may save you money on healthcare premiums as of July 1:

- Your spouse may maintain secondary coverage through Coventry.
  - You will be reimbursed for your spouse's other coverage, and he or she will have "double" coverage as of July 1.
- Your spouse (and any dependents) may drop coverage through Coventry.
  - If you are the only remaining person covered through Coventry, you will pay the individual premium only.
  - You will be reimbursed for your spouse's individual coverage, even if he or she drops Coventry coverage.

**If your spouse enrolls other dependents on his/her employer plan (paying the family rate), you are still eligible to receive reimbursement for individual coverage. Obtain a letter from the spouse's employer verifying the cost and coverage level, as well as the cost of individual coverage for the same plan.**

## Spousal Coverage Policy Individual Considerations

- You may drop Coventry coverage altogether and enroll (with your dependents) on your spouse's employer plan.

**As always, Coventry employees have the option to opt-out of coverage through Coventry and receive a Buy-Back of \$2,800/\$3,000 (depending on your step in accordance with Appendix E4 of the CBA).**

Note: If you choose the opt-out credit, you may not ALSO be reimbursed for your spouse's individual coverage through his or her employer.

# Spousal Coverage Policy

## Sample Premium Savings Calculation (Annual)

Coverage Tier	Coventry Premiums	Average RI Premiums
Individual	\$1,075	\$1,528
Family	\$2,821	\$5,497

**If you are currently enrolled in family coverage through Coventry, it might cost you \$2,821 annually (actual premiums vary by employee).**

### Example 1: Employee + Spouse

- Spouse drops Coventry coverage and switches coverage to spouse's employer:
  - You will pay: \$1,075 for individual Coventry coverage and \$1,528 for individual coverage through spouse.
  - You will now receive reimbursement for your spouse's coverage (estimate of \$1,528)
  - Total Annual Cost = \$1,075
  - **Savings** = \$1,746
- You and spouse drop Coventry coverage and switch coverage to spouse's employer:
  - You will pay: \$5,497 for family coverage through spouse
  - You will now receive the buy-back stipend of \$2,800/\$3,000 from Coventry.
  - Total Annual Cost = \$2,497
  - **Savings** = \$324

# Spousal Coverage Policy

## Sample Premium Savings Calculation (Annual)

Coverage Tier	Coventry Premiums	Average RI Premiums
Individual	\$1,075	\$1,528
Family	\$2,821	\$5,497

**If you are currently enrolled in family coverage through Coventry, it might cost you \$2,821 annually (actual premiums vary by employee).**

### Example 2: Employee + Spouse + Dependent(s)

- Spouse and dependent(s) drop Coventry coverage and switch coverage to spouse's employer:
  - You will pay: \$1,075 for individual Coventry coverage and \$5,497 for family coverage through spouse
  - You will now receive reimbursement for your spouse's individual coverage (estimate of \$1,528)
  - Total Annual Cost = \$5,044
  - **Additional Expense** = \$2,223
- You, spouse and dependent(s) drop Coventry coverage and switch coverage to spouse's employer:
  - You will pay: \$5,497 for family coverage through spouse
  - You will now receive the buy-back stipend of \$2,800/\$3,000 from Coventry.
  - Total Annual Cost = \$2,497
  - **Savings** = \$324

# Spousal Coverage Policy

## Timeline

- Week of February 2<sup>nd</sup>: Announcement of new policy. Receive information packet in the mail with certification form.
- February 2<sup>nd</sup> – April 30<sup>th</sup>: Return certification form and required documentation to Mercer
  - If your spouse or ex-spouse has access to coverage through his or her employer, they should contact their HR department and provide the Coventry notice letter as proof of qualifying event. They should be eligible to enroll in their employer's plan as of July 1<sup>st</sup>.
- February – June 30<sup>th</sup>: Mercer tracks certification forms and reviews proof and cost of coverage documentation. Once your signed form and documentation (if applicable) have been approved by Mercer, you will receive confirmation from Mercer.
- July 1<sup>st</sup>: Policy goes into effect
  - If you have not taken action at this time, your spouse's coverage through Coventry will be terminated.
  - You will start to receive reimbursement for your spouse's coverage (if applicable).
  - Your spouse should show his employer's health insurance coverage ID card when utilizing medical/pharmacy services. Coventry's plan will pay as secondary (if applicable).

## Contact Information

**For Questions regarding this policy or form / documentation submission, contact Mercer via email or scheduled office hours:**

Email: [CoventryCOB@mercer.com](mailto:CoventryCOB@mercer.com)

Office Hours: Fridays 10am-12pm. Schedule a 10 minute time slot via the link provided in the information packet

**Submit Documentation to Mercer at via mail or email:**

Mailing Address: Mercer #6036  
99 High Street  
Boston, MA 02110

Email Address: [CoventryCOB@mercer.com](mailto:CoventryCOB@mercer.com)

# Q&A

