

Plan A Spousal Surcharge

To keep the ASEA Health Trust financially strong, the Board of Trustees had to make some difficult decisions for the 2017/2018 Plan Year. For the past three years—while maintaining your strong benefits—health care costs continued to rise and the Trust relied on reserves to help pay all of the costs. Going forward, the Trust must share more of the costs with participants.

One of these challenging decisions is the Spousal Surcharge for Plan A. If your spouse is enrolled in Plan A and is eligible for health care coverage through his/her employer but opts out of that coverage, you will be charged a \$125/month surcharge for their coverage.

Why a spousal surcharge? Because when a spouse opts out of their own employer-sponsored coverage, all medical costs for that person shift to the ASEA Health Plan, for which the Plan currently does not receive any additional contribution. That drives up the cost of the ASEA Health Plan for everyone and the \$125 surcharge recovers some of that expense.

The Trust hopes that this change will encourage members' spouses to consider enrolling in their own employer-sponsored health plan or consider enrolling in one of the other plan options in lieu of Plan A.

Plan A Spousal Surcharge— Frequently Asked Questions (FAQs):

What exactly is the spousal surcharge?

You will be charged a \$125/month surcharge if your spouse is enrolled in Plan A and is eligible for health care coverage through his/her employer but opts out of that coverage.

This additional monthly contribution helps the Trust recover some of the expense of assuming full medical costs for a spouse who chooses not to enroll in his/her own employer's health plan.

Who does the spousal surcharge apply to?

You **WILL** be charged the monthly surcharge if you enroll your spouse in Plan A and one of the following applies:

- Your spouse is working and eligible to enroll in their employer's group health plan, but has declined that coverage. (If your spouse has declined that coverage for any portion of the year, the surcharge will apply to that period.)
- You do not complete the Open Enrollment form for the 2017/2018 Plan Year and confirm your spouse's eligibility for employer-sponsored coverage.

You will **NOT** be charged the monthly surcharge if any of the following applies:

- Your spouse is not employed.
- Your spouse is working but his or her employer doesn't offer health coverage.
- Your spouse is working and has enrolled in his or her employer's health plan.
- Your spouse is a retiree and has access to retiree coverage through another employer, but is not actively working.

What are my options if my spouse is eligible for coverage through his or her employer?

You have several options to meet your family's health care coverage needs:

- Enroll in both employer plans, which gives you dual coverage. No surcharge applies.
- Enroll the family in Plan A and choose not to cover your spouse. However, your spouse must have other coverage in order to opt-out of the ASEA Health Plan. No surcharge applies.

- Enroll the family in Plan A and decline coverage through your spouse's employer. Because the Trust is covering 100% of the spouse's expense in that case, the \$125 surcharge applies.
- Enroll in employee-only coverage under Plan B. However, your spouse and dependents must have other coverage in order to opt-out of the ASEA Health Plan. No surcharge applies.
- Enroll the family in Plan C (supplemental) coverage, if you have other coverage—for example, through your spouse's employer. No surcharge applies.
- Enroll the family in Plan D. This high-deductible plan is just \$40/month and includes a \$1,000 HRA to help pay for out-of-pocket costs. No surcharge applies.

What are my options if my spouse declined coverage through his or her employer at the last open enrollment?

- Check with your spouse's employer plan to see if the surcharge is a qualifying event that allows your spouse to change his or her coverage. If so, your spouse may want to enroll in coverage through his or her employer.
- Choose not to cover your spouse on the Health Trust plan. This may trigger a status change event for your spouse's plan. Check with your spouse's employer plan to see if this would allow your spouse to enroll in coverage.
- Continue Plan A family coverage and pay the surcharge (which may actually cost less than the monthly contribution under the other employer's coverage).
- Enroll the family in Plan D. This high-deductible plan is just \$40/month and includes a \$1,000 HRA to pay for most out-of-pocket costs. No surcharge applies.

If my spouse is currently covered on his or her employer's health plan, and they lose that coverage, am I able to add them to the ASEA Health Trust Health Plan?

Yes. Your spouse's loss of coverage would be considered a qualifying event, which means you can enroll them in the ASEA Health Trust plan and no surcharge would be assessed.

Are dependent children impacted by the spousal surcharge?

No. You will not be assessed a surcharge for dependent children who work and can enroll in their employer's health plan but declined that coverage.

I would like to submit a comment to the Trustees regarding the Spousal Surcharge. How can I do that?

- Go to the website (aseahealth.org) and send a message through Contact Us, using the "Contact Trustees" category.
- Send an email to generalmail@aseahealth.org and add "Participant Comments" to the subject line.
- Send written comments by mail to the ASEA Health Trust Administrator at 111 West Cataldo, Suite 220, Spokane, WA 99201.

All Participant Comments will be read during the next Board of Trustees meeting on September 26th. The Trustees will take your comments under advisement at that time. ([Click here](#) for more information regarding the Participant Comment Period.)