

***MAHONING COUNTY SCHOOL EMPLOYEE INSURANCE  
CONSORTIUM (MCSEIC)  
Poland's Negotiated Language***

**Spousal Coordination of Benefits (COB) Rule**  
**To be implemented during the District's 2020 Open Enrollment**

Your district's health plan is sponsored by MCSEIC which requires Spousal COB language to ensure other employers are the primary payor for their own employees' health insurance claims. Spouses of Poland Local Schools' employees who are eligible for group health insurance coverage from their own employer must enroll in such employer-sponsored group insurance coverage if the cost is **50% of the MCSEIC single rate** or less per month. The spouse would not be eligible to participate under the Poland Local Schools plan due to the spousal language stipulated in the union contracts.

Any spouse who fails to enroll in any group insurance coverage sponsored by his/her employer, business, organization, or any retirement plan, as required by this Section, shall be ineligible for benefits under such group insurance coverage sponsored by MCSEIC.

It is the employee's responsibility to advise the MCSEIC Health Benefit Plan (the "Plan") immediately (and not later than 30 days after any change in eligibility) if the employee's spouse becomes eligible to participate in group health insurance and/or prescription drug insurance sponsored by his/her employer, business, organization, or retirement plan. Upon becoming eligible, the employee's spouse must enroll in any group health insurance and/or prescription drug insurance sponsored by his/her employer, business, organization, or retirement plan unless he/she is exempt from this requirement in accordance with the exemptions stated in Question 2 below.

Every employee whose spouse participates in MCSEIC's group health insurance coverage and/or prescription drug insurance coverage shall complete and submit to the Plan, upon request, a written certification verifying whether his/her spouse is eligible to participate in group health insurance coverage and/or prescription drug insurance coverage sponsored by the spouse's employer, business, organization, or any retirement plan. If any employee fails to complete and submit the certification form by the required date, such employee's spouse will be removed immediately from all group health insurance and/or prescription drug insurance coverage sponsored by MCSEIC. Additional documentation may be required.

If you submit false information, or fail to timely advise the Plan of a change in your spouse's eligibility for employer (or business, organization, or retirement plan) sponsored group health insurance and/or prescription drug insurance, and such false information or such failure by you results in the Plan providing benefits to which your spouse is not entitled, you will be personally liable to the Plan for reimbursement of benefits and expenses, including attorneys' fees and costs, incurred by the Plan. Any amount to be reimbursed by you may be deducted from the benefits to which you would otherwise be entitled. In addition, your spouse will be terminated immediately from group health insurance and/or prescription drug insurance coverage under the Plan.

# Frequently Asked Questions

## 1. What is Spousal Coordination of Benefits (COB)?

Spouses of district employees who are eligible for health and/or prescription drug insurance coverage from their own employer and meet specified criteria, as described in the district's Spousal COB language located on the back of the Spousal COB Certification form, must enroll in single coverage with their own employer. Employees enrolling in the district health plan must certify whether or not their spouse is eligible for coverage through their own employer.

## 2. Are there any exceptions to Spousal COB?

Yes, your spouse is EXEMPT if he/she:

- Is not employed or retired and not eligible for an employer sponsored retirement plan
- Is retired, not employed and solely eligible for <sup>1</sup>Medicare;
- Is employed and working less than 20 hours per week;
- Is employed and not eligible for coverage under his/her employer's plan;
- Is employed by the same MCSEIC district or another district sponsored by MCSEIC; (**Campbell, Canfield, Lowellville, MCESC, MCCTC, Springfield, Struthers, Jackson-Milton, Poland, West Branch, Western Reserve, Youngstown Community**)
- Is required to pay more than **50% of the MCSEIC single rate** per month for single coverage;
- Is employed by an employer with less than 20 employees (includes full-time and full-time equivalents) AND is <sup>1</sup>Medicare eligible.

*This exception does not apply to group retirement plans. If a spouse is eligible for a group retirement plan such as SERS or STRS and is NOT <sup>1</sup>Medicare eligible and will not pay more than **50% of the MCSEIC single rate** per month for single coverage, the spouse is not eligible under the Poland Local Schools plan.*

## 3. What happens if my spouse's employer's annual open enrollment period doesn't coincide with my effective date of coverage under the MCSEIC District's plan?

The district's spousal COB language states that if your "spouse is eligible to participate in group health insurance and/or prescription drug insurance, the spouse must enroll in such employer-sponsored group insurance coverage(s)... Any spouse who fails to enroll in any group insurance coverage sponsored by his/her employer, as required by this Section, shall be ineligible for benefits under such group insurance coverage sponsored by MCSEIC."

In compliance with federally mandated HIPAA requirements, your spouse's employer's plan must allow your spouse to enroll in their plan since your spouse will lose the district's coverage if he or she fails to enroll in his or her employer's plan which creates a qualifying event.

## 4. How will the Mahoning County School Employee Insurance Consortium know if my spouse *has* coverage available through his/her employer?

If you elect family coverage and wish to cover your spouse, you are required to complete a questionnaire each year. Your spouse's employer must certify the availability of coverage.

If you submit false information in this Certification, or fail to timely advise the District of a change in your spouse's eligibility for employer-sponsored group health insurance, and such false information or such failure by you results in the District providing benefits to which your spouse is not entitled, you will be personally liable to the District for reimbursement of benefits and expenses, including attorneys' fees and costs, incurred by the District. Any amount to be reimbursed by you may be deducted from the benefits to which you would otherwise be entitled. In addition, your spouse will be terminated immediately from the District's group health insurance coverage.

**5. What if my spouse is self-employed?**

If your spouse offers coverage through his or her company, he/she must enroll in that coverage.

**6. If my spouse is eligible for health/prescription drug coverage through his/her SERS or STRS retirement plan or disability benefit, is he or she required to enroll in that plan?**

Yes, unless your spouse is also <sup>1</sup>Medicare eligible.

**7. Rather than my spouse enrolling into his/her employer's plan or group retirement plan as primary, can he/she purchase a separate plan?**

If your spouse would like to purchase another plan rather than enroll in their employer's plan or group retirement plan, they may do so and would not be eligible to enroll in the district's plan.

**8. If my spouse is disabled, is he/she still required to enroll in his/her employer's coverage?**

Yes. If your spouse meets the eligibility requirements of his/her employer's plan, he/she is required to enroll in their employer's coverage.

**9. Does the Spousal COB requirement apply if the spouse is on Medicare?**

If <sup>1</sup>Medicare is the ONLY source of coverage, then the Spousal COB requirement does not apply. If the spouse is on <sup>1</sup>Medicare and actively at work for an employer that offers health coverage and has more than 20 employees (full-time and full-time equivalents) then the Spousal COB requirement does apply.

**10. What if my spouse is a partner for a firm or is an LLC associated with a firm?**

If your spouse is working as a partner for a firm, or is an LLC associated with a firm, and that spouse is eligible to participate in his or her associated firm's health and/or prescription drug coverage (as partners or LLCs associated with that firm), the Spousal COB requirement applies.

**11. Does this language affect my children's coverage?**

No. This language does not affect coverage for your eligible children. It applies only to your working spouse. If both employee and spouse choose to elect family coverage and cover their children, standard coordination of benefit rules will apply.

**12. Is the implementation of Spousal COB a qualifying event that allows us to add dependent children onto our plan at this time?**

No.

**13. If my spouse loses his/her job, or another “qualifying event” occurs causing the loss of his/her primary coverage, is there a waiting period before my spouse is eligible to receive primary coverage from my district’s health care plan?**

Coverage under the district’s plan will become primary immediately upon loss of the other coverage.

**14. Does the Spousal COB requirement mean that the district may still provide health care coverage for my spouse?**

Spouses of Poland Local Schools’ employees who are eligible for group health insurance coverage from their own employer must enroll in such employer-sponsored group insurance coverage if the cost is **50% of the MCSEIC single rate** or less per month. The spouse would not be eligible to participate in Poland Local Schools plan due to the spousal language stipulated in the union contracts.

**15. Does the Spousal COB language apply to the districts’ dental or vision plans?**

No.

<sup>1</sup>This material does not address those individuals who are Medicare eligible due to End Stage Renal Disease (ESRD). Please consult the Medicare & You Guide or your local Medicare Office for further information.

*This analysis is an outline of the coverages proposed upon the information provided by your company. It does not include all the terms, coverages, exclusions, limitations, and conditions of the actual contract language. See the policies and contracts for actual language. This frequently asked questions document is not a contract and offers no contractual obligation on behalf of GBS. Policy forms for your reference will be made available upon request.*