

MECHANICAL SYSTEMS OF DAYTON

Working Spousal Surcharge

Effective **January 1, 2021**, **MECHANICAL SYSTEMS OF DAYTON** will begin a Working Spouse Surcharge Program to help control health care costs. This Working Spouse Surcharge is designed to encourage working spouses to enroll for medical plan coverage through their own employer's benefit plan.

Basically, the **MECHANICAL SYSTEMS OF DAYTON** health plan subsidizes the cost of spousal coverage when an employee's spouse has other coverage available and declines that other coverage to participate in the **MECHANICAL SYSTEMS OF DAYTON** health plan. As a result, our health plan and our employees are paying the benefit costs of other employers.

The program is described below. It applies only to the medical plan coverage.

The enrollment process for the **MECHANICAL SYSTEMS OF DAYTON** medical plan will ask the following questions:

1. Is the employee's spouse employed by an employer other than **MECHANICAL SYSTEMS OF DAYTON**?
 - a. If no, the employee will skip the rest of this section. (No spouse fee will apply)
 - b. If yes, proceed to the next question.
2. Is the **MECHANICAL SYSTEMS OF DAYTON** employee's spouse eligible to sign up for medical coverage through his or her employer for 2021?
 - a. If no, the employee will skip the rest of this section. (No spouse fee will apply.)
 - b. If yes, then proceed to the next question.
3. Is the employee's spouse going to sign up for medical coverage through his or her employer for 2021?
 - a. If yes, then no spouse fee will apply
 - b. If no, then a **\$25.00 per pay (weekly)** will apply to the spouse's enrollment in the **MECHANICAL SYSTEMS OF DAYTON** medical plan.

The Working Spousal Surcharge will apply when the spouse is eligible for any employer's plan other than **MECHANICAL SYSTEMS OF DAYTON'S** medical plan or a government-sponsored plan. However, the surcharge will not apply to Medicare, Medicaid or any other government-sponsored plan.

Working Spouse Waive Fee Form

We recognize that some employer's plans do not allow for benefit plan changes outside of their open enrollment. The following is the waiver process for this situation:

1. If the answer to the third and final question above is "No" the fee will be implemented **January 1, 2021** UNLESS the associate completes a "Working Spousal Surcharge Form" noting "WAIVE FEE" and submits it promptly to the Human Resources Department for verification. (An employee has 31 days from the effective date of coverage to submit the form to the Human Resources Department. If the employee misses the 31-day window, the waiver will be effective the first of the following month in which the form is received and approved.)
2. The enrollment system *will suspend* the Working Spousal Surcharge until the date the Waiver Fee Form indicates as the other employer's plan year start date.

3. The enrollment system will *automatically implement* the Working Spouse Fee as of that date unless the employee submits a Working Spouse Fee Form as of that time to verify the spouse enrolled in his/her employer's plan. (See below for details of the Cancel Fee Form.)

The Human Resources Department will require proof of enrollment in the spouse's employer's plan (Confirmation statement, completed enrollment form, etc.) prior to stopping the working spouse fee.

Working Spouse Cancel Fee Form

1. If the employee's spouse enrolls in the other employer's plan as of the date indicated on the approved Waiver Fee form and chooses to remain in the **MECHANICAL SYSTEMS OF DAYTON** medical plan, the employee should complete the Working Spouse Fee Form noting "CANCEL FEE" and provide proof of the enrollment (confirmation statement, completed enrollment form, etc.) to the Human Resources Department within 31 days of the effective date, the cancel fee would be effective the first of the following month in which the Cancel Fee Form is received and approved.
2. Once the form and proof of the enrollment are received and approved by the Human Resources Department, the Human Resources Department will suspend the Working Spousal Surcharge.

Working Spouse Add Fee Form

If the employee's spouse was not eligible to sign up for another employer's plan at the time the employee enrolled in the **MECHANICAL SYSTEMS OF DAYTON** medical plan and later becomes eligible, the employee must call the Human Resources Department to report their spouse's eligibility for other coverage. This is considered a qualifying life event (i.e. a change in a spouse's coverage) and the employee has a responsibility to report this change to the Human Resources Department to address the Working Spousal Surcharge provision.

3. The employee must complete the Working Spousal Surcharge Form noting "ADD FEE" and return it to the Human Resources Department as soon as possible.
4. Once the completed form is received and reviewed by the Human Resources Department, the enrollment system will be updated and, if appropriate, the Working Spouse Fee will automatically go into effect on the other employer's plan's effective date of coverage for the spouse.

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**MECHANICAL SYSTEMS OF DAYTON
MEDICAL PLAN
WORKING SPOUSAL SURCHARGE**

Please read instruction on Page 1 & 2 then complete all of the following information

REQUEST: WAIVE FEE CANCEL FEE ADD FEE (circle one)

Employee's Name: _____

Employee's Social Security Number: _____

Spouse's Name: _____

Spouse's Social Security Number: _____

Spouse's Daytime Phone Number: _____

Spouse's Employer: _____

Spouse's Employer's Address and Phone Number: _____

Date Spouse can sign up for medical coverage through his/her employer's plan: _____

Effective date of spouse's medical coverage or eligibility for medical coverage through his/her employer's plan:
_____.

If spouse is already covered under their employer's medical plan, please list the name of the other insurance carrier and the effective date: _____

I certify that the above information is true. I understand that misrepresentation concerning any of the above data is a violation of Company Policy that may result in disciplinary action up to and including termination. I understand that I will need to immediately update the information on this form if the above circumstances change. I understand that if benefits are paid in error due to incorrect information or my failure to notify **MECHANICAL SYSTEMS OF DAYTON** Human Resources Department of changes, full recovery of paid claims will occur.

Employee's Signature: _____

Date: _____

Complete, sign and forward this form to Human Resources Department, **MECHANICAL SYSTEMS OF DAYTON** at:
Mailing Address: **4401 Springfield Street; Dayton, Ohio 45431**
Cancel Fee requests must include proof of other coverage. Read Page 1 for full instructions.

FOR OFFICE USE ONLY:

Form Received Date: _____ WAIVE FEE/ CANCEL FEE/ ADD FEE APPROVED/DENIED

Effective Date: _____ Processed By: _____ Database Update Date: _____