

Spousal/Civil Union Partner Surcharge FAQ

1. What are the conditions for payment of the Spousal/Civil Union Partner Surcharge?

You will be assessed a Spousal/Civil Union Partner Surcharge of \$175 per month (\$80.77 per payroll based on 26 pays and \$105.00 per payroll based on 20 pays) for your enrolled spouse/partner if he/she is eligible for medical coverage through his/her employer that meets the Affordable Care Act's (ACA) essential benefits, minimum value, and affordability requirements.

The Plan Administrator has the discretionary authority to evaluate whether or not the conditions for the Surcharge are satisfied. The surcharge will apply in all such cases when the spouse/partner's employer has two (2) or more employees and a company-sponsored health plan.

2. If my spouse/partner has medical coverage through his/her employer as primary insurance, and joins the District 203 plan as secondary insurance, do I have to pay the Spousal/Civil Union Partner Surcharge?

As long as your spouse/partner's company-sponsored health plan meets the ACA's essential benefits, minimum value, and affordability requirements, then yes, you will be assessed the surcharge. The surcharge applies regardless if the District 203 coverage is primary or secondary.

3. If my spouse/partner has a high deductible health plan through his/her employer, do I have to pay the Spousal/Civil Union Partner Surcharge?

If your spouse/partner's high deductible health plan meets ACA's essential benefits, minimum value, and affordability requirements, then yes, the surcharge will be assessed.

4. My spouse/partner is self-employed and has to purchase his/her own insurance, do I have to pay the Spousal/Civil Union Partner Surcharge?

The surcharge will not apply when an enrolled spouse/partner is a Sole Proprietor (he or she is the one and only employee) in their primary and full-time occupation. Partnership in a practice does not qualify as a Sole Proprietorship if the spouse/partner has access to a group plan (ex. lawyers, physicians).

5. My spouse/partner is a veteran and has insurance through the VA, do I have to pay the Spousal/Civil Union Partner Surcharge?

No, you will not be assessed the surcharge for benefits that your spouse/partner has earned by serving in the military. You will, however, be assessed the surcharge if your spouse/partner is eligible for medical coverage through his/her own employer, in addition to his/her VA coverage.

6. My spouse/partner is on Medicare, do I have to pay the Spousal/Civil Union Partner Surcharge?

No, you will not be assessed the surcharge for benefits that your spouse/partner has earned by attaining Medicare age. You will, however, be assessed the surcharge if your spouse/partner is eligible for medical coverage through his/her own employer, in addition to his/her Medicare coverage.

7. My spouse/partner's open enrollment for insurance has already passed and they cannot enroll until the next plan year, do I have to pay the Spousal/Civil Union Partner Surcharge?

The IRS prohibits mid-year plan elections (changes made outside of the open enrollment period) except in cases of qualifying life/status change events. Open enrollment is considered a qualifying event for spouses/partners who have different plan years. If your spouse's/partner's plan year does not align with ours (Jan-Dec), their employer should consider District 203's open enrollment a qualifying event and allow your spouse/partner to join their plan within 31 days. If your spouse/partner stays on our plan, they will be assessed the surcharge.