



Spousal Coverage Requirement FAQ

Q1: Why is Shaker Heights City Schools conducting a working spouse program?

Shaker Heights City Schools is sensitive to the rising costs of healthcare for its employees and believes that this verification program is necessary to ensure the plan is compliant, competitive and cost effective. This program also helps Shaker Heights City Schools manage overall plan cost, which benefits all employees. Shaker Heights City Schools implemented a spousal coordination of benefits (COB) or “working spouse” rule in 2007. Periodic certifications are required by the Board to review whether covered spouses are eligible for other coverage as primary. The audit is to verify compliance with Shaker Heights’ Spousal COB rule and ensure all employees are treated equally.

Q2: What is the Spousal Coverage Requirement (“Working Spouse”) rule?

Covered spouses of District employees who are eligible for medical and/or prescription drug insurance coverage from their own employer or as part of an enterprise or through a retirement plan must enroll in that coverage as primary. District employees must certify whether or not their spouse is eligible for other coverage as primary through their own employer, enterprise or retirement plan. Spouses who are enrolled in such other coverage as primary may remain on the Shaker Heights Plan for secondary coverage. Failure to comply with the spousal COB rule may result in your spouse being terminated from the Shaker Heights Plan.

Q3: What is an “enterprise”?

An enterprise is a business that may be a corporation, partnership or proprietorship. For example, it would include law firms or accounting partnerships and medical groups where a spouse is a partner or principal.

Q4: What if my spouse is self-employed?

If your spouse has coverage available through his or her company or partnership, he or she must enroll in that plan. However, if your spouse’s enterprise does not provide group coverage to its employees, your spouse is not required to seek coverage.

Q5: What if my spouse is employed part-time?

The language does not apply to any spouse who is an employee and who works less than 30 hours per week AND is required to pay MORE than 50% of the single premium to participate in his/her employer’s group health insurance coverage and/or prescription drug insurance coverage. Both of these conditions have to be met to qualify under this exception. This exception does not apply to owners, partners, principals, etc. in an enterprise, nor to retirees.

Q6: What if my spouse’s employer only offers a Health Savings Account (HSA) compatible plan?

The medical and prescription drug plan for an HSA compatible plan is a high deductible health plan. If your spouse wants to be covered on a secondary basis on the Shaker Heights CSD plan, your spouse must enroll in the high deductible health plan as primary. However, this means that neither your spouse’s employer nor your spouse can contribute pre-tax dollars into a Health Savings Account (HSA). The IRS does not allow a person to be covered on a secondary basis by another health care plan AND contribute pre-tax dollars into an HSA.

Shaker Heights City Schools – Spousal Coverage Requirement, continued

Q7: If my spouse is retired, NOT Medicare eligible, and eligible for medical/prescription drug coverage through his or her former employer's retirement plan-sponsored medical/prescription drug plan or SERS or STRS retirement or disability, is he or she required to enroll in that plan?

If your spouse is retired, eligible for a retirement plan, and NOT Medicare eligible, your spouse is required to enroll in such plan to be eligible for the Shaker CSD Plan on a secondary basis.

Q8: : If my spouse is retired, is Medicare eligible, and eligible for medical/prescription drug coverage through his or her former employer's retirement plan-sponsored medical/prescription drug plan or SERS or STRS retirement or disability, is he or she required to enroll in that plan?

If your spouse is Medicare eligible, the Spousal COB rules does NOT apply to your spouse.

Q9: If my spouse is disabled, is he or she still required to enroll in their employer's or enterprise's coverage?

Yes. If your spouse meets the eligibility requirements of their employer's or enterprise's plan, they are required to enroll in their employer's coverage.

Q10: Does the Spousal Coverage Requirement mean that Shaker Heights City School District may still provide healthcare coverage for my spouse?

Yes. If your spouse is enrolled in their employer's or retiree medical/prescription drug plan, the District will provide your spouse with secondary coverage under the District's plan if your spouse remains enrolled in the District's plan. Your spouse's employer's plan will be primary and responsible for the initial processing and payment of claims in accordance with the spouse's plan. Any unpaid balances may then be submitted to the District's plan for processing under Coordination of Benefits on a secondary basis.

Q11: What if I am enrolled in the Health Span plan but my spouse's employer does not offer a Health Span option; or, what if I am not enrolled in the Health Span plan but my spouse's employer only offers a Health Span option? (Health Span = formerly Kaiser)

For those employees who are currently enrolled in the Health Span plan and their spouse's employer, enterprise or retirement plan does not include a Health Span option, the spouse is not required to enroll in his/her employer, enterprise or retirement plan but may pay to the Shaker Schools an amount equal to the required % or dollar amount for single coverage in the employer, enterprise or retirement plan, in addition to any contractual amounts the employee is required to pay. This option is entirely voluntary. The spouse may, at the employee's and spouse's option, enroll with another provider and maintain family Health Span coverage.