

Spousal Coverage Program Verification Form

Cement Masons and Plasterers Local 518 Health Care Fund

PO Box 909500, Kansas City, MO 64190-9500

A. Covered Employee Information

Covered Employee Name (Last, First, Middle Initial)	Covered Employee ID	Spouse Name
Address, City, State, ZIP		Best Contact Phone Number

B. Spousal Statement of Health Coverage Status. Mark all options that apply – Employer Verification required in Section D

<input type="checkbox"/> 1. I have not been employed the last 12 months.
<input type="checkbox"/> 2. I am not employed; date employment ended _____ <i>If coverage has terminated, a COBRA notification form from your employer is required.</i>
<input type="checkbox"/> 3. I am self-employed (<i>see attached Guidelines</i>) Name and Type of Business:
<input type="checkbox"/> 4. I am employed but do not have coverage in my employer's health plan for the following reason(s). Employer verification required.
<input type="checkbox"/> a) I will be eligible for coverage after Open Enrollment. Coverage date begins on: _____ Enter information in Section C if known. <input type="checkbox"/> b) I am currently in a "Waiting Period". Coverage date begins on: _____ Employer verification required in Section D. <input type="checkbox"/> c) I am employed on average of less than 30 hours per week. Employer verification required. <input type="checkbox"/> d) My employer offers health coverage but does not contribute to premium cost. Employer verification required. <input type="checkbox"/> e) My employer does not offer health coverage. Employer verification required. <input type="checkbox"/> f) My employer does not offer a "Qualified Plan". Employer verification required. Please attach letter from your employer describing the type of plan available – see attached Guidelines. <input type="checkbox"/> g) Other. Attach a letter for review explaining your current circumstances.
<input type="checkbox"/> 5. I am employed and have coverage through my employer. Employer verification required. Enter information in Section C if known.
<input type="checkbox"/> a) My employer contributes _____ % (Please enter 0-100%) Employer verification required.
<input type="checkbox"/> 6. I have dental and/or vision coverage but no medical coverage for reason(s) stated in #4. Employer verification required. Enter information in Section C if known.

C. Spousal Statement of Health Coverage Information– Employer Verification required in Section D

I have health coverage through:				
<input type="checkbox"/> 1. My Employer	<input type="checkbox"/> 2. Retiree Coverage	<input type="checkbox"/> 3. High Deductible Health Plan*		
<input type="checkbox"/> 4. Health Savings Account (HSA)* <i>Spouses cannot have both an HSA and this Plan</i>		<input type="checkbox"/> 5. Medicare		
*Note: When available, a spouse should enroll in the HDHP but decline the HSA portion to have secondary coverage under this Plan – see attached Guidelines.				
MEDICARE AND OTHER HEALTH INSURANCE COVERAGE INFORMATION				
You must attach a copy of your Insurance Cards				
<input type="checkbox"/> Medicare Coverage Part A Medicare Effective Date:	<input type="checkbox"/> Medicare Coverage Part B Medicare Effective Date:	<input type="checkbox"/> Medicare Coverage due to End Stage Renal Disease Medicare Effective Date:		
My other Health Insurance Plan Name:				
Insurance Plan ID:		Insurance Plan Phone #:		Coverage Effective Date:
My Coverage Includes:	<input type="checkbox"/> Medical & Rx	<input type="checkbox"/> Employee Only	<input type="checkbox"/> Employee & Spouse	<input type="checkbox"/> Employee & Children
	<input type="checkbox"/> Vision	<input type="checkbox"/> Employee Only	<input type="checkbox"/> Employee & Spouse	<input type="checkbox"/> Employee & Children
	<input type="checkbox"/> Dental	<input type="checkbox"/> Employee Only	<input type="checkbox"/> Employee & Spouse	<input type="checkbox"/> Employee & Children
	<input type="checkbox"/> HRA	<input type="checkbox"/> Employee Only	<input type="checkbox"/> Employee & Spouse	<input type="checkbox"/> Employee & Children
				<input type="checkbox"/> Family

D. Employer Verification – MUST be completed by the Employer in order to be VALID

As the Employer, I hereby certify that the person (spouse) named on this form is an employee of the below named employer and the information supplied by the employee (spouse) is accurate and complete to the best of my knowledge.		
Please verify Employee Portion for Cost of Coverage in Section C:		Please verify Employer Portion for Cost of Coverage in Section C:
Employer Name:	Employer Representative Name (please print):	Date:
Employer Representative Title:	Employer Representative Signature:	Employer Representative Phone Number:

E. Spousal "Opt Out" of This Plan - By selecting this box, I decline any spousal coverage under this Plan.**F. Signatures: Both Covered Employee and Spouse signatures are required.** We hereby declare under penalty of perjury that we are legally married in accordance with the laws of the state in which we reside and the information on this form is correct and complete to the best of our knowledge. We authorize the Fund to verify the spouse employment status as needed. If requested by the Fund, we agree to obtain and furnish a copy of any marriage certificate, divorce decree, or other relevant documents pertaining to establishing a common law marriage where recognized. We understand that if any incorrect or misleading information results in a loss to the Fund, the Fund is entitled to recover the amount of such loss from us or by withholding from our future benefits. Employed Spouses Only: I hereby authorize my employer or other entities to release information regarding my employer's health insurance plan and my eligibility status for coverage under that plan to this Fund.

Covered Employee Signature:	Spouse Signature:	Date:
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**Guidelines for the Spousal Coverage Program
Cement Masons and Plasterers Local 518 Health Care Fund (The CM 518 Plan)**

The Spousal Coverage Program was effective January 1, 2017

Definitions:	
Self Employed:	An individual, doing business as a sole-proprietor or partner, who either has no employees or offers no health coverage to employees.
Part-Time Employee:	Part-time is defined by the CM 518 Plan, for the Spousal Coverage Program, as working an average of less than 30 hours per week.
Qualified Plan:	For purposes of the Spousal Coverage Program, a “Qualified Plan” means an employer-sponsored health plan that (i) offers, at minimum, coverage for hospitalization medically necessary surgery, medical outpatient and physician services; and (ii) is subject to state or federal regulations of the insurer of an insured plan or the employer of a self-insured plan.
Open Enrollment:	The time or times during the year when an employee may normally enroll for coverage in an employer-sponsored health plan.
Waiting Period:	The period following initial employment that must elapse before an employee can commence coverage in an employer-sponsored health plan.
Opt-Out:	Voluntarily choosing to decline (or terminate) any spousal dependent coverage in the CM 518 Plan.
Exempt:	A Covered Employee’s spouse who is not qualified to enroll in health plan coverage through their own employer, or a Covered Employee’s spouse who is not employed.
Non-Exempt:	A Covered Employee’s spouse who is required to enroll in health plan coverage through their own employer if the employer contributes 70% or more per month towards the cost of health coverage.
Non-compliance:	A Covered Employee’s spouse who is eligible for health plan coverage through their own employer and chooses not to enroll in their own employer’s plan, or a Covered Employee’s spouse who does not properly complete the Verification Form for the Spousal Coverage Program.

Program Requirements: The program requires a working spouse, who is not considered “Exempt” under the CM 518 Plan, to enroll in the health coverage plan offered by their own employer as a condition of receiving benefits from the CM 518 Plan. The working spouse must enroll for employee-only coverage, if offered, and if the employer contributes 70% or more per month towards the cost of health coverage. In addition to the basic coverage of a qualified plan, the working spouse must obtain prescription drug coverage, if available, but it is not required to elect vision or dental coverage. If different plan types are offered, the working spouse must elect an HMO, PPO, or POS plan rather than a high-deductible plan of another type. If the only plan available is a high-deductible health plan (HDHP), the working spouse should enroll in the HDHP and decline the HSA portion to remain eligible for dependent spouse coverage in the CM 518 Plan. A spouse may not establish a new Health Savings Account (HSA), nor receive tax-free contributions to an existing HSA, while covered in both an HDHP and the CM 518 Plan. (If a working spouse enrolled in an HDHP elects to “Opt Out” of the CM 518 Plan, the spouse’s rights with respect to an HSA will not be affected.)

Other Insurance: The working spouse’s employee health plan will pay claims as “Primary” carrier and the CM 518 Plan will pay “Secondary.” If a working spouse has coverage in the form of a Health Reimbursement Account (HRA), all charges covered by that HRA must be processed prior to submitting to the CM 518 Plan. The CM 518 Plan will pay “Primary” only if a spouse is considered “Exempt” in the CM 518 Spousal Coverage Program.

Open Enrollment Period: A working spouse who elected not to enroll during their employer’s one-time Open Enrollment period should be allowed another Open Enrollment period once coverage has been terminated by the CM 518 Plan. You can contact the CM 518 Benefit Plan Office for a letter of termination to present to your employer. When enrollment has been established with the Spouse’s employer health coverage, the CM 518 Plan will pay “Secondary.”

Verification Form Required: All dependent spouses eligible for coverage in the CM 518 Plan must submit a fully completed and signed verification form showing either they are “Exempt” or they have obtained health coverage through their own employment. All dependent spouse benefits under the CM 518 Plan will be terminated (or suspended in the case of a new spouse) from the time the form is due until the completed and signed form is received by the CM 518 Plan. Coverage will only be reinstated the first day of the following month after receipt of the completed and signed verification form. No retroactive coverage will be granted.

Opting Out: Spouses may elect to “Opt Out” of coverage in the CM 518 Plan by checking the appropriate box in Part E on the Verification Form for the Spousal Coverage Program. A dependent spouse who elects to “Opt Out” of coverage is terminating their coverage in the CM 518 Plan.

1. What eligibility change occurred to Cement Masons and Plasterers Local 518 Health Care Fund (the “CM 518 Plan”) in 2017 that affects my spouse?

The CM 518 Plan implemented a “Working Spouse Rule.” Under this rule, a spouse of a covered employee is only eligible for secondary coverage under the CM 518 Plan if such spouse is employed and has access to group medical coverage through his/her own employer which the spouse’s employer contributes 70% or more per month for the least expensive coverage available, excluding any separately priced voluntary benefits. In discussing the Working Spouse Rule, the CM 518 Plan will occasionally refer to such coverage as “affordable coverage.” In such a case, the CM 518 Plan will provide health care coverage to that working spouse on a secondary basis, subject to standard *coordination of benefits* rules. Such a spouse will NOT be eligible for primary coverage under the CM 518 Plan. The plan refers to a spouse who is not eligible for primary coverage under this CM 518 Plan due to meeting the above criteria as a “working spouse.” A spouse who works but is not a “working spouse” is referred to as an “employed spouse.”

2. What is coordination of benefits?

When an individual is covered by more than one health plan (for example, when a spouse is covered by both their employer’s plan and another plan, under this Rule, the “other plan” is the CM 518 Plan. The spouse’s plan is considered to be the “primary” plan. The CM 518 Plan is considered to be the “secondary” plan. The primary plan covers the major portion of the bill according to that plan’s schedule of benefits, and the secondary plan covers any remaining allowable expenses. That is, the primary plan’s benefits are applied to the claim first. The unpaid balance is then paid by the secondary plan up to what it would have paid if it had been the primary plan. Benefit payments are "coordinated" between both health plans, and total payments between the two plans would not exceed 100% of the allowable charges for any covered service. Under the “Working Spouse Rule,” a “working spouse’s” plan is primary and the CM 518 Plan is secondary.

3. When did this policy go into effect?

January 1, 2017.

4. Are all spouses affected?

No, only an employed spouse who meets the definition of “working spouse” under FAQ #1 above. Eligible claims paid on behalf of a Working Spouse will be paid on a secondary basis under the CM 518 Plan. Many categories of spouses will not be affected, including:

- If your spouse is self-employed and has no other employees.
- If your spouse is not employed full time within the meaning of Section 4980H of the Internal Revenue Code (generally less than 30 hours per week or on average less than 130 hours per month).
- If your spouse’s employer would not contribute 70% or more towards the cost of the spouse’s health coverage.
- If the Trustees determine that due to unusual and unforeseen circumstances, enrollment by your spouse would impose extreme hardship. If your spouse’s employer contributes at least 70% or more per month for the cost of your spouse’s coverage, enrollment will generally not be deemed an extreme hardship.

5. Is my working spouse required to enroll our children into his/her employer-sponsored group medical coverage?

No. Dependent children are not subject to the CM 518 Plan's Working Spouse Rule. You may still enroll your dependent children for primary coverage under this Plan even if your working spouse is not eligible for primary coverage under the Working Spouse Rule.

6. What do my employed spouse and I need to prepare for this change?

You should start by obtaining information about your spouse's employer's group medical plan. Determine when the employer's annual enrollment period occurs. You should also review the Plan's Spousal Coverage Verification Form (see FAQ #8 below) so you are aware of the steps you will need to take to confirm whether your employed spouse is a "working spouse" subject to the rule.

7. Who must complete the Spousal Coverage Verification Form?

All spouses must complete the Spousal Coverage Verification Form no later than December 31, 2023.

8. Where can I find the Spousal Coverage Verification Form?

The Spousal Coverage Verification Form has been mailed to each household or you may call 1-877-518-0518 to request a copy from the Fund Office. The form is available on the Fund website at www.kcmasonsbenefits.org.

9. How will the Plan know whether or not my spouse is eligible for group medical coverage through their employer?

Each covered employee in the Cement Masons and Plasterers Local 518 Health Care Fund who wants to cover their spouse under the Plan after December 31, 2023 will need to complete the Spousal Coverage Verification Form. The Spousal Coverage Verification Form will require the spouse to indicate if they are employed. If the spouse is employed, the spouse's employer will be required to complete the Spousal Coverage Verification Form to confirm that the spouse is not eligible for group medical coverage with their employer that is affordable coverage.

10. What qualifies as a group medical plan offered by my spouse's employer?

Any medical plan that satisfies the minimum coverage thresholds of the Affordable Care Act that is provided by your spouse's employer to its employees qualifies.

11. What happens if my spouse fails to submit the Spousal Coverage Verification Form?

Your spouse's coverage under the CM 518 Plan will be terminated effective December 31, 2023, and any claims for such spouse will not be covered until a form is completed and provided to the Fund Office. No retroactive coverage will be granted.

12. Whose health care plan will cover my children; the Plan or my spouse's employer's plan?

If your spouse elects to cover your children under his/her employer's plan, the children will be covered by both plans subject to coordination of benefits and the "birthday rule." The "birthday rule" determines which plan pays primary and which plan pays secondary for the children. Under the birthday rule, the plan of the employee covering the child whose

birthday occurs earlier in the calendar year will be treated as primary for the child. If both parents have the same birthday, the policy that has been in effect longer will be primary. The birthday rule is superseded when a court order or custody rule applies.

13. What if my spouse's employer states that my spouse cannot enroll for medical coverage outside of open enrollment?

Please indicate your spouse's next available open enrollment dates on the Spousal Coverage Verification Form that you provide to the Fund Office.

14. If my working spouse's group medical coverage is terminated because he/she loses their job, does my spouse have to elect and exhaust COBRA coverage before being eligible for primary coverage under Cement Masons and Plasterers Local 518 Health Care Fund?

No. A working spouse is not required to elect COBRA from his/her employer's plan before becoming eligible for coverage under the CM 518 Plan. If a working spouse loses coverage, the event qualifies as a "life event" and the working spouse's coverage under the CM 518 Plan would become primary. You or your working spouse must file an updated Spousal Coverage Verification Form with the Fund Office prior to the Plan's coverage becoming primary for that spouse.

15. What if my spouse is currently between jobs? Is my spouse eligible for primary coverage under the Plan?

Yes, as long as your spouse is not eligible for coverage from an outside employer that would trigger the Working Spouse Rule, they can stay enrolled as primary under the CM 518 Plan. However, if at any time your spouse becomes eligible for affordable coverage through a new employer, he/she is no longer eligible for primary coverage under the CM 518 Plan. It is important that your spouse file an updated Spousal Coverage Verification Form with the Fund Office within 31 days of their eligibility on their new employer's plan.

16. What if my spouse is going to school part-time and is eligible for a student health plan from the school?

The Working Spouse Rule only applies to spouses who are actively employed and eligible for affordable group medical coverage from their employer. If your spouse is eligible for coverage as a student, they would still be eligible as primary coverage under the CM 518 Plan.

17. My spouse has a pre-existing medical condition. Could my spouse's expenses associated with this condition be excluded by his/her employer's plan?

No, in compliance with the Affordable Care Act, your spouse cannot be denied coverage due to a pre-existing condition under any health plan.

18. What if my spouse and I are both Cement Masons and Plasterers Local 518 Health Care Fund members?

If you are married to another Cement Masons and Plasterers Local 518 member, you and your children will all be covered both as primary and secondary under the CM 518 Plan subject to standard coordination of benefits (see FAQ #2).

19. What happens if my spouse does not enroll in available coverage through his/her employer?

The Working Spouse Rule requires Cement Masons and Plasterers Local 518 members seeking coverage for their spouse under the CM 518 Plan to attest to whether their spouse is employed, as well as whether they have affordable group medical coverage through their employer. Participants completing the Spousal Coverage Verification Form would be expected to complete it completely and accurately, similar to any other attestations they make as part of their employment. In the event an employee does not complete the Spousal Coverage Verification Form accurately, their coverage under the CM 518 Plan will be terminated. In addition, falsification of the Spousal Coverage Verification Form will be treated similarly to any other act of fraud. In the event any claim is paid as a result of a fraudulent statement or attestation, the amount of the claim paid will be recovered with interest and the Covered Employee's/Spouse's eligibility for benefit from the CM 518 Plan may be indefinitely suspended.

20. What happens if my spouse later becomes eligible for coverage on their employer's group medical plan but fails to enroll in that plan?

Beginning January 1, 2017, once a working spouse becomes eligible for affordable coverage under a plan sponsored by their employer, their eligibility to receive primary coverage under the CM 518 Plan ends, and their future claims directed to the CM 518 Plan would be limited to secondary coverage as if the primary plan had the identical schedule of benefits to the CM 518 Plan. Therefore, it is important for working spouses, who are eligible for coverage under their employer's plan, enroll in that plan and file an updated Spousal Coverage Verification Form with the Fund Office within 31 days. This will ensure the working spouse's claims are processed correctly and do not later need to be reprocessed and/or subject the spouse to a greater share of the claim's cost.

21. What if my spouse's employer asks for proof that he/she is no longer eligible for primary coverage under Cement Masons and Plasterers Local 518 Health Care Fund?

The CM 518 Plan will be issuing a summary of material modifications ("SMM") stating that effective January 1, 2017, health care coverage under the CM 518 Plan will no longer be available on a primary basis for a working spouse who has access to coverage from their own employer and the employer contributes at least 70% towards the cost for the least expensive coverage available. Working spouses should provide their employer with a copy of this notice as soon as it is received, and request to enroll in that employer's plan if coverage is available for an employee cost of no more than 30% per month for the least expensive coverage available.

22. Why is Cement Masons and Plasterers Local 518 Health Care Fund implementing this eligibility change?

This change will help ensure that Cement Masons and Plasterers Local 518 Health Care Fund — in the face of rising health care costs — can continue to provide the best health care benefits possible to its eligible employees and families.

Statement Regarding Status as a Grandfathered Health Plan

This group health plan believes this Plan is a “grandfathered health plan” under the Patient Protection and Affordable Care Act (the Affordable Care Act). As permitted by the Affordable Care Act, a grandfathered health plan can preserve certain basic health coverage that was already in effect when that law was enacted. Being a grandfathered health plan means that your Plan may not include certain consumer protections of the Affordable Care Act that apply to other plans, for example, the requirement for the provision of preventive health services without any cost sharing. However, grandfathered health plans must comply with certain other consumer protections in the Affordable Care Act, for example, the elimination of lifetime limits on benefits.

Questions regarding which protections apply and which protections do not apply to a grandfathered health plan and what might cause a plan to change from grandfathered health plan status can be directed to the Fund Office, CompuSys Inc at 1-877-518-0518. You may also contact the Employee Benefits Security Administration, U.S. Department of Labor at 1-866-444-3272 or www.dol.gov/ebsa/healthreform. This website has a table summarizing which protections do and do not apply to grandfathered health plans.

If you have any questions regarding these changes, please contact the Fund Office at 1-877-518-0518.

Sincerely,
Board of Trustees

This document is intended to describe the eligibility requirements, procedures, and effective dates for the health care program offered by Cement Masons and Plasterers Local 518 Health Care Fund. This document is a general summary of frequently asked questions. Full details are contained in the Plan’s legal summary plan description and Plan Document, which governs the Plan. Whenever an interpretation of a Plan benefit is necessary, the actual Plan documents will be used.