

# Working Spouse/Same Sex Domestic Partner (SSDP) Audit FAQ's

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## **Why is Ball State University conducting a Working Spouse/Same Sex Domestic Partner (SSDP) Audit?**

The Working Spouse/SSDP provision that becomes effective on January 1, 2013, was added to our plan because the University believes it is our responsibility to provide the best healthcare coverage possible to our employees and their children, and that other employers should take the same responsibility for providing healthcare coverage to their own employees.

## **How is Ball State going to verify if someone's spouse can get health insurance from his or her employer and that the employer pays 60 percent of the health care premium?**

As part of the Working Spouse/SSDP Audit, you will receive a Working Spouse/SSDP Affidavit that must be completed and returned to HMS Employer Solutions by November 21, 2012. Part of the affidavit is completed by the Ball State employee and the rest must be completed by the spouse's or SSDP's employer. Ball State's Office of Payroll & Employee Benefits has been completing similar forms for many employers of our employees' spouses.

## **Who is HMS Employer Solutions (HMS)?**

HMS Employer Solutions is an independent third-party audit company with whom Ball State University has contracted to verify the eligibility of dependents covered under its medical plan. HMS specializes in delivering these type of dependent verification services to private and public employers of all sizes, including Fortune 500 companies, school districts, hospitals and universities.

## **What happens if I do not submit the Working Spouse/SSDP Affidavit by the November 21, 2012 audit deadline?**

Ball State University is ultimately responsible for determining how best to handle each individual case.

If you fail to provide the Working Spouse/SSDP Affidavit, the following action will occur:

- Your spouse/SSDP will be removed from coverage effective December 31, 2012 at midnight.

## **May I send my affidavit to the Ball State University's Payroll & Employee Benefits Department?**

This is an independent audit being performed on behalf of Ball State University by HMS. To ensure the confidentiality of the audit process and to safeguard the information submitted as part of these audits, the University Payroll & Employee Benefits Department will not be permitted to forward documents to HMS on behalf of our employees, and/or provide employees with copies of previously submitted documents. The only way to ensure that all affidavits are logged appropriately and eligibility is verified is to use the audit system that Ball State University has established through HMS.

## **What are my options for submitting documentation to HMS Employer Solutions?**

HMS Employer Solutions offers a variety of options for document submission.

- **Document upload on the secure website <http://www.AuditOS.com>:** First, click the "Upload Documents" tab. You will then see the "Browse" button. After you locate your file and successfully upload it you will see a banner notification across the top of the screen indicating a successful or unsuccessful upload.
- **Fax:** HMS Employer Solutions' toll-free fax number is 1-877-223-8478. You may fax your documents and signed letter 24 hours a day, 7 days a week.
- **Mail:** Documents and signed letter can be mailed to the Dependent Eligibility Verification Center, P.O. Box 1587, Jeffersonville, IN 47131. Please allow 5-7 business days for your documents to be received and an additional 5 business days for documents to be processed.

**How will I know if my information has been accepted?**

Once your documentation has been received by HMS, you may check the status by using the HMS website <http://www.AuditOS.com>. In addition, you will receive written communication indicating if you have successfully completed the Working Spouse/SSDP Audit. You will also be advised if additional information is needed to complete the audit. Ultimately, it is your responsibility to ensure that your documents were successfully received.

**When will this Working Spouse/SSDP Provision go into effect at Ball State?**

The Working Spouse/SSDP Provision goes into effect Jan. 1, 2013. Since this is a potentially life-changing event, the spouse's or SSDP's employer should allow for election into the employer's plan effective Jan. 1. If that is not possible, the Office of Payroll & Employee Benefits will be in contact with your spouse's or SSDP's employer as long as the Working Spouse/Same Sex Domestic Partner Affidavit is completed and returned to HMS Employer Solutions by November 21, 2012.

**How do I know if my spouse's/SSDP's employer pays at least 60 percent of the health care premium?**

Some employers may not share the entire cost of the health care coverage in their open enrollment documents. Therefore, the Working Spouse/Same Sex Domestic Partner Affidavit asks the spouse's or SSDP's employer to provide information about the cost of the plan for both the employer and employee.

**What does it mean when it says "the spouse's/SSDP's employer must pay at least 60 percent of the health care plan cost?"**

An example: The monthly cost is \$400 for single coverage.

60 percent of \$400 = \$240 (this is the amount that the employer would pay per month)

If the spouse's or SSDP's employer pays less than 60 percent, in this case less than \$240 a month, then the spouse/SSDP is not required to enroll in the employer's health care plan.

**Must an employee's spouse or SSDP take his or her employer's health care plan or can the spouse/SSDP just stay on Ball State's plan?**

If the Ball State employee's spouse/SSDP works full time and the employer offers a health care plan and pays at least 60 percent of the cost of that plan, the spouse/SSDP must take coverage with his or her employer. Ball State's employees may keep their spouses/SSDPs on the Ball State plan as secondary if they choose.

If the spouse's/SSDP's employer offers more than one plan option to choose from and the employer's cost varies with each plan, as long as one plan option is paid by the employer at least 60 percent, then the spouse/SSDP must be covered by one of the employer's plans to be eligible to be covered secondary on the Ball State plan.

**What happens if a Ball State employee's spouse/SSDP is now covered by his or her employer's plan and loses coverage? Can the spouse/SSDP join Ball State's health care plan?**

If the spouse/SSDP is covered under Ball State as a secondary plan, documentation from the spouse's/SSDP's employer explaining why the spouse/SSDP lost coverage and the effective date of losing that coverage will be needed. Once this is received, then the Ball State plan will become primary. If the spouse/SSDP is not covered by the Ball State plan and loses coverage, he or she can become covered under the Ball State plan with documentation from the employer noting the reason for the loss of coverage and the date that coverage was lost. The Ball State employee will then need to complete an enrollment form adding the spouse/SSDP to the coverage. If a spouse/SSDP loses coverage, he or she must be added to the Ball State plan within 30 days of the loss.

**What will I need to do if my spouse/SSDP is currently working part time but during calendar year 2013 gets a full-time job?**

At that time, the Ball State employee must report it to the Office of Payroll & Employee Benefits and complete and return the Ball State Working Spouse/Same Sex Domestic Partner Affidavit. If your spouse/SSDP works part time now, he or she does not fall under the requirement to enroll in the employer's health care plan. However, if the spouse's/SSDP's job becomes full time at any point during 2013 and the employer pays at least 60 percent of the health care coverage cost, the spouse/SSDP would then fall under the requirement to be covered under the employer's plan.

**As of January 2013 I understand that I cannot cover my spouse if his employer offers insurance. I'm currently on the family HSA-Qualified plan. If he is forced to pickup coverage does that make me ineligible for my HSA since he will be covered under another plan? I do not believe his employer offers an HSA.**

If your husband picks up coverage with his employer that is not HSA-qualified, it will not affect your eligibility to contribute to an HSA UNLESS he also adds you to his employer's plan (as secondary coverage). The key to eligibility is the accountholder's (your) status – as long as you are not covered by a non-qualified plan you can still contribute to an HSA. Additionally, even though your husband will be covered by a non-qualified plan you can still pay for his out of pocket expenses with your HSA funds.

**I have worked at Ball State for 5 years but we have not had to use the insurance. My husband's company has changed and while they still offer insurance the coverage is not the same and we would like to switch to Ball State instead of his coverage. Would we have to pay for his insurance through his company as well, based on the new Working Spouse Provision?**

If your husband's employer pays at least 60% of the premium for health coverage, then effective 01/01/2013 he will need to enroll in his employer's plan for his primary coverage.

One option you have is to enroll the kids and yourself in one of Ball State's plans and pay the EE+CH premium and have your husband carry a single plan with his employer. Or you could carry family coverage at Ball State so your husband could have the University's insurance as secondary (he would still need to carry a single plan with his employer for his primary coverage). If you did this you could actually wait until 01/01/2013 to have your husband pick up the single plan with his employer.

**How may hours per week constitute "full-time" for this provision?**

Your spouse's employer will define whether they classify your spouse as a full or part-time employee for purposes of Ball State's Working Spouse/SSDP Provision. This will be one of the questions that your spouse's employer will be asked to respond to on the Working Spouse/SSDP Provision Affidavit.

**How is this fair? My husband is going to have to take his employer's insurance, which is not as good as Ball State's, and I will have to continue paying family premiums to maintain secondary coverage for him (and pay the single premium for his employer's coverage). We would be better off if he were a "stay-at-home" dad and was not working!**

This is a major change for all of us and it is truly unfortunate that some employees will be negatively affected. However, Ball State University strongly believes that it is our responsibility to provide the best healthcare coverage possible to its employees and its employee's children, and that other employers should take the same responsibility for their own employees. The truth is that when our costs increase because of spousal claims, the costs for all of our employees – including those single employees, or single-parent employees, rise also.

It may not seem fair that we are requiring employee's spouses to move to their own employer's health plan, but we feel that it is the spouse's employer's obligation to pay primary for their own employee's medical claims. Although it might not be financially ideal for Ball State employees in this situation, they do have double-incomes, whereas we have already been asking those employees with only a single income to pay for the claims of employee spouses that should really be paid for their own employers.

**Can the employee pay an additional amount to keep the spouse on our coverage?**

Technically, no, this is not a spousal surcharge plan. However, you may keep your spouse on your plan by paying the family premium (if your spouse has primary coverage with their employer).

**Will employees be allowed to drop their spouses from the health insurance in January even though it is not open enrollment?**

Yes, the loss of Ball State's coverage for your spouse is considered a Qualifying Event which will allow you to change to either a Single level or Employee + Child(ren) level if you are covering your children. You may also actually change your plan at this time (Low Deductible, High Deductible Wellness, High Deductible/HSA Qualified) if you would like to do so.

**If both people work at BSU, can we stay on the same family plan?**

Yes, the Working Spouse/SSDP Provision will not affect those employees who are married/in a SSDP relationship and both working at Ball State.

**If my wife is require to take health coverage through her employer because of the ‘carve out’ does that affect my HSA (Health Savings Account) in any way? If so, how?**

If it is just you and your wife on the plan (no children), then you have a couple of choices once your wife goes onto her employer’s plan. You could go to a single/employee only plan with BSU which means that you would only qualify for the single HSA seed amount for 2013. Or you could keep your wife on the BSU plan as secondary coverage and you would still qualify for the family seed amount.

Either way, as long as she does not also put you on her employer’s health plan (assuming that it’s not a HSA-qualified health plan) when she switches over, you can still contribute to an HSA and use the funds in your HSA for your wife’s out of pocket expenses.

**My wife’s employer offers medical coverage only (no dental coverage). I’m not sure yet how much of their plan is funded by the employer. How does this disparity in coverage affect the Working Spouse Provision? Is she still eligible for BSU coverage as her primary since she cannot get dental through her employer?**

If your wife meets the criteria for the Working Spouse/SSDP Provision then regardless of the disparities in coverage, i.e., no dental, she will have to take her employer’s coverage as primary. You may still keep her on your plan for secondary coverage, but I’m not sure I would recommend that just for the dental. It may be financially wiser to put aside money for dental expenses into an FSA.

**I need to determine if my husband will qualify to go on his employer’s insurance. He is employed by a school corporation in Randolph County and they are telling us that they have closed enrollment and that Ball State’s Working Spouse requirements do not meet their qualifying event stipulations.**

We have had our legal counsel review these notices and according to him, even if the school system has a “closed” enrollment and they do not follow ERISA as far as Qualifying Events are concerned, they are still subject to HIPAA federal laws. Thus, if our plan forces the termination of your spouse’s coverage effective January 1, 2013, this would make him a “Special Enrollee” under HIPAA who must be accepted by the school system. We are fully prepared to have our legal team educate them on what the law requires and how every employer is subject to HIPAA.