

Excluding Coverage for Spouses

Agency Guide for Required Declaration Document

At its May 25, 2016 meeting, the Insurance Committees approved allowing local education and local government agencies to opt out of offering health insurance coverage to the spouses of employees if the spouse is employed and eligible for group health insurance through their own employer. Opting out of spousal coverage is not mandatory, but individual local agencies may choose to adopt this practice, subject to the agency's normal approval process and upon giving notice to Benefits Administration.

NOTE: Agencies opting to exclude coverage for spouses must submit a declaration document to Benefits Administration 30 days prior to the beginning of the Plan's Annual Enrollment Period (or upon electing to participate in the Plan). Agencies should copy and paste the appropriate text below onto the agency's letterhead, complete the appropriate sections, and make sure the declaration is signed and dated prior to sending it to Benefits Administration.

Send completed declaration documents by mail, fax or email to the Education and Outreach Administrator at:

Mail: DEPARTMENT OF FINANCE AND ADMINISTRATION - BENEFITS ADMINISTRATION
312 Rosa L. Parks Avenue
Suite 1900 William R. Snodgrass Tennessee Tower
Nashville, Tennessee 37243

FAX: 615-741-8196

Email: benefits.info@tn.gov, to the attention of: Education and Outreach Administrator

[Agency Name] WILL deny eligibility to spouses of employees who are eligible for group health insurance through the spouses' employers. The Effective Date of this decision will be January 1 of the Plan Year following the date of the authorized agency representative's signature on this declaration document.

[Add one of the following statements to your declaration document and initial beside that statement.]

_____ **[Agency Name] WILL** distinguish between spouses of existing employees and spouses of new hires with regard to offering insurance coverage. Coverage **WILL** be extended to spouses of employees hired prior to the Effective Date of the spousal exclusion. As long as those employees and their spouses continue to be eligible, and the spouses are already covered prior to the Effective Date of the exclusion, coverage will continue after the Effective Date of the exclusion. Spouses of employees hired after the Effective Date of the exclusion **WILL NOT** be eligible for coverage if eligible for group insurance coverage through the spouse's employer.

_____ **[Agency Name] WILL NOT** distinguish between spouses of existing employee and spouses of new hires with regard to offering insurance coverage. Coverage **WILL NOT** be extended to any spouse who is eligible for group health insurance through the spouse's employer. This means that some spouses who are currently covered may be denied eligibility as of the Effective Date of the agency's decision to exclude spousal coverage.

[All agencies include the following statements in your declaration document and initial beside each]

_____ **[Agency Name]** understands that denial of coverage for spouses is an individual agency decision and not mandated by plan policy or law.

_____ **[Agency Name]** understands that once the agency has opted to deny coverage for spouses, the agency may only reverse that decision by notifying Benefits Administration in writing and requesting to revoke this declaration document. Agency understands that a request to revoke this declaration document may only be made once during the Plan Year and must be received by Benefits Administration 30 days prior to the beginning of the plan's annual enrollment period. Agency further understands that the effective date of a reversal will be January 1 of the Plan Year immediately following receipt of the agency's request to revoke the agency's decision to deny spousal coverage.

_____ **[Agency Name]** understands that there is no mechanism in Edison to block an employee's election to add spousal coverage. It is the agency's responsibility to inform employees of the agency's position regarding spousal coverage. New hires should be informed of the agency's position on spousal coverage during orientation and existing employees should be informed when requesting coverage changes impacting spouses and prior to the beginning of the plan's annual enrollment period.

_____ **[Agency Name]** understands that it is the agency's responsibility to monitor enrollment through available queries and notify Benefits Administration of any errors.

[Add only one applicable signature and date option]

Local Education Director of Schools (Printed Name/Signature)

Date

Local Government Head of Agency (Printed Name/Signature)

Date

