Electrical Workers Administration and Claims Office
General Welfare, Vacation, Pension & Retirement Savings Funds

28600 Bella Vista Parkway, Suite 1110
Warrenville, IL 60555-1600

Phone (630) 393-1701
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WORKING SPOUSE ANNUAL CERTIFICATION

Dear Plan Participant:

Your Welfare Plan includes a Working Spouse Rule requiring that working spouses enroll in their employers' health plans. Spouses that do not enroll in their employers' health plans will have their coverage under this Plan reduced to 20% of allowable charges.

You and your spouse (if you are married) must provide information regarding your marital status and your spouse's employment status on an annual basis. Please complete the enclosed Spouse Employment Information Form and return it to the Fund Office no later then December of this year.

YOU ARE REQUIRED TO COMPLETE THIS FORM REGARDLESS OF YOUR MARITAL STATUS OR YOUR SPOUSE'S EMPLOYMENT STATUS

THE BASIC "WORKING SPOUSE RULE"

If your spouse works and is eligible for coverage through his or her employer (a plan in which the employer contributes some or all of the premiums), then his or her plan is primary and this Plan will be secondary for all your spouse's medical claims. The Plan will be secondary under these circumstances ***even if your spouse does not elect his or her employer's coverage***. In such a case, the primary plan's benefit level will be deemed to be 80% of this Plan's allowable charges, and ***the 20% balance will be the maximum payable by this Plan.***

Additional details regarding the "working spouse rule" and the hardship exemption may be found on the back of this letter. If you have any questions, please contact the Welfare Fund Office.

Sincerely,

Board of Trustees
I.B.E.W. Local No. 701 Health and Welfare Plan

Enclosure

Hardship Exemption – the 20% Plan payment rule will not apply if your spouse has gross annual wages less than **$40,000** per year.

If you believe the hardship exemption applies to you and your spouse, you must submit proof of your spouse's annual income to the Fund Office. The fund office has the right to verify the information with the employer.

Dual Coverage Saves you Money – When your spouse is covered by his or her employer's plan and this Plan at the same time, the two plans together will usually pay 100% of his or her covered claims under the coordination of benefits rules. If your spouse requires a hospitalization or surgery, you will generally come out ahead financially from the dual coverage, even after your spouse's premiums are taken into account.

Additional provision and exception to the 20% Plan payment rule:

1. The 20% rule only applies to your spouse's claims, not to claims incurred by your children.
2. It applies to retirees as well as active employees, but only if the retiree's spouse is still actively employed.
3. It does not apply to COBRA coverage, meaning that if your spouse terminates employment and declines COBRA, this Plan will pay its normal benefits (instead of 20%).
4. The rule only applies to medical and drug expenses. Enrollment in the employer's dental and/or vision plan is not required. (However, if your spouse does enroll in the employer's dental and/or vision programs, this Plan will coordinate benefits and pay secondary to the employer's plan).
5. The rule applies without regard to whether or not your spouse's employer requires its employees to pay for part of the premium, whether or not the employer offers an incentive to induce employees not to enroll, and whether or not the employer offers a single-only coverage option. It also applies if the employer only offers medical coverage as an option under a cafeteria plan.
6. If this Plan pays 20% of your spouse's claims because of this rule, his or her coinsurance shares will not apply to the Plan's out-of-pocket limits, nor will the claim be paid at 100% if the applicable out-of-pocket limit was previously met by other charges.
7. No reductions will apply to a particular claim if you can demonstrate that your spouse's claim would have been denied under the employer's plan (for example, if the claim was for a pre-existing condition incurred during the pre-existing waiting period).
8. The provision will also be waived if the only health plan offered by your spouse's employer is an HMO plan, and your residence is more than 25 miles outside the HMO service area.
9. If your spouse is covered under his or her employer's plan, then your spouse must receive his or her medical care in accordance with that plan's rules. This Plan will not cover the amount of the other plan's noncompliance penalties, or any charges incurred because of failure to follow the other plan's rules, including failure to use HMO providers or follow the HMO's referral procedures. (This is not a new rule, and it also applies to claims for your children when your spouse's plan is primary).
10. You are required to provide accurate and timely information to the Fund about your spouse's employment status and benefit entitlement, and the Fund Office may require verification of this information from your spouse's employer.

● IBEW Local No. 701 Welfare Plan ● 28600 Bella Vista Parkway ● Warrenville, IL 60555 ● Tele (630) 393-1701 ● Fax (630) 393-3615

SPOUSE EMPLOYMENT INFORMATION FORM

Plan Year: 2019

Complete and return to Fund Office. You are required to keep the Fund Office advised if any of the following information changes. BE SURE THAT YOU AND YOUR SPOUSE SIGN THE FORM ON THE BACK.

Employee Name:_____SSN OR UID _____

Are you currently married? ☐ yes ☐ no Name of spouse _____

If married, please answer the following questions about your spouse's employment.

1. Spouse's employment status: ☐ not employed ☐ full-time ☐ part-time ☐ self-employed ☐ retired
2. Name and address of spouse's employer: _____

   _____Hire Date:_____
3. Telephone number of spouse's employer: _____
4. Does your spouse's employer offer a health plan? ☐ yes ☐ no

If no, you must submit a letter from the employer on company letterhead confirming that no coverage is offered by the employer.

Answer the remaining questions only if you answered 'yes' to No. 4.

5. Is your spouse eligible to enroll in the employer's health plan? ☐ yes ☐ no
6. Is your spouse enrolled in the employer's plan? ☐ no ☐ yes, single coverage ☐ yes, family coverage

If your spouse's employer offers health coverage but your spouse is not eligible to participate, you must submit a letter from the employer on company letterhead. The letter should be addressed to the Local No. 701 Welfare Plan and should state that your spouse is not eligible for the employer's health plan and the reason for his or her ineligibility (for example, because your spouse works part-time).

7. Give name and address of insurance company/plan _____

   _____

   Group No. _____Individual ID No._____Effective date:_____

   Type of coverage (check all that apply): ☐ medical ☐ Rx ☐ dental ☐ vision
8. If spouse is NOT enrolled, when will your spouse be eligible to enroll in that plan? _____

If your spouse declines to elect available coverage, the Local 701 Plan will pay benefits as if your spouse had elected the other plan and as if the other plan paid 80% of the allowable charges. This means that the Local 701 Plan will ONLY PAY 20% of your spouse's allowable charges. This rule may be waived for a newly eligible participant whose spouse was offered but declined the employer's plan. You must submit a letter from the employer on company letterhead. The letter should be addressed to the Local No. 701 Welfare Plan and should state when and under what circumstances your spouse will have another opportunity to enroll. The Local 701 Plan will waive the 20% rule only until the other plan's next available enrollment date.

HARDSHIP EXEMPTION

The 20% Plan payment rule will not apply if your spouse has a gross annual wages less than $40,000 per year.

If you believe the hardship exemption applies to you and your spouse, you must submit proof of your spouse's annual income to the Fund Office. The fund office has the right to verify the information with the employer.

****IMPORTANT****

YOU MUST SIGN THE FORM WHERE INDICATED BELOW.

EMPLOYEE/RETIREE'S SIGNATURE

I affirm that the information given above are true and correct to the best of my ability and I under- stand that if I have given false information given false information or made any material misrepresentations in response to the questions in this for it could result in a loss of coverage to my spouse and me, and could result in penalties and fines and possibly prosecution.

Signature of EMPLOYEE/RETIREE	Social Security No. or Individual ID	Date

****IMPORTANT****

YOUR SPOUSE MUST SIGN THE AUTHORIZATION FORM BELOW.

THIS ENTIRE FORM AND THE SIGNED AUTHORIZATION MUST BE RETURNED TO

THE I.B.E.W. LOCAL 701 FUND OFFICE

SPOUSE'S AUTHORIZATION

I hereby authorize my employer to release information regarding my employer's health plan, and my eligibility for coverage under that plan to the I.B.E.W. Local No. 701 Welfare Plan. I understand this authorization shall remain in effect as long as I am eligible for benefits under the I.B.E.W. Local No. 701 Welfare Plan. I understand that the purpose and scope of this authorization is to allow the I.B.E.W. Local No. 701 Welfare Plan to verify with my employer whether I am eligible to obtain coverage under my employer's health plan.

I further affirm that the information given above are true and correct to the best of my ability and I understand that if I have given false information or made any material misrepresentations in response to the questions in this form. it could result in a loss of coverage to my spouse and me. and could result in penalties and fines and possibly prosecution.

Signature of SPOUSE	Social Security No. or Individual ID	Date