

We're **all** invested in your employee benefits



Spousal Surcharge and Attestation – Common Questions

1. What is a spousal surcharge?

A spousal surcharge is an additional pre-tax premium you are required to pay if your spouse is offered health care coverage through their own employer but chooses to be added to the Allina First or Select Health Savings medical plan.

2. Which medical plans does the spousal surcharge apply to?

The spousal surcharge applies to the Allina First and Select Health Savings plans. The Elevate Plan and the Premier Health Savings Plan do not have a spousal surcharge.

3. Why is Allina Health introducing a spousal surcharge on the Allina First Plan and Select Health Savings Plan?

- Spousal surcharges are used by many employers to control health care costs.
- The spousal surcharge encourages employee spouses who are eligible for coverage under their own employer's medical plan to elect that other employer coverage. This will help keep Allina Health's overall benefit plan expenses lower and keep Allina Health's medical plans more affordable.

4. Which employee groups and collective bargaining agreements (CBA) are subject to the Allina First and Select Health plan spousal surcharge?

Non-contract employees and employees in the following CBAs:

- Abbott Northwestern WestHealth - MNA Registered Nurses
- Allina Health Faribault Medical Center - Clinical Technicians
- Allina Health Faribault Medical Center - MNA Registered Nurses
- Cambridge Medical Center - Licensed Practical Nurses
- Cambridge Medical Center - Service and Maintenance
- New Ulm Medical Center - Engineers
- United Hospital – Hastings Regina Campus - Engineers
- United Hospital – Hastings Regina Campus - MNA Registered Nurses
- United Hospital - Residual Workers

5. How much is the spousal surcharge?

The surcharge is \$76.92 per paycheck. The deduction is taken on a pre-tax basis, just like your regular medical premium.

6. My spouse's annual benefits enrollment period is different than Allina Health's benefits enrollment period. What are my options?

If your spouse gains other medical coverage on Jan. 1, 2024, you may remove them from your medical plan within 30 days of them gaining coverage elsewhere. If your spouse loses medical coverage on Jan. 1, 2024, you may add them to your medical plan within 30 days of them losing other coverage. Please complete a Qualified Life Event in Workday.

7. Do I still have to pay the spousal surcharge if I cover my spouse on the Allina First or Select Health Savings plan and my spouse's employer's annual enrollment period isn't until mid-year next year?

Yes, you must pay the spousal surcharge. If your spouse works for an employer that offers medical coverage, regardless of your spouses' employer's enrollment period, the spousal surcharge will apply until the date you no longer cover your spouse. As a reminder, if your spouse enrolls in their employers medical plan mid-year next year, you can remove them from your medical plan within 30 days of them gaining medical coverage. The spousal surcharge will no longer apply.

8. My spouse is offered medical coverage through their employer, am I subject to the surcharge?

If you are covering your spouse on either the Allina First Plan or the Select Health Savings Plan, and your spouse is offered coverage through their own employer other than Allina Health, the spousal surcharge will apply.

9. If my spouse is offered Medicare or COBRA coverage, am I subject to the surcharge?

No. If your spouse is enrolled in or offered COBRA or Medicare, a spousal surcharge will not apply.

10. My spouse has medical insurance through the Veterans Affairs (VA). Am I subject to the spousal surcharge?

No. If your spouse is enrolled in or offered VA medical insurance, a spousal surcharge will not apply.

11. My spouse works for Allina Health and is offered coverage through Allina Health, are either of us subject to the spousal surcharge?

No, if you and your spouse both work for Allina Health, neither of you are subject to a spousal surcharge, regardless of the medical plan you enroll in.

12. Can I waive the spousal surcharge later on if I experience a mid-year qualified life event (QLE)?

Yes, you may waive the spousal surcharge within 30-days of experiencing one of the following qualified life events:

- divorce
- spouse loses job
- spouse is no longer offered medical insurance through their own employer (other than COBRA coverage or retiree medical coverage)
- spouse gains other medical coverage
- death of spouse.

13. What happens if my spouse accepts a job and is offered coverage through their employer mid-year in 2024?

You must complete a qualified life event in Workday within 30-days of your legal spouse becoming eligible for their employer's medical coverage to immediately begin the spousal surcharge or to remove them from coverage under the Allina First Plan or Select Health Savings Plan. Contact the Allina Health *HRConnect* Service Center at 1-612-262-4688 for questions.

14. If I add my spouse who is offered medical coverage through their employer mid-year due to experiencing a qualified life event to the Allina First or Select Health Savings Plan, how will the spousal surcharge apply?

The surcharge will apply paychecks after the effective date you cover your spouse on the Allina First or Select Health Savings Plan. Contact the *HRConnect* Service Center to begin the surcharge.

15. Does the spousal surcharge apply to dental or vision plans?

No, the spousal surcharge does not apply to dental or vision coverage.

16. How do I complete the required spousal coverage attestation?

You are required to complete the attestation in Workday within your 2024 Benefits enrollment event. [View a brief video](#) on how to complete the spousal coverage attestation.

17. How will the spousal surcharge appear on my paycheck?

The spousal surcharge will appear next to your regular medical premium on your paycheck in Workday. The deduction will appear as 'Spousal Surcharge.'

18. What if I submit documentation later in the plan year that my spouse hadn't had access to medical coverage through their employer?

The spousal surcharge will be removed prospectively at the time we receive the attestation in Workday with supporting documentation. Under IRS rules, Allina Health cannot retroactively reimburse for surcharges already paid.