

EX-SPOUSE AND COBRA Policy

March 14, 1995

The Department of Health has issued an administrative bulletin relating to continuation of coverage for ex-spouses.

According to the terms of the memo and following discussions with the Department of Health, we will change our procedures relating to continuation of health and dental insurance for ex-spouses.

Effective immediately, any employee who becomes divorced will be allowed to continue to receive an employer contribution toward the cost of health and dental insurance IF they also have dependent children who will be covered. (MS518.17 1, Subdivision 2 requires that "The court shall require the obligor to provide dependent health and dental insurance for the benefit of the obligee if it is available at no additional cost to the obligor. . .". This means that even though the bulletin specifies that we only have to cover the ex-spouse if it is required in the divorce decree - the state law says that it "shall" be required in the decree.)

The employee may continue to receive the employer contribution for the ex-spouse even though the employee remarries. The employee will be eligible to cover both the current and ex-spouse.

The ex-spouse will lose eligibility to be covered with an employer contribution if the employee terminates employment. If the ex-spouse remarries or acquires a new dependent and wants to insure the new spouse/dependent, they may do that by paying the full cost of coverage for themselves and their new dependent (i.e., they are put on COBRA).

If the ex-spouse wishes to enroll in a health plan other than that in which the employee is enrolled, they may do so under the same circumstances allowed for active employees (i.e., if they move out of the health plan's service area or during the annual open enrollment). If the ex-spouse enrolls in a different health plan, the ex-spouse is no longer eligible for an employer contribution. They are responsible for paying the whole cost of coverage (i.e., they are put on COBRA).

If the ex-spouse becomes covered under another group health plan that has no pre-existing condition exclusion, the ex-spouse is no longer eligible to continue coverage - with or without an employer contribution.

SK:lme/cobrapol