

LHK PARTNERS, INC. SPOUSAL SURCHARGE FREQUENTLY ASKED QUESTIONS

1. What is a spousal surcharge?

A spousal surcharge is a charge that applies to employees whose covered spouse has access to medical coverage through his or her own employer.

2. My spouse is unemployed. Do I have to pay the surcharge?

No, as long as the *Removal of Spousal Surcharge Affidavit* and required documentation is appropriately completed and received timely by LHK HR department.

3. My spouse is self-employed and has no group coverage. Do I have to pay the surcharge?

No, as long as the *Removal of Spousal Surcharge Affidavit* and required documentation is appropriately completed and received timely by LHK HR department.

4. My spouse is retired and has coverage based on his retirement. Do I have to pay the surcharge?

Yes, your spouse does have health care coverage through an employer-sponsored plan and therefore the surcharge applies.

5. My spouse has enrolled in medical benefits through his/her employer and is not covered on my LHK Partners, Inc. health plan. Do I have to pay the surcharge?

No.

6. My spouse has enrolled in medical benefits through his/her employer and I have ALSO elected to cover my spouse on my LHK Partners, Inc. health plan. Do I have to pay the surcharge?

Yes, your spouse does have health care coverage elsewhere and therefore the surcharge applies.

7. If my spouse does not have a job during LHK's annual enrollment but starts working after I have elected to cover him/her under LHK, do I have to pay the surcharge?

Yes, you need to notify Human Resources within 30 days of the effective date of this change. Please note that if your spouse becomes employed after the plan year begins, this is a family status change that will allow you to make new elections under the plan. For example, you could choose to end your spouse's coverage under LHK's plan and he/she could become covered under his/her employer's plan.

8. Can I remove my spouse from my plan if his/her plan year has already begun?

You and your spouse can change your status during either of your annual enrollment periods. In addition, changing your spouse's coverage at LHK may trigger a family status change at his/her employer. LHK considers changes during a spouse's annual enrollment at their employer a qualifying event, but other companies' policies may vary. Check with your spouse's employer to see if LHK's annual enrollment is considered a family status change.