

**SPOUSAL COORDINATION OF BENEFITS POLICY**  
**Examples to Determine Enrollment in Spouse’s Employer’s Plan**

The chart below illustrates examples to help determine when a spouse should be enrolled in their own coverage, and their eligibility under the State plan. Contact the Statewide Benefits Office for additional information, or for guidance on examples that **are not** provided below.

Situation	Spouse Required to Enroll in Own Coverage?	Spouse Eligibility Under State Plan*
<b>Spouse is: Actively Employed</b>		
Spouse is employed full-time, is eligible for health care coverage and would contribute <b>50% or Less</b> of the premium for the lowest active employee only health benefit plan with prescription coverage available through the spouse’s employer.	YES	<i>Secondary</i>
Spouse is employed full-time, is eligible for health care coverage and would contribute <b>More than 50%</b> of the premium for the lowest active employee only health benefit plan with prescription coverage available through the spouse’s employer.	NO	<i>Primary</i>
Spouse is active-duty military.	YES	<b>N/A<sup>1</sup></b>
Spouse is self-employed and, as sole proprietor, the spouse would have to contribute <b>100%</b> of health care cost.	NO	<i>Primary</i>
Spouse is a partner, and the partnership offers a health benefit plan to any full-time employees without ownership in the company with those employees contributing <b>50% or Less</b> of the premium for the lowest active employee only health benefit plan with prescription coverage available through the spouse’s employer.	YES	<i>Secondary</i>
Spouse is an owner or part owner of a corporation or company, and the company offers a health benefit plan to any full-time employees without ownership in the company with those employees contributing <b>50% or Less</b> of the premium for the lowest active or retiree health benefit plan with prescription coverage available through the spouse’s employer.	YES	<i>Secondary</i>
Spouse’s employer only offers an HMO program, and the HMO program service area is not directly accessible by the spouse. ( <i>For Example: Spouse does not live in, or regularly travel to, the HMO program service area.</i> )	NO	<i>Primary</i>
Spouse is employed full-time and <b>in lieu of a health plan</b> , the spouse is receiving a credit, contribution, or fringe benefit to use toward the cost of health coverage or a cash amount equal to <b>50% or More</b> of the State’s lowest employee only health benefit plan premium.	YES <sup>2</sup>	<i>Secondary</i>
Spouse is employed full-time and <b>in lieu of a health plan</b> , the spouse is receiving a credit, contribution, or fringe benefit to use toward the cost of health coverage or a cash amount equal to <b>Less than 50%</b> of the State’s lowest employee only health benefit plan premium.	NO	<i>Primary</i>
Spouse is employed full-time and <b>in lieu of a health plan</b> , the spouse is provided a Health Reimbursement Account (HRA) to reimburse individual health premiums equal to <b>50% or More</b> of the State’s lowest employee only health benefit plan premium.	YES <sup>2</sup>	<i>Secondary</i>
Spouse is employed full-time and <b>in lieu of a health plan</b> , the spouse is provided a Health Reimbursement Account (HRA) to reimburse individual health premiums equal to <b>Less than 50%</b> of the State’s lowest employee only health benefit plan premium.	NO	<i>Primary</i>

<sup>1</sup> Spouse is active-duty military. TRICARE is the only available coverage.

<sup>2</sup> The available coverage referenced here would be coverage through the healthcare marketplace.

*\*If spouse is required to be enrolled in own coverage, and is **not**, a sanction will be applied to the spouse’s coverage under the State plan. A spousal sanction means the spouse’s medical claims will be processed at 20 percent of the allowable charges and will be responsible for the remaining balance. In addition, while a sanction is in place, the spouse must pay for all prescriptions in full at the pharmacy and then must submit the claim to the pharmacy benefit manager for a reduced reimbursement of the allowable charge. If spouse’s employer offers a High Deductible Health Plan with a Health Savings Account (HD/HSA), you and your spouse should take note of [IRS Ruling 2005-25](#).*

Situation	Spouse Required to Enroll in Own Coverage?	Spouse Eligibility Under State Plan*
<b>Spouse is: Non-Medicare Eligible Retiree</b>		
Spouse is retired, is eligible, or was eligible at the time of retirement, for retiree non-Medicare health care coverage and the spouse would contribute <b>50% or Less</b> of the premium of the lowest employee/pensioner only health benefit plan with prescription coverage available through the former employer.	Yes	Secondary <sup>3</sup>
Spouse is retired, is eligible, or was eligible at the time of retirement, for retiree non-Medicare health care coverage and the spouse would contribute <b>More than 50%</b> of the premium of the lowest employee/pensioner only health benefit plan with prescription coverage available through the former employer.	No	Primary
Spouse is retired and <b>in lieu of a health plan</b> , the spouse is receiving a credit, contribution, or fringe benefit to use toward the cost of health coverage or a cash amount equal to <b>50% or More</b> of the State's lowest employee only health benefit plan premium.	Yes <sup>4</sup>	Secondary
Spouse is retired and <b>in lieu of a health plan</b> , the spouse is receiving a credit, contribution, or fringe benefit to use toward the cost of health coverage or a cash amount equal to <b>Less than 50%</b> of the State's lowest employee/pensioner only health benefit plan premium.	No	Primary
Spouse is retired and <b>in lieu of a health plan</b> , the spouse is provided a Health Reimbursement Account (HRA) to reimburse individual health premiums equal to <b>50% or More</b> of the State's lowest employee only health benefit plan premium.	Yes <sup>4</sup>	Secondary
Spouse is retired and <b>in lieu of a health plan</b> , the spouse is provided a Health Reimbursement Account (HRA) to reimburse individual health premiums equal to <b>Less than 50%</b> of the State's lowest employee only health benefit plan premium.	No	Primary
Spouse is retired military, non-Medicare eligible and has TRICARE.	Yes	Primary <sup>5</sup>
Spouse is retired and receiving a pension benefit under a County and Municipal Pension Plan, and would be required to contribute <b>More than 50%</b> of the premium of the lowest pensioner only health benefit plan with prescription coverage available through the former employer.	No	Primary
Spouse is retired and receiving a pension benefit under a County and Municipal Pension Plan, would be required to contribute <b>50% or Less</b> of the premium of the lowest pensioner only health benefit plan with prescription coverage available through the former employer.	Yes	N/A <sup>6</sup>

<sup>3</sup> If the Employee or Pensioner's spouse, retired after June 30, 2011, did not enroll in available non-Medicare retiree coverage through their employer at the time of retirement, then the spouse is **not** eligible for **PRIMARY** coverage through the State plan.

<sup>4</sup> The available coverage referenced here would be coverage through the healthcare marketplace.

<sup>5</sup> As a spouse of a state employee or retiree, State coverage is **PRIMARY**. If a retired military spouse has TRICARE insurance, TRICARE pays after all other health insurance (OHI) except for Medicaid. At the time when the spouse becomes Medicare eligible, the spouse **must** enroll in Medicare A and B and TRICARE for Life (TFL).

<sup>6</sup> Members **cannot** be enrolled in more than one State Group Health Insurance plan. Both members must enroll in separate coverage with his or her own employer or former employer.

\*If spouse is required to be enrolled in own coverage, and is **not**, a sanction will be applied to the spouse's coverage under the State plan. A spousal sanction means the spouse's medical claims will be processed at 20 percent of the allowable charges and will be responsible for the remaining balance. In addition, while a sanction is in place, the spouse must pay for all prescriptions in full at the pharmacy and then must submit the claim to the pharmacy benefit manager for a reduced reimbursement of the allowable charge.

Situation	Spouse Required to Enroll in Own Coverage?	Spouse Eligibility Under State Plan*
<b>Spouse is: Medicare Eligible Retiree</b>		
Spouse is retired, is eligible, or was eligible at the time of retirement, for retiree Medicare health care coverage ( <b>not including Medicare Advantage</b> ) and the spouse would contribute <b>50% or Less</b> of the premium of the lowest retiree Medicare health benefit plan available through the former employer.	Yes	Secondary <sup>6</sup>
Spouse is retired, is eligible, or was eligible at the time of retirement, for retiree Medicare health care coverage ( <b>not including Medicare Advantage</b> ) and the spouse would contribute <b>More than 50%</b> of the premium of the lowest retiree Medicare health benefit plan available through the former employer.	No	Primary
Spouse is retired, is eligible, or was eligible at the time of retirement, for a Medicare Advantage plan through the former employer.	No	Primary <sup>9</sup>
Spouse is retired Military, was eligible at the time of retirement and has TRICARE for Life (TFL).	Yes <sup>7</sup>	Primary
Spouse is retired and <b>in lieu of a health plan</b> , the spouse is receiving a credit, contribution, or fringe benefit to use toward the cost of health coverage or a cash amount.	No <sup>8</sup>	Primary <sup>9</sup>
Spouse is retired and <b>in lieu of a health plan</b> , the spouse is provided a Health Reimbursement Account (HRA) to reimburse individual health premiums.	No <sup>8</sup>	Primary <sup>9</sup>

<sup>6</sup> The State plan is **PRIMARY** while the State employee is **actively employed** only as active plans are **PRIMARY** to Medicare and Medicare benefit plans. Despite the fact that the State plan is **PRIMARY** while the State employee is actively employed, upon the State employee's retirement, the spouse's former employer's Medicare supplement plan becomes **SECONDARY** to Medicare. Given this scenario, the spouse **must** enroll in Medicare A and B and their former employer's Medicare supplement plan upon retirement, if the spouse will **not** be able to enroll in their former employer's Medicare supplement plan in the future. If the Employee's spouse does **not** enroll in Medicare and the available Medicare supplement plan at the time of retirement and cannot enroll in the Medicare supplement plan in the future, the State plan will **not** provide coverage for the spouse when the State employee retires.

<sup>7</sup> Spouse is retired from the Military, is Medicare eligible and has TRICARE for Life (TFL). TRICARE pays after Medicare and other health insurance (OHI) for TRICARE-covered services. TFL provides extended medical coverage to Medicare-eligible retirees aged 65 or older. The spouse **MUST** have Medicare Part A (Hospital Insurance) and Medicare B (Medical Insurance) to receive TFL.

<sup>8</sup> The available coverage referenced here would be coverage through the Retiree Medicare Marketplace.

<sup>9</sup> The Centers for Medicare & Medicaid Services (CMS) only allows enrollment in **one** qualified Medicare Advantage and corresponding Part D prescription drug plan. In cases where the spouse is offered a credit, contribution or fringe benefit **OR** provided a Health Reimbursement Account (HRA), the spouse may choose to enroll in the other coverage or the State of Delaware Medicare plan.

\*If spouse is required to be enrolled in own coverage, and is **not**, a sanction will be applied to the spouse's coverage under the State plan. A spousal sanction means the spouse's medical claims will be processed at 20 percent of the allowable charges and will be responsible for the remaining balance. In addition, while a sanction is in place, the spouse must pay for all prescriptions in full at the pharmacy and then must submit the claim to the pharmacy benefit manager for a reduced reimbursement of the allowable charge

<p><b>This section relates to the requirement for a retired spouse to enroll in health care coverage with an employer if returning to active full-time employment. Please refer to prior sections for requirements to enroll in retiree coverage, as retiree coverage must be maintained in these scenarios.</b></p>	<p><b>Spouse Required to Enroll in Coverage under Full Time Employer?</b></p>	<p><b>Spouse Eligibility Under State Plan*</b></p>
<p><b>Spouse is: Retired and Actively Employed Full Time</b></p>		
<p>Spouse is retired from the State of Delaware, eligible for benefits through the State of Delaware Office of Pensions and is currently employed full-time with another employer who offers coverage.</p>	<p>No</p>	<p><i>Primary</i></p>
<p>Spouse is retired from an employer (<i>other than the State</i>), <b>does not have retiree health care coverage</b>, and is currently employed full-time with another employer who offers coverage, and the spouse would contribute <b>50% or Less</b> of the premium for the lowest active health benefit plan with prescription coverage available through the current employer.</p>	<p><b>Yes</b></p>	<p><i>Secondary</i></p>
<p>Spouse is retired from an employer (<i>other than the State</i>), <b>does not have retiree health care coverage</b>, and is currently employed full-time with another employer who offers coverage, and the spouse would contribute <b>More than 50%</b> of the premium for the lowest active health benefit plan with prescription coverage available through the current employer.</p>	<p>No</p>	<p><i>Primary</i></p>
<p>Spouse is retired from an employer (<i>other than the State</i>), <b>covered under the retiree non-Medicare health care coverage of their former employer</b>, and is currently employed full-time with another employer, eligible for health care as an active employee and the spouse would contribute <b>50% or Less</b> of the premium for the lowest active employee only health benefit plan with prescription coverage available through the current employer.</p>	<p>No</p>	<p><i>Secondary</i><sup>9</sup></p>
<p>Spouse is retired from an employer (<i>other than the State</i>), <b>covered under the retiree non-Medicare health care coverage of their former employer</b>, and is currently employed full-time with another employer, eligible for health care as an active employee and the employee contributes <b>More than 50%</b> of the premium for the lowest active employee only health benefit plan with prescription coverage available through the current employer.</p>	<p>No</p>	<p><i>Secondary</i><sup>10</sup></p>
<p>Spouse is retired from the military with TRICARE insurance, <b>non-Medicare eligible</b>, and is currently employed full-time with another employer, is eligible for health care as an active employee and the spouse would contribute <b>50% or Less</b> of the premium for the lowest active employee only health benefit plan with prescription coverage available through the current employer.</p>	<p><b>Yes</b><sup>11</sup></p>	<p><i>Secondary</i></p>

<sup>9</sup> In this situation, the Employee or Pensioner spouse's retiree non-Medicare plan is **PRIMARY** to the State's health plan. Spouse is advised to discuss with current employer, availability, and coordination of coverage with retiree non-Medicare plan. State plan pays **after** all other health insurance.

<sup>10</sup> In this situation, the Employee or Pensioner spouse's retiree non-Medicare plan is **PRIMARY** to the State's health plan. At the time when the spouse becomes Medicare eligible, the spouse **must** enroll in Medicare A and B and former employer's retiree Medicare supplement or Medicare Advantage plan, if offered.

<sup>11</sup> Spouse's non-Medicare coverage through their current employer is **PRIMARY** and coverage as a spouse of a state employee or retiree is **SECONDARY**. If spouse has TRICARE insurance, TRICARE pays **after** all other health insurance (OHI) except for Medicaid. At the time when the spouse retires and becomes Medicare eligible, the spouse **must** enroll in Medicare A and B and TRICARE for Life (TFL). Spouse is advised to discuss with current employer the availability and coordination of coverage with TFL and State plan.

*\*If spouse is required to be enrolled in own coverage, and is **not**, a sanction will be applied to the spouse's coverage under the State plan. A spousal sanction means the spouse's medical claims will be processed at 20 percent of the allowable charges and will be responsible for the remaining balance. In addition, while a sanction is in place, the spouse must pay for all prescriptions in full at the pharmacy and then must submit the claim to the pharmacy benefit manager for a reduced reimbursement of the allowable charge*

This section relates to the requirement for a retired spouse to enroll in health care coverage with an employer if returning to active full-time employment. Please refer to prior sections for requirements to enroll in retiree coverage, as retiree coverage must be maintained in these scenarios.	Spouse Required to Enroll in Coverage under Full Time Employer?	Spouse Eligibility Under State Plan
<b>Spouse is: Retired and Actively Employed Full Time (continued)</b>		
Spouse is retired from the military with TRICARE insurance, <b>non-Medicare eligible</b> , and is currently employed full-time with another employer, is eligible for health care as an active employee and the spouse would contribute <b>More than 50%</b> of the premium for the lowest active employee only health benefit plan with prescription coverage available through the current employer.	No	Primary <sup>12</sup>
Spouse is retired from an employer ( <i>other than the State</i> ), <b>covered under the retiree Medicare supplement or Medicare Advantage health care coverage of their former employer</b> , and is currently employed full-time with another employer with <b>20 or more employees</b> , eligible for health care as an active employee and the spouse would contribute <b>50% or Less</b> of the premium for the lowest employee only health benefit plan with prescription coverage available through the current employer.	Yes <sup>13</sup>	N/A <sup>14</sup>
Spouse is retired from an employer ( <i>other than the State</i> ), <b>covered under the retiree Medicare supplement or Medicare Advantage health care coverage of their former employer</b> , and is currently employed full-time as an active employee with another employer with <b>20 or more employees</b> eligible for health care as an active employee and the spouse would contribute <b>More than 50%</b> of the premium for the lowest employee only health benefit plan with prescription coverage available through the current employer.	No	Primary <sup>14</sup>
Spouse is retired from an employer ( <i>other than the State</i> ), <b>is covered under the retiree Medicare supplement or Medicare Advantage health care coverage of their former employer</b> , and is currently employed full-time with another employer with <b>less than 20 employees</b> , and is eligible for health care as an active employee. <b>Employer percentage of contribution is not a factor with employer of less than 20 employees.</b>	No	Primary <sup>14</sup>
Spouse is retired from the military, <b>Medicare eligible and has TRICARE for Life (TFL) insurance</b> , and is currently employed full-time with another employer, is eligible for health care as an active employee – <b>Contact Statewide Benefits Office for further assistance with SCOB Policy.</b>		

<sup>12</sup> Spouse is **not** required to enroll in coverage with current employer, and coverage as spouse of State employee or retiree is **PRIMARY**. If spouse has TRICARE insurance, TRICARE pays **after** all other health insurance (OHI) except for Medicaid. At the time when the spouse retires and becomes Medicare eligible, the spouse **must** enroll in Medicare A and B and TRICARE for Life (TFL). Spouse is advised to discuss with current employer the availability and coordination of coverage with TFL and State plan.

<sup>13</sup> If the State employee is retired and the spouse is Medicare eligible, the spouse is **not** required to enroll in their full-time employer’s coverage as long as they are enrolled in Medicare Part A and B, and their former employer’s retiree health care coverage.

<sup>14</sup> If the State employee is active, the spouse’s State coverage is **PRIMARY** to the former employer’s Medicare supplement plan. However, if the State employee is retired, the spouse’s former employer’s Medicare supplement plan is **SECONDARY** to Medicare. If the spouse’s former employer is offering a Medicare Advantage Plan or similar plan which does **not** coordinate with a Medicare supplement plan, the spouse **must** enroll in that plan. The Centers for Medicare & Medicaid Services (CMS) only allows enrollment in **one** qualified Medicare Advantage and corresponding Part D prescription drug plan

The intention of the Spousal Coordination of Benefits Policy and Chart is to ensure fiscal responsibility for the State of Delaware Group Health Insurance Plan where other employers are offering health care benefits to their employees and retirees. The full list of Benefits Policies & Procedures, including the Group Health Eligibility & Enrollment Rules, can be viewed at [de.gov/statewidebenefits](http://de.gov/statewidebenefits).

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**Spousal COB Chart revised January 01, 2023**