Medical Surcharge

Sprint offers medical coverage to spouses and Domestic Partners (DPs); however, if you enroll a spouse or DP in a Sprint medical plan, who has other employer group medical plan coverage available (i.e., has met eligibility guidelines to be offered employer coverage), you will incur a surcharge in addition to your Sprint medical premium.

**How much will the surcharge cost?**
The medical surcharge is taken as a payroll benefit deduction of $75 on a semi-monthly basis.

**Who has to pay the surcharge?**
The surcharge applies to all employees or former employees receiving severance who enroll a spouse/DP in their Sprint medical plan coverage, unless one of the following conditions applies:

- Your spouse/DP is also employed at or receiving severance from Sprint.
- Your spouse/DP is employed but not eligible for group medical plan coverage through his/her employer.
- Your spouse/DP is unemployed and is not eligible for any other employer group medical plan coverage.
- You are enrolled in the Tricare Supplement plan or Kaiser Hawaii medical plan at Sprint.

NOTE: If your spouse/DP is eligible for employer group medical plan coverage but is not currently enrolled and the enrollment rules do not permit him or her to enroll for coverage by January 1, 2016, the surcharge will apply. The surcharge can be waived as of the earliest date that your spouse/DP can have coverage after January 1, 2016.

**How will Sprint know whether to apply the surcharge?**
When you enroll a spouse/DP in Sprint’s medical plan, you will be required to complete a certification as to the spouse’s/DP’s availability of other employer group medical plan coverage. If you certify that your spouse/DP has no other employer group medical plan coverage available, the surcharge will not be applied.

**Both my spouse/DP and I are Sprint employees and eligible for Sprint coverage. If one of us waives coverage and is covered under the other Sprint employee, will we have to pay the surcharge?**
No. However, you will need to respond to the enrollment certification accordingly.
**How will Sprint enforce false certification statements?**
Sprint may audit any employee’s certification as part of plan administration processes or in response to ethics complaints. Providing false statements on insurance enrollment materials, including certifications, is a fraudulent act and subject to corrective action up to and including termination of employment.

**My spouse/DP is covered under my Sprint medical plan coverage and his/her own employer medical plan coverage. Will the surcharge apply?**
Yes.

**My spouse/DP is eligible for Medicare. If I enroll my Medicare-eligible spouse/DP, will the surcharge apply?**
No, as Medicare does not meet the definition of “employer group medical plan coverage.”

**If my spouse/DP has other coverage must my other dependents also enroll under his/her employer’s medical plan coverage?**
No. This coverage rule only applies to your spouse/DP. You may cover other dependents under Sprint medical plans without a surcharge.

**Are there any situations during the year that would allow me to change my surcharge status?**
Yes. Certain Life Events will result in a change in your surcharge status mid-year. You are required to contact Sprint’s Employee Help Line at 800-697-6000 within 31 calendar days of any of the following in order to complete your changes:

You may have the medical surcharge removed mid-year if your spouse/DP:
- Leaves employment and/or otherwise loses employment/eligibility for employer group medical plan coverage
- Becomes a Sprint employee
- Is removed from Sprint medical plan coverage, whether becoming employed and enrolling in his/her own employer group medical plan coverage or simply no longer qualifying as a dependent under the Sprint medical plan coverage (such as divorce or end of domestic partnership)

The medical surcharge will need to be applied mid-year if your spouse/DP:
- Is not currently enrolled in a Sprint medical plan, becomes enrolled in a Sprint offered medical plan based on a Life Event and has other employer group medical plan coverage available
- Is enrolled in a Sprint medical plan without a surcharge based on an exception noted above, such as not having other employer group medical plan coverage available, and the exception is no longer true, such as becoming employed and having other employer group medical plan coverage available (annual enrollment or waiting period completed).
*What is considered available “employer group medical plan coverage?”*

“Employer group medical plan coverage” is a medical plan coverage sponsored by your spouse/DP’s employer (including self-employment) that your spouse/DP is eligible for as an employee or former employee. It includes:

- Insured and self-insured group coverage;
- Health care exchange based coverage if subsidized in an amount by the employer; and
- Any subsidized COBRA medical plan coverage from the employer.

“Employer group medical plan coverage” does not include:

- TRICARE
- Retiree medical coverage
- Medicare (due to age or disability)
- Medicaid

**I cover my spouse/DP under my Sprint medical plan coverage, but he/she does not work. Will I have to pay the surcharge?**

No.

**My spouse/DP is self-employed and enrolled in my Sprint medical plan coverage. Will I have to pay the surcharge?**

It depends. If your spouse/DP does not have access to employer group medical plan coverage through his/her business (i.e., your spouse is not enrolled in their own business insurance Plan or does not offer insurance to any employees that may work for your spouse), then you will not be responsible for the surcharge. If your spouse/DP has access to employer group medical plan insurance through his/her business, and does not enroll in that plan, the surcharge will apply to you.

**Does the surcharge apply if I cover my spouse/DP on other health care benefits at Sprint, except for medical?**

No. The surcharge only applies to spouse/DPs enrolled in Sprint’s medical plan coverage.

**Will the surcharge be before tax?**

For spouses (whether same- or opposite-sex), the surcharge will be pre-tax. The surcharge for domestic partners will be taken after-tax.

**Will I need to re-certify each year?**

Yes, you will need to certify each calendar year during annual enrollment for any medical plan enrollment.