



## Frequently Asked Questions About Coordination Of Benefits (COB)

If your Spouse/Domestic Partner, or any of your Spouse/Domestic Partner, or any of your Dependent Children work and your/his/her job provides health care benefits, or if any of you is eligible for Medicare, it is important for you to understand how your UEBT Active or Retiree benefits will coordinate with your/his/her other coverage through work or Medicare. Review the information below and take the time to log into [UFCWTRUST.COM](http://UFCWTRUST.COM) to review your coverage. This will help avoid confusion and could help you avoid paying for unnecessary out-of-pocket expenses.

### Non-duplication of benefits

#### Question 1: What is the non-duplication of benefits rule?

**ANSWER:** The UEBT Plan uses Non-Duplication of Benefits rules to calculate benefit payments when the UEBT Plan is the secondary coverage and pays after another health plan. The UEBT Plan pays after another health plan when that other health plan is the primary coverage for you, your Spouse/Domestic Partner, or your Dependent Child. If the other plan pays more than what the UEBT Plan would have paid if the UEBT Plan

was the only coverage, the UEBT plan as the secondary plan would not pay any additional benefits. The UEBT Plan will pay benefits only if the primary plan's payment was less than the amount the UEBT Plan would have paid if the UEBT Plan were the only coverage. In other words, when the UEBT pays secondary, the UEBT Plan does not duplicate the payments under the primary coverage.

**Example 1:** If the primary plan paid 80% of the UEBT Plan's allowed amount for a service, and the UEBT Plan would have paid 75% of the allowed amount for that same service if it were the only plan providing benefits, the UEBT Plan will not pay any additional amounts on for that service. The patient will be responsible for the remaining 20% of cost.

**Example 2:** If the primary plan paid 70% of the UEBT Plan's allowed amount for a service and the UEBT Plan would have paid 75% of the allowed amount for that same service if it were the only plan providing benefits, the UEBT Plan would pay an additional 5% of the UEBT Plan's allowed amount for that service. The patient will be responsible for the remaining 25% of the UEBT Plan's allowed amount (plus any additional amounts if the primary plan's allowed amount was

greater than the UEBT Plan’s allowed amount for the service, and any additional billed charges if the services were performed by an out of network provider).

If you and your Spouse/Domestic Partner both are covered as Members under a UEBT Plan but do not qualify for dual coverage, the UEBT Plan will pay each Member’s claims as primary under their respective plan and then apply non-duplication to the secondary claim.

### Dual Coverage

“Dual Coverage” refers to the coverage available to couples (you and your Spouses/Domestic Partners) when both are Members of the UEBT Active Plan or the UEBT Retiree Health Plan – for example, both are Active Members, both are Retirees, or one is an Active Member and one is a Retiree. When both individuals are enrolled in a UEBT Plan and both meet the requirements as described below, the couple is eligible for Dual Coverage. Dual Coverage provides 100% coordination of benefits. This means that generally you will have lower out of pocket expense than if you didn’t have dual coverage.

**Question 2: I am covered under the uebt active plan as a member because I work in the industry. My Spouse/Domestic Partner is also covered under the UEBT Active Plan as a member because they work in the industry. What do we need to do to qualify for Dual Coverage?**

**ANSWER:** In order to qualify for Dual Coverage, you must meet the following eligibility requirements:

- a. Both of you must enroll in the same medical carrier (either PPO or HMO).
- b. Both of you must cover each other as a Dependent and cover all of the same Dependent Children. In other words, all of your enrolled household members will have two coverages through UEBT. You and your Spouse/Domestic Partner will each pay Dependent premiums that cover the Spouse/Domestic Partner and all Dependent Children.

- c. Both of you must complete the Wellness Steps to participate in the Wellness Program (HCP). If one of you does not participate in the Wellness Program, both of you will not qualify for Dual Coverage, even if you meet a. and b. requirements above. Instead of Dual Coverage and 100% coordination of benefits, benefits will be coordinated based on the Non-Duplication of Benefits rules. See answer to Question 3 below to understand what Non-Duplication of Benefits means.

**Question 3: I am an active member and my Spouse/Domestic Partner is a retired member. How do we qualify for Dual Coverage?**

**ANSWER:** In order to qualify for Dual Coverage, both of you must meet the eligibility requirements described in Answer 1 above, with the following clarifications:

- If any of your children are eligible for coverage as a Dependent Child under the Active Plan but are not eligible to be covered under the Retiree Plan (either because of the child’s age or the Retiree having less than 25 years of credited service), the Dependent Child may be covered under the Active Plan only and you will still qualify for Dual Coverage.
- Although Retirees are not eligible to participate in the Wellness Program (HCP), both you and your Spouse/Domestic Partner must still complete the Wellness Steps, because the UEBT Active Plan requires both the Active Member and the Member’s enrolled Spouse/Domestic Partner to complete the required Wellness Steps in order for the family to be eligible to participate in the Wellness Program (HCP).

**Question 4: Both my Spouse/Domestic Partner and I are retired UEBT members. How do we qualify for Dual Coverage?**

**ANSWER:** In order to qualify for Dual Coverage, both of you must meet the eligibility requirements described in a. and b. under Answer 1 above, with the following clarifications:

- If any of your children are eligible for coverage as a Dependent Child under one Member's Retiree coverage but not the other Member's Retiree coverage (because one of the Retiree Members has 25 years or more of credited service, while the other Retiree Member has less than 25 years of credited service), the Dependent Child may be covered under one Member's Retiree Plan only and you will still qualify for Dual Coverage.
- There is no Wellness Program for UEBT Retirees.

## Other Insurance Information

### **Question 5: What if i am a UEBT Active Plan member and my covered Spouse/Domestic partner works elsewhere?**

**ANSWER:** If your Spouse/Domestic Partner is working and is offered group health insurance through his/her employer, he/she must enroll in that other insurance and select the option that is the most comparable to the UEBT Plan, regardless of the cost, otherwise his/her benefits under the UEBT Plan will be reduced by 60%.

If health insurance is not offered by your Spouse/Domestic Partner's employer, you must submit a letter from his/her employer (on company letterhead) to the Trust Fund Office (TFO) explaining that the employer does not offer insurance. If you do not submit this letter, a 60% reduction in benefits under the UEBT Plan will be applied to claims incurred by your Spouse/Domestic Partner. You can fax the letter to (925) 746-7549 or submit it online to [UFCWTRUST.COM](http://UFCWTRUST.COM).

### **Question 6: What if I am a UEBT Active Plan member and my Spouse/Domestic Partner is retired and not a UEBT Retiree?**

**ANSWER:** If your Spouse/Domestic Partner is retired and offered retiree health coverage through a past employer, he/she must enroll in that other insurance and select the option that is the most comparable to the UEBT Plan coverage, regardless of the cost, otherwise his/her benefits under the UEBT Plan will be reduced by 60%. If retiree health insurance is not offered by your Spouse/Domestic Partner's past employer, you

must submit a letter from his/her past employer (on company letterhead) to the Trust Fund Office (TFO) explaining that the employer does not offer retiree insurance. If you are unable to obtain such a letter (for example because your Spouse's/Domestic Partner's former employer is no longer in business), please contact the TFO for acceptable alternative documentation.

### **Question 7: What if I am a UEBT Retiree and I, my Spouse/Domestic Partner or covered Dependent children work elsewhere?**

**ANSWER:** A Spouse, Domestic Partner or Dependent Child enrolled in the UEBT Retiree Health Plan who has access to either retiree health benefits through a past employer or health benefits through a current employer must take the insurance offered by the employer (past or current) and select the option that is the most comparable to the UEBT Retiree Plan coverage, regardless of the cost, otherwise benefits under the UEBT Retiree Plan will be reduced by 60% for that individual.

A UEBT Retiree who has access to an active plan through a current employer must take the insurance offered by the current employer and select the option that is the most comparable to the UEBT Retiree Plan coverage, regardless of the cost, otherwise benefits under the UEBT Retiree Plan will be reduced by 60% for the Retiree.

### **Question 8: Both my Spouse/Domestic Partner and I are UEBT Retirees. Does my Spouse/Domestic Partner have to take their own UEBT Retiree coverage or may i cover my Spouse/Domestic Partner under my UEBT Retiree plan?**

**ANSWER:** You may cover your Spouse/Domestic Partner under your UEBT Retiree Health Plan. Your Spouse/Domestic Partner does NOT need to enroll under his/her own UEBT Retiree Health Plan coverage. While UEBT Retirees are required to enroll in any other employer-based retiree group plan when offered, this rule does not apply if both of you are UEBT Retirees. However, if you want Dual Coverage, you must both enroll and select the same medical carrier, while covering each other and the same Dependent Children. (See Question/Answer 3.)