

Working Spouse Surcharge FAQ

For employees who choose to enroll a spouse in the University's health plan when that spouse has access to employer-sponsored health coverage through their own employer, Drexel is implementing a working spousal surcharge effective January 1, 2027. This change is intended to help manage rising healthcare costs while continuing to provide high-quality, affordable benefits for Drexel's campus community.

To whom does the working spouse surcharge apply?

- If a spouse is employed, has access to employer-sponsored medical coverage, and chooses to participate in Drexel's plan, the \$100 per month surcharge will apply.
- If a spouse is both eligible and enrolled in medical coverage through their employer and covered by one of Drexel's medical plans, the \$100 per month surcharge will apply.

The surcharge will *not* apply if:

- The covered spouse works at Drexel.
- The spouse is not employed.
- The spouse is self-employed and doesn't have access to medical insurance.
- The spouse is employed but not eligible for medical coverage through their employer.
- The spouse is eligible for age-based Medicare/Tricare/Medicaid.

Why is Drexel implementing a working spouse surcharge?

- Healthcare costs continue to rise across the country, and this surcharge is one tool we're using to help manage those costs responsibly. By encouraging spouses with other coverage options to use them, we can keep Drexel's plan sustainable and control premium increases for everyone enrolled—without reducing the quality of benefits we offer.

How will it look during annual enrollment?

- Any employee who is covering a spouse or domestic partner on their Drexel medical insurance will, by default, have a working spouse surcharge placed on their account, to take effect January 1, 2027.
- When you log on to the enrollment portal to make elections, the working spouse surcharge will appear as its own plan page in the portal. You will be required to answer a series of questions to determine surcharge applicability, and based on your responses, the surcharge will either remain or be removed.
- On the enrollment page, the working spouse surcharge – when selected – will show the per-pay cost based on the payroll schedule (it will display \$46.15 bi-weekly or \$100 monthly, based upon your payroll schedule).
- The surcharge will be a pre-tax benefit display on the confirmation statement and will be applied in the total premium cost on a pre-tax basis.

How will Drexel know if my spouse has waived coverage through an outside employer?

- During the open enrollment period, employees who elect coverage for their spouse will be required to attest in the enrollment portal whether their covered spouse has access to an employer-sponsored medical plan or a retiree medical plan through a former employer.
- If you take no action during open enrollment, and your spouse is automatically re-enrolled in one of Drexel's medical plans, the \$100 monthly surcharge will automatically apply beginning January 1, 2027.

Should my spouse enroll in their employer's coverage or stay on Drexel's plans?

- All family circumstances are unique, and Drexel understands that the most appropriate coverage option depends on the individual's needs.
- If your spouse has access to health coverage through their employer, they may choose to enroll in that plan as a qualifying life event effective January 1, 2027, if it is the best fit for your family and helps avoid the working spouse surcharge.

- If your spouse's employer-sponsored coverage does not align with your healthcare needs or financial considerations, remaining enrolled in a Drexel plan may be the better option for your family.
- We encourage you to review your spouse's available coverage options directly with their employer and choose the option that best supports your family's health needs, care preferences, and budget.

My spouse has coverage available through their current employer, but their open enrollment has already ended. What should I do?

- Your spouse should contact their employer to inform them of Drexel's 2027 open enrollment dates (Oct. 21-Nov. 11, 2026) and the changes made to our plans. Drexel's open enrollment is a qualified life event for your spouse to enroll in their employer's plan outside of their open enrollment period.