Working Spouse Contribution FAQ

Effective July 1, 2026, a working spouse contribution of $100 per month ($23.08 weekly for 52 paychecks) may apply if your spouse has access to group medical coverage through an outside employer but enrolls in one of Penn's medical plans. The working spouse contribution will be deducted on a pre-tax basis (post-tax for NRSA postdocs).

If the spouse becomes eligible for, or loses coverage during the plan year, you must contact the Benefits Solution Center at 866-799-2329 or submit your Life Event in Workday within 30 days.

Who does the working spouse contribution apply to?

- A spouse/domestic partner eligible for medical coverage through their employer but is covered on one of Penn's medical plans.
- A spouse/domestic partner eligible and enrolled in medical coverage through their employer and covered on one of Penn's medical plans.
- A spouse/domestic partner eligible for Pre-65 retiree medical coverage through their former employer but is covered on one of Penn's medical plans.

What types of medical coverage are EXCLUDED from the working spouse contribution?

- Medicare, Tricare, Medicaid.
- Married couples who are both employed at Penn.
- A spouse/domestic partner who is only eligible for Penn's retiree medical benefits.
- A spouse/domestic partner who is not employed.
- A spouse/domestic partner who is self-employed.
- A spouse/domestic partner who is employed but not eligible for medical coverage through their employer.
- A spouse/domestic partner who works for an employer that does not offer medical coverage.

Why is Penn adding the Working Spouse Contribution?

Penn continually evaluates its health plans to ensure they remain sustainable and competitive for employees and their families. Our data shows that, on average, covering a spouse who has access to health benefits through their own employer is more costly than covering an employee alone. To help manage rising healthcare costs while minimizing impact across all plan participants, Penn is encouraging families to review all available coverage options. If your spouse has access to health coverage through their own employer, we encourage you to compare that option with Penn's plans and choose the coverage that best meets your family's needs. The working spouse contribution helps balance shared responsibility for healthcare costs while continuing to support comprehensive coverage for employees and their dependents.

What should I consider when comparing the two plans?

When comparing health plans, it can be helpful to look at both how the plans work and how they fit your family's healthcare needs and budget. Key areas to consider include:

- **Type of plan:**
  Start by identifying the plan types you're comparing—such as a PPO, HMO, or High-Deductible Health Plan (HDHP). Each type offers different levels of flexibility in choosing providers and managing care.
- **Cost-sharing features:**
  Review the deductible, out-of-pocket maximum, copayments, and coinsurance. These amounts affect what you pay when you receive care and can vary significantly between plans.
- **HDHP specifics (if applicable):**
  If you're comparing high-deductible plans, check the deductible and out-of-pocket maximum, and whether the employer contributes to a Health Savings Account (HSA), which can help offset costs.
- **Prescription drug coverage:**
  Make sure the plan covers the medications you and your family currently take, and review how prescriptions are priced under each plan.
- **Provider networks:**
  Compare the networks to see where you can receive care. Consider whether your doctors, specialists, and preferred hospitals are in-network, and whether there are referral requirements or other access limitations.
- **Payroll deductions:**
  Look at how much will be deducted from your pay for each plan. If you're paid weekly, compare weekly costs; if paid monthly, compare monthly amounts. Some employers quote rates bi-weekly, so be sure you're comparing equivalent timeframes.

Should my spouse enroll in their employer's coverage if it is more expensive or doesn't meet our needs?

Every family's situation is different, and Penn recognizes that the best coverage choice depends on your individual needs. If your spouse has access to health benefits through their employer, they may choose to enroll in that coverage as a qualifying life event effective July 1, 2026, if that option works best for your family and to avoid the working spouse contribution.

If your spouse's employer coverage does not meet your healthcare or financial needs, you may decide that staying on one of Penn's plans is the right choice for your family. We encourage you to review your spouse's coverage options directly with their employer and make the decision that best supports your family's health, care preferences, and budget.

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

During the Open Enrollment period, employees must attest in Workday to indicate whether their covered spouse has access to an employer-sponsored medical plan or a retiree medical plan through a former employer. If there is no action taken and your spouse is enrolled in one of Penn's medical plans, the $100 monthly premium adjustment will automatically apply beginning in July.

My spouse is eligible for medical insurance through their employer, but the employer does not contribute toward the cost of the medical insurance plan. Does the Working Spouse Contribution apply?

Yes, the working spouse contribution would apply because the employer offers medical coverage.

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 Penn's Open Enrollment dates and changes made to our plans. Penn's Open Enrollment is a qualified life event for your spouse to enroll in their employer's plan.

Will I have to pay the Working Spouse Contribution if my spouse is covered in my medical plan and I did not complete the attestation in Workday during the Open Enrollment period?

Yes, during the Open Enrollment period, employees must attest to the Working Spouse Contribution in Workday to indicate whether their spouse has access to employer sponsored medical coverage or retiree medical coverage through their former employer. If no action is taken, and the spouse is enrolled in one of Penn's medical plans, the contribution will automatically apply.

What if my spouse gains or loses their medical coverage through their employer?

- If you are adding or removing your spouse to/from Penn's medical coverage, you will need to complete a qualified life event in Workday. You will need to attest to the Working Spouse Contribution if you are adding a new spouse. If you are removing a spouse, you will need to update your attestation to remove the cost. The University does not prorate the cost of benefits; deductions will be based on the date of your life event.

- If the Working Spouse Contribution status changes for your spouse, but you are not adding/removing them from Penn's medical coverage, you will need to complete an attestation change in Workday within 30 days of the change in your spouse's status.

Should I keep my spouse on my coverage even if they have their own medical coverage through their employer?

You should review both plans — your Penn options and your spouse's employer's options. In

doing so you should look at the total cost, not just the payroll deduction. Review the out-of-pocket costs, such as copays, deductibles and coinsurance, against your spouse's medical plan offering to make an informed decision. You should also review the monthly payroll deduction with and without the additional Working Spouse Contribution. For more information about Penn's medical plan offerings, review the *2026-2027 Benefits Enrollment Guide*.