

September 2009

SPOUSE* PRIMARY COVERAGE VERIFICATION LETTER

Dear MCSIG Plan Participant:

We are updating the eligibility status of your spouse. The Monterey County Schools Insurance Group Spouse Primary Coverage Rule (described below) requires that spouse eligibility for MCSIG medical coverage be documented. To verify your spouse's eligibility for MCSIG medical coverage for plan year 2010, please complete and return the form on the reverse side of this letter following the instructions below. Alternatively, you may go to www.mcsig.com and complete/print the form online.

If your spouse's eligibility for MCSIG medical coverage is based upon box 1 of the form, then please check box 1, sign and forward the form directly to us at 76 Stephanie Drive, Salinas, Ca 93901. If your spouse's eligibility for MCSIG medical coverage is based upon box 2 or any of the choices under box 3 then please check the appropriate box and sign the form. Then have your spouse sign the form where indicated and give the form to their employer to complete the lower portion (Employer Verification of Coverage) for benefit verification. Once their employer has completed the benefit verification section, please mail the form to MCSIG at the above address.

The MCSIG Spouse Primary Coverage Rule provides that the spouse of an active or retired MCSIG participant may be enrolled as a dependent on the participant's medical plan only if they meet the following criteria:

1. The spouse is unemployed, self-employed, retired or a MCSIG participant (employee of a MCSIG member district); OR
2. The spouse is employed and the spouse's employer does not offer medical insurance coverage for the spouse; OR
3. The spouse's employer offers medical insurance coverage and:
 - a. the spouse does not meet the employer's medical insurance eligibility requirements; OR
 - b. the employer pays less than 75% of the employee-only premium; OR
 - c. the employer pays at least 75% of the employee-only premium and the spouse is enrolled in the employer's medical coverage.

If a properly completed Spouse Primary Coverage Form is not received by MCSIG by **December 15, 2009**, your spouse's MCSIG medical coverage will be terminated as of December 31, 2009. Under MCSIG's retiree eligibility rules, if you are a retiree and your spouse coverage is terminated, you will not be able to re-enroll your spouse in MCSIG medical coverage.

Should your spouse experience an employment change that affects their eligibility for MCSIG medical coverage, you are responsible for providing timely written notification, (within 31 days) to the school district. Any changes that result in the spouse becoming ineligible will be retroactive to the qualifying event. Failure to provide such timely notice will result in the employee being responsible for benefit payments made in error.

IMPORTANT—Send or Fax Spouse Eligibility Verification Forms To:

Eligibility Department
Monterey County Schools Insurance Group
76 Stephanie Drive
Salinas, CA 93901
FAX (831) 755-0172

Completed forms with electronic signatures will not be accepted. FAXed forms with copied wet signatures will be accepted. If you have any questions regarding this notice, please call Customer Service at 831-755-8055 or 800-287-1442.

*For purposes of this letter and MCSIG's Spouse Primary Coverage Provisions, the term 'spouse' includes eligible domestic partners.