

Divorce

The employee has 30 days to enroll and make changes to benefits (including eligible step-children).

Important: The removal of an ex-spouse and former step-child(ren) from benefit plans is required to trigger the COBRA process (ADM Event required). In addition, institutions must update the dependent relationship from Spouse to Ex-Spouse. See Adding and Updating Dependents in HR ([KB 18182](#)) for details. Upon removal of the ex-spouse and former step-child(ren), UW-Shared Services, Service Operations will send a COBRA letter to the ex-spouse*. Ask the employee for ex-spouse’s address and update this in HRS: Employee/Dependent Information > Update Dependent/Beneficiary.

Benefit Plan	Guidelines	Comments	Action Institution Should Take
State Group Health Insurance	Coverage for an ex-spouse and step-child(ren) ends the end of the month in which the divorce is finalized or the end of the month in which the continuation notice is issued, whichever is later.	Employee may keep Family coverage even if employee does not have custody of eligible child(ren).	Remove ex-spouse and step-children from coverage: <u>ADM Event:</u> 1 st of the month on or after divorce is finalized. Print a copy of continuation letter from Cypress and place in employee’s benefits file.
Preventive Dental Insurance	Ex-spouse and former step-children may continue coverage through COBRA for up to 36 months by paying the full premium and submitting the continuation application within 60 days of the coverage end date or the date on the continuation notice, whichever is later. [If not notified timely, check with ETF on length of continuation coverage that is available.]	If the application is not received in a timely manner, the employee will be responsible for paying the additional premiums/claims associated with delay.	
Supplemental Dental Insurance	An individual may only be covered under one Plan policy. If both parents are eligible employees for the same plan, only one parent may cover the child(ren). Note: This rule does not apply to Vision Insurance.	If not notified in a timely manner, coverage needs to be termed retroactively back to when the dependent(s) lost eligibility, premiums may only be refunded back to 90 days. If period is longer than 90 days back, institution must turn off retro benefit refunds in HRS for anything exceeding 90 days.	
Vision Insurance	Depending on the employee’s situation, during the Annual Benefits Enrollment period, the employee may be able to remove their ex-spouse and step-children. For example, an employee may go from Family to Single coverage effective January 1 st (regardless of whether the divorce is finalized). Note: This example represents a “voluntary cancellation of coverage” meaning COBRA does not need to be offered. If the “soon to be” ex-spouse and dependent children will need COBRA, then the employee should wait until the divorce is finalized to remove them.	If not notified in a timely manner, coverage needs to be termed retroactively back to when the dependent(s) lost eligibility, premiums may only be refunded back to 90 days. If period is longer than 90 days back, institution must turn off retro benefit refunds in HRS for anything exceeding 90 days.	

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State Group Life Insurance	<p>Coverage for ex-spouse and step-child(ren) ends on the date of divorce.</p> <p>Ex-spouse / step-child(ren) may convert to an individual policy by submitting conversion app to the carrier within 31 days of coverage end date.</p>	<p>Employee should fill out app to remove spouse / dependent coverage <u>unless employee has other eligible dependents to cover</u>.</p> <p>If application not submitted in a timely manner, premiums for spouse / dependent coverage may be refunded for the current year and preceding calendar year.</p>	<p>*Provide conversion application when notified of divorce for spouse/dependent coverage if employee did not have dependents enrolled in State Group Health Insurance, Supplemental Dental Insurance or Vision Insurance.</p> <p>If terminating spouse/dependent coverage:</p> <p><u>ADM Event:</u> 1st of the month on or after divorce is finalized.</p> <p>Remind employee to review beneficiary designation (applies to both State Group Life Insurance and WRS unless otherwise specified).</p>
Individual & Family Life Insurance	<p>Coverage for ex-spouse and step-child(ren) ends on the date of divorce.</p> <p>Ex-spouse / step-child(ren) may convert to an individual policy by submitting conversion application to carrier within 31 days of coverage end date.</p>	<p>Employee should fill out application to remove spouse coverage.</p> <p>If employee has no other children to cover, employee should fill out application to terminate Child coverage.</p> <p>If not notified in a timely manner, premiums for spouse / domestic partner / child coverage may be refunded for no more than the previous twelve months.</p>	<p>*Provide conversion application when notified of divorce for spouse/domestic partner and child coverage if employee did not have dependents enrolled in State Group Health Insurance, Supplemental Dental Insurance or Vision Insurance.</p> <p>If terminating spouse and/or child coverage:</p> <p><u>ADM Event:</u> 1st of the month on or after divorce is finalized.</p> <p>Remind employee to review beneficiary designation.</p>

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Accidental Death & Dismemberment Insurance	<p>Coverage for ex-spouse and step-child(ren) ends on the date of divorce.</p> <p>Ex-spouse / step-child(ren) may convert to an individual policy by contacting Zurich American Insurance Co. at 1-800-834-1959 within 60 days of coverage end date.</p> <p>Employee may add/change/cancel coverage at any time.</p>	<p>If not notified in a timely manner, premiums for Family coverage may be refunded (if dependent(s) is last eligible dependent and employee is only eligible for Employee Only coverage due to dependents' loss of eligibility).</p>	<p>*Provide conversion bulletin when notified of divorce for Family coverage if employee did not have dependents enrolled in State Group Health Insurance, Supplemental Dental Insurance or Vision Insurance.</p> <p><u>ADM Event:</u> 1st of the month after receipt of application.</p> <p>Remind employee to review beneficiary designation.</p>
Accident Insurance	<p>Coverage for ex-spouse and step-child(ren) ends at the end of the month in which the divorce is finalized or the end of the month in which the portability notice is issued, whichever is later.</p> <p>Ex-spouse / step-child(ren) may continue coverage by making a written request and paying first premium within 31 days after insurance provided by the group policy would otherwise terminate.</p>	<p>Employee should fill out application to remove spouse coverage.</p> <p>If employee has no other children to cover, employee should fill out application to terminate Child coverage.</p> <p>If not notified in a timely manner, premiums for spouse / child coverage may be refunded for up to three months.</p>	<p>If terminating spouse and/or child coverage:</p> <p><u>ADM Event:</u> 1st of the month on or after divorce is finalized.</p> <p>Remind employee to review beneficiary designation for accidental death & dismemberment provision in the plan.</p>
Flexible Spending Account (FSA)	<p>Health Care FSA / Limited Purpose FSA:</p> <ul style="list-style-type: none"> Coverage for ex-spouse ends on date of divorce. Employee may decrease or cease election due to the loss of dependent(s). <p>Dependent Day Care FSA:</p> <ul style="list-style-type: none"> Employee may decrease or cease election if employee lost dependents. 	<p>Employee is responsible to notify institution of divorce.</p> <p>Employee must submit Change of Election form within 30 days of divorce to decrease or stop FSA contributions.</p>	<p><u>FSA Event:</u> 1st of month on or following date of divorce.</p>

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Health Savings Account (HSA)	<p>May change/cancel HSA contributions at any time. If State Group Health Insurance changes from Single to Family or Family to Single, different HSA contribution maximums may apply.</p> <p>NOTE: HSA can be included in employee's divorce settlement.</p>	May no longer use their HSA for ex-spouse's medical, dental and/or vision expenses after the date of the divorce.	<p><u>FSA Event:</u> 1st day of the payroll where change becomes effective.</p> <p>Remind employee to review beneficiary designation.</p>
Wisconsin Retirement System (WRS)	WRS account can be included in Employee's divorce settlement.	N/A	Remind employee to review beneficiary designation (same as State Group Life Insurance).
UW 403(b) Supplemental Retirement Program (SRP)	NOTE: SRP account and/or WDC account can be included in Employee's divorce settlement through a Qualified Domestic Relations Order (QDRO).	SRP: Must set up account with vendor directly and then submit Salary Reduction Agreement (SRA) to payroll office.	<u>SAV Event:</u> 1 st day of the payroll where the change becomes effective.
Wisconsin Deferred Compensation (WDC)	May add/change/cancel election at any time.	WDC: Must set up account through WDC at www.wdc457.org or by sending enrollment form to WDC directly.	Remind employee to review beneficiary designation .
W-4	N/A	The employee may wish to review their W-4 withholding allowances and make adjustments as needed.	If employee wants to change withholding allowances, effective date is the first day of the pay period the new withholding starts.
Income Continuation Insurance	No action needed for these plans due to divorce. However, it is recommended that institution review all benefit plans with employees and to remind them to update beneficiary designation forms (if applicable) as necessary.		
UW Employees, Inc. Life Insurance			
University Insurance Association Life Insurance			

*UW-Shared Services, Service Operations will only send a COBRA letter to an ex-spouse if the ex-spouse and former step-children are removed from State Group Health Insurance, Supplemental Dental Insurance or Vision Insurance coverage. If the ex-spouse or former step-children were covered only under life insurance plans (which is not tracked in HRS), a COBRA letter will not be sent to provide them with conversion rights. Institutions should provide a conversion application to the ex-spouse in these situations as noted in the chart.