

THE UNIVERSITY SYSTEM OF NEW HAMPSHIRE

Same-Sex Domestic Partner Benefit Coverage

QUESTIONS AND ANSWERS

1. **Who is eligible for coverage?**

If you are eligible for and enrolled in benefits at the University System of New Hampshire (USNH), you can cover your same-sex Domestic Partner. To be eligible, you and your same-sex domestic partner must meet the following criteria:

- The partners must be of the same gender;
- The partners must have been each other's sole partner for at least six (6) months and plan to remain so indefinitely;
- Neither partner is legally married, or related by blood to a degree that would prohibit marriage, nor allowed to legally marry each other in the State of New Hampshire;
- The partners are each at least eighteen (18) years of age and are mentally competent to consent to contract;
- The partners are responsible for each other's common welfare and financial obligations as defined in the section on procedural requirements.

If you and your same-sex domestic partner meet the above criteria, you may add your same-sex domestic partner/dependent(s) to your medical, dental, and voluntary life insurance. Your same-sex domestic partner and his or her dependents are also eligible for the tuition benefit plan. Documentation may be required to show that your same-sex domestic partner's child(ren) reside with you and are listed on your same-sex domestic partner's income tax return. In accordance with IRS regulations, graduate courses are considered a taxable fringe benefit and USNH will withhold taxes accordingly.

2. **How do I add my same-sex domestic partner to my benefits?**

There are several ways to add your same-sex domestic partner to your benefits at USNH.

3. New Hire

As newly hired Faculty/Staff Member at USNH, if enrollment is completed within sixty (60) days of employment, benefits are effective on the first day of the month following completion and receipt of enrollment materials at your Human Resources Office. If you wish coverage for your same sex domestic partner, you will need to list him or her on the Flex Enrollment form and medical/dental applications and return them to your campus Human Resources Office. Your same-sex domestic partner will have the same effective date of coverage as you. No additional documentation is required beyond the application for the benefit and the affidavit certifying your eligibility for coverage as a same-sex Domestic Partner.

New Partner Registration

You have 30 days from the date you and your same sex domestic partner have been each other's sole partner for at least six (6) months, to notify your campus Human Resources Office that you wish to apply for same-sex domestic partner coverage. You must meet all of the partnership criteria as previously explained above. The coverage effective date will be the first day of the month following completion and receipt of enrollment materials at your Human Resources Office.

Annual Open Enrollment

The Benefits Office holds an annual Open Enrollment period, usually in October/November, during which you can change benefits, including adding or deleting persons covered under your benefits. No additional documentation is required beyond the application for the benefit and the affidavit certifying your eligibility for coverage as a same-sex domestic partner and the necessary steps listed in the Open Enrollment materials

mailed to you. Any additions made during Open Enrollment are effective January 1 of the following calendar year.

Qualified Status Change

If your same-sex domestic partner involuntarily loses his or her group health/dental insurance, he or she can be transferred onto your USNH health/dental insurance coverage. Additional paperwork must be completed by your partner's employer stating the loss of coverage. This must be done within 30 days of the date your partner's coverage ended.

4. What if my partner and I terminate our relationship?

If you and your same-sex partner terminate your relationship, you must remove that person from your benefits. The deletion must occur within 30 days of the termination in order for the former partner to be eligible for continuation of medical and dental coverage under COBRA. We can remove a former partner after 60 days; however, no COBRA continuation will be available for that former partner.

5. If I have terminated a same-sex domestic partner relationship, when am I eligible to add another same-sex domestic partner to my medical and dental plan?

You are eligible to add another same-sex domestic partner six (6) months after establishing a new relationship.

6. If my same-sex domestic partner and I both work at the University System of New Hampshire, can we both cover each other as well as our dependents?

The faculty/staff member and dependent(s) can only be covered once. For example, you cannot have your own health insurance (or dental insurance) and be listed as a dependent on your same-sex domestic partner's coverage. Essentially you cannot have double coverage. Each faculty/staff member can elect a different health or dental insurance plan option and you may add your dependents to either coverage, but not to both.

7. Can my same-sex domestic partner's child(ren) be covered by or under my medical and dental plan(s)?

Yes, provided they reside with you and are listed on your partner's income tax return as a dependent. They can be added during one of the events listed in question 2. If your partner's child(ren) do not meet the criteria of residing with you and is not listed as a dependent on your partner's income tax return now, but may be in the future, you have 30 days from the date all the criteria are met to add him or her to your benefits. Children must be removed when they no longer meet the eligibility criteria for each benefit. When children are removed within the appropriate time frame, COBRA continuation information will be sent so that coverage may be continued. You do not have to cover your partner if you want to cover his or her children as long as they meet the eligibility criteria listed above.

8. If I currently provide medical and/or dental coverage to a previous spouse, can I add my same-sex domestic partner and their dependent(s) to my plan?

Only one adult dependent; i.e., spouse or adult same-sex Domestic Partner may be covered at a time.

9. Will I be able to increase or decrease the amounts of my flexible spending accounts when I add my same-sex domestic partner?

A same-sex Domestic Partner and their dependents are not qualified under IRS Section 125 regulations, therefore, you may not change your flexible spending account amounts.

10. What is imputed income and why is it added to my paycheck when I cover a same-sex domestic partner?

Imputed income is the fair market value of the additional coverage. Unlike health and dental coverage for other family members, the value of the additional coverage is a taxable benefit. Imputed income is separate and in addition to your bi-weekly plan cost. You may have imputed income even if you have no payroll

deduction for your health or dental plan i.e. Option B Dental single coverage options has no employee contributions at this time.

11. **Is the imputed income fully taxable?**

Yes, same-sex domestic partner imputed income is subject to both Federal and FICA taxes and will be included on your year end W-2 Form.

12. **Are there situations where I would have no imputed income?**

Yes. Based on IRS requirements, imputed income only applies for coverage of an individual who is not your tax dependent. If you claim your same-sex domestic partner as your tax dependent, you should have no imputed income.

Under what circumstances will my same-sex domestic partner qualify as a dependent of mine?

IRS Section 152 states that you may claim your same-sex domestic partner as a tax dependent if the dependent meets the following five (5) requirements:

1. The dependent must have gross income of less than \$2,750.00 in the calendar year;
2. The employee must provide over ½ of the dependent's support for the calendar year;
3. The dependent must fall within nine categories of relationship to the employee;
4. The dependent must not have filed a joint return with their spouse for the tax year;
5. The dependent must satisfy a citizenship or residency test.

If all of the above requirements are met, then USNH could exempt the value of the benefit from Federal and FICA taxation. We strongly urge you to consult your tax advisor. You may be required to submit documentation that your dependent meets all of the above items.

13. **Is my same-sex domestic partner eligible for the tuition waiver benefit?**

Yes, if you meet the requirements and definition of a same-sex domestic partner, they and their dependents are eligible for the tuition waiver benefit as outlined in USNH policy.

Please refer to the **Tuition Waiver Fact Sheet** included with this package and USNH Policy (USYV.A.9) for further details.