

DOMESTIC PARTNER BENEFIT COVERAGE

In order to insure a domestic partner, you must file an Affidavit of Domestic Partnership (which is valid for same or opposite-sex partners). You need only to complete this affidavit once and it will remain in effect until such time as the relationship ends. It is your responsibility to notify the Human Resources Office if a domestic partner relationship ends. After such termination a subsequent Affidavit of Domestic Partnership cannot be filed until twelve (12) months after a Statement of Termination has been filed with the Human Resources Department. The twelve (12) month waiting period will be waived only if another Affidavit is filed for the same domestic partner within thirty-one (31) days following the filing date of the Statement of Termination. When the completed enrollment form has been received by the Human Resources Office, you and your domestic partner will receive identification cards for the selected health/dental insurance plans. All claims will be filed by your partner under your social security number.

Children of either you or your domestic partner may be insured under any of the benefit programs providing they meet the guidelines which have been established by the insurance carrier and Franklin Pierce College. If you are currently classified as Single for Benefits coverage, adding a domestic partner with or without a child/or children will increase your costs.

Franklin Pierce College is prevented by the Internal Revenue Service (IRS) from allowing you to pay for coverage for your domestic partner and his/her children on a pre tax basis.

The College will apply the Federal COBRA regulations for your domestic partner. This means that if your domestic partner's insurance is canceled as a result of termination of your employment, ending of the domestic partner relationship, or a child of the partner no longer qualifying as a dependent, then the individual who loses the coverage will be eligible to continue the insurance on a voluntary basis.

The issue of benefits for your domestic partner is complex. If you have additional questions, please feel free to contact the Human Resources Office directly at 899-4075. All information supplied by you and your domestic partner is kept confidential and this information is only released to the insurance carrier or to parties outside of the Human Resources Department which are involved in the processing of the enrollments and deductions.

TAX IMPLICATIONS FOR EMPLOYEES

There are important tax factors to be aware of when you are covering your domestic partner. For example, if you currently are enrolled in single coverage, the difference in cost between a single health insurance policy and the category that you are moving to with a domestic partner may not be paid with pre-tax dollars. Even if the actual contribution amounts do not change as a result of adding a domestic partner, a portion of the benefits must still be treated as taxable income to you. For example, if you and your 3 children are currently enrolled in family coverage, and you add a domestic partner, your insurance costs will not change, but if the domestic partner is not your dependent, then 1/5th (of the five participants, your domestic partner being the only non-dependent covered) of the cost of the health benefits will be treated as taxable income.

The difference in the College contributions between those you receive as a single employee, and those you receive as an employee in the category that you are moving to with a domestic partner will also be taxed.