



Commonwealth Employees' Health Coverage for Domestic Partners

PEBTF-eligible employees can extend their health benefits to domestic partners and their dependents. The plan of benefits includes medical, prescription drug, dental, vision and hearing aid. Those who cover domestic partners will be charged the same rates and have the same plan choices as those in place for spousal and dependent coverage.

To Apply

An employee should contact the HR Service Center or their agency's human resources office if in an agency not supported by the center to certify that another person is their domestic partner.

You must affirm, for example, that you and your same- or opposite-sex domestic partner are at least 18 years old, mentally competent to enter into a contract in Pennsylvania and have lived together on a continuous basis for at least six months. Employees must complete these forms, which are available at www.pebtf.org:

- PEBTF-2 Employee Enrollment/Change Form
- PEBTF-11 Declaration of Spouse/Domestic Partner Health Coverage Form
- PEBTF-12 Domestic Partnership Verification Statement and Application for Health Benefits Form

An employee must also provide *at least three* of the following items (each must be dated at least six months prior to the effective date you want to enroll the domestic partner):

1. Domestic partnership agreement as recognized by a governmental entity
2. Deed or lease evidencing common ownership of real property or a common leasehold interest in property
3. Evidence of joint title to a motor vehicle
4. Driver's licenses listing a common address
5. Proof of joint bank accounts or credit accounts
6. Proof of designation as a beneficiary for life insurance or retirement benefits or beneficiary designation under a partner's will
7. Assignment of durable power of attorney

Dependent Children

Coverage for domestic partner's dependent children is also available. Documentation is required. The PEBTF can answer questions about covering dependents.

Tax Implications

Although employees who cover domestic partners will be charged the same applicable contribution rates, *the IRS requires that some of these contributions be taken on a post-tax basis; in addition, employees must pay federal and FICA taxes on the value of the benefits provided to domestic partners (known as imputed income)*. For calendar year 2017, the imputed income is \$213.59 for medical benefits; \$54.19 for prescription drug benefits; \$10.69 for supplemental benefits biweekly. This information, however, does not constitute tax advice. Employees are encouraged to seek professional tax assistance.

The commonwealth's payroll system has been updated to report the value of the domestic partner benefits as taxable income. Federal tax will be withheld biweekly from your paycheck if you add a domestic partner. There are no additional taxes for employees who already have family coverage; for example, an employee with their own child on coverage will incur no additional charges if they add a domestic partner.

Impact of Domestic Partner on Payroll Taxes						
	Employee Contributions	Single Least Expensive Plan Buy-up (post 8/1/03 hires only)	Family Least Expensive Plan Buy-up (post 8/1/03 hires only)	Part-time 50%	Dependent Buy-up for first six months of employment (post 8/1/03 hires only)	Imputed Income*
Employee adds Domestic Partner	Pre-tax	Pre-tax	**Post-tax	Pre-tax	Post-tax	Yes
Employee and child, adds Domestic Partner	Pre-tax	N/A	Pre-tax	Pre-tax	Pre-tax	No
Employee adds Domestic Partner and child of Domestic Partner	Pre-tax	Pre-tax	**Post-tax	Pre-tax	Post-tax	Yes

*There are no additional taxes or imputed income for employees who already have family coverage

**Cost Difference between Single and Family Least Expensive Plan. This amount is \$11.54 for calendar year 2017.

Retirement

Employees who qualify for the Retired Employees Health Program (REHP) may continue coverage for domestic partners and dependents upon retirement. As per the REHP plan, benefits include medical and prescription drug only.

Termination of Domestic Partner Coverage

If a partnership ends, the employee must notify the HR Service Center or their agency's office of human resources if in an agency not supported by the HR Service Center within 60 days and must complete:

- PEBTF-2 Employee Enrollment/Change Form
- PEBTF-13 Individual Domestic Partnership Termination Statement Form

At that time, a HIPAA notice and COBRA continuation of coverage notification will be mailed to the former domestic partner so they may elect coverage if needed. Retirees are responsible for reporting changes in a timely manner and are responsible for any claims incurred when dependents are not eligible for such benefits.

Questions

Employees should contact the HR Service Center at 1.866.377.2672 or their agency's HR office if in an agency not supported by the HR Service Center or the PEBTF at 1.800.522.7279.