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## Commonwealth Retirees' Health Coverage for Domestic Partners

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Retirees covered under the Retired Employees Health Program (REHP) can extend their health benefits to domestic partners and their dependents. The REHP plan of benefits includes medical and prescription drug. 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. (\*per federal regulations, the CDHP medical plan option is not available).

### To Apply

You should contact your local State Employees' Retirement System (SERS) counselor to certify that another person is your domestic partner. If you do not receive a SERS pension, please contact the PEBTF.

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. You must complete these forms, which are available at [www.pebtf.org](http://www.pebtf.org):

- Retiree Change Form (PEBTF-10) to add a domestic partner to your current enrollment
- Domestic Partnership Verification Statement and Application for Health Benefits Form (PEBTF-12)

You 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 license 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. Children must reside in the household of the retiree and domestic partner and documentation is required. The PEBTF can answer questions about covering dependents.

### Tax Implications

Although retirees who cover domestic partners will be charged the same rates for health care coverage, ***the IRS taxes the value of the benefits provided to domestic partners. Retirees 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 monthly imputed income is \$348.38 for medical benefits and \$265.76 for prescription drug benefits. However, there are no additional taxes for retirees who already have family coverage; for example, a retiree with their own child on coverage will incur no additional charges if they add a domestic partner.

Please note: Tax liability will not be prorated on a monthly basis for retirees. Additional information about tax implications for retirees is available at [www.pebtf.org](http://www.pebtf.org). This information, however, does not constitute tax advice. Retirees are encouraged to seek professional tax assistance.

W-2 forms will be mailed at the end of the year.

### Termination of Domestic Partner Coverage

If a partnership ends, the retiree must notify SERS (or the PEBTF if you are not receiving a SERS pension) within 60 days and must complete:

- Retiree Change Form (PEBTF-10)
- Individual Domestic Partnership Termination Statement Form (PEBTF-13)

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

Retired employees should contact SERS at 1.800.633.5461 or the PEBTF at 1.800.522.7279.