



IDAHO AGC HEALTH PLAN

FAQ FOR DOMESTIC PARTNERSHIP

What is a Domestic Partnership?

Two people of the same or opposite sex who live together and share a domestic life, but are not formally married or joined by a civil union. To be considered a Domestic Partnership, employees must confirm:

- They have lived with their domestic partner for at least six months
- Both parties are 18 years of age or older
- Relationship is close, personal and you are responsible for each other's common welfare
- You are exclusive
- Neither are married to anyone else
- Neither is related by blood closer than world bar marriage in the resident state
- Shared permanent residence with the intent to continue doing so indefinitely
- Both parties are jointly financially responsible for "basic living expenses," defined as the cost of basic food, shelter and any other expenses of a domestic partner because of the domestic partnership
- Both parties were mentally competent to consent to the contract when the domestic partnership began

What States Recognize Domestic Partnerships?

- California
- District of Columbia
- Maine
- Nevada
- Oregon
- Washington
- Wisconsin

Hawaii recognizes "reciprocal beneficiaries," which are similar to domestic partnerships.

Some states may not recognize domestic partnerships, but cities and/or counties in those states may. Registration of domestic partnerships vary between states, cities and counties.

How Does an Employee Cover a Domestic Partner?

The employee and domestic partner would be required to complete the Idaho AGC Health Plan Domestic Partner Declaration Affidavit. Depending on the State the employee resides in, they may have to register their domestic partnership with the city, county or state. If they live in a state that recognizes domestic partnerships, a copy of the registration would be submitted with the Domestic Partner Declaration Affidavit.

Are Employers Required to Offer Domestic Partnership Benefits?

Businesses domiciled in the State of Idaho are not required to offer Domestic Partnership Benefits. However, states you do business in may require plan eligibility to include registered domestic partners. Be familiar and up to date on the rules and regulations in each state your company does business.

What Are The Tax Implications on Domestic Partner Coverage?

Employers offering domestic partner coverage are obligated to report and withhold taxes on the fair market value (FMV) of the domestic partner's and the partner's children's coverage. Most domestic partners are not eligible to

pay their portion of health coverage with pretax dollars. Before extending benefits to domestic partners, an employer should determine the status of the domestic partner rules in each state in which it operates, to ensure compliance.

Do Domestic Partners Receive the Life Benefits?

No, the contract with the life insurance carrier covers only legally married spouses.

What Happens If the Relationship Ends?

The employee is responsible for notifying the employer and the Idaho AGC Health Plan if the status of the relationship changes, making the domestic partner no longer eligible for benefits. The employee must notify the Idaho AGC Health Plan within thirty (30) days of the date of the change by completing A Statement of Termination of Domestic Partnership, submitting it along with any relevant state documents terminating the domestic partnership.

If the plan is not notified a domestic partnership has ended, claims made by the ineligible domestic partner may be denied payment and full reimbursement for any claims paid will be required.

Can a Domestic Partner Be Added at Open Enrollment Without an Affidavit?

No, Employees requesting to add a domestic partner must complete a Declaration of Domestic Partner Affidavit to confirm eligibility, even during the open enrollment period.

Can a Domestic Partner Be Removed at Open Enrollment?

Yes, employees can complete a Statement of Termination of Domestic Partnership form, during the open enrollment period, to remove a domestic partner still in a domestic partnership with the eligible employee.

How Often Does the Declaration of a Domestic Partnership Need to Be Completed?

Employees and their domestic partner are required to complete a Declaration of a Domestic Partnership Affidavit annually during the open enrollment period.

Are Domestic Partners Eligible For COBRA?

A domestic partner is not considered a qualified beneficiary and will not have independent COBRA election rights. However, if the employee and domestic partner are both enrolled in the employer's group health plan, the domestic should be offered COBRA if the employee is offered COBRA (e.g., following a termination of employment or reduction in hours). If COBRA is elected for the employee and domestic partner, the domestic partner may continue coverage so long as the employee remains enrolled since the domestic partner does not have independent COBRA rights.