

## Domestic Partner Benefits for Faculty and Staff

### Health and Dental Insurance for Domestic Partners

Berea College offers health and dental benefits to domestic partners, same and opposite-sex. To be eligible for coverage, the employee and their domestic partner must prove one year of cohabitation as well as financial interdependence. The employee must be enrolled in health and/or dental insurance in order for partners to participate in the programs.

### How and when may I enroll my domestic partner in health and dental insurance?

If you are a new faculty/staff member, you should complete and return the Domestic Partner Affidavit and associated documentation at the same time you complete and return your health and dental insurance enrollment forms. Coverage will be effective on the 1<sup>st</sup> of the month following date of hire (or during the annual Open Enrollment period) and receipt of all documentation requested.

**Will I need to provide proof of my domestic partnership?** Yes. There are a number of pieces of documentation that will be necessary to enroll your partner and that information can be found at <http://www.berea.edu/people-services/benefits/>. Questions can be directed to the Benefits Office at 985-3051.

**Are the children of domestic partners eligible for health and dental insurance?** If you are a benefits eligible faculty/staff member, your domestic partner and your partner's child(ren) may be added to your health and dental insurance.

**What is imputed income, and why does it apply to the cost of covering my domestic partner?** Domestic partners are *not* considered qualified dependents under the Internal Revenue Code, Section 152. Thus, the tax treatment for domestic partners must be handled differently than for qualified dependents. The employer contribution to the cost of health plan coverage for *qualified* dependents does not become taxable income to the employee. *For non-qualified dependents*, domestic partners and their children, a portion of the employer contribution to the overall cost of the health insurance plan must be reported to the IRS as taxable income, also known as “*imputed income*” in tax language. Imputed income will be added to your annual salary for tax reporting purposes. It applies even if you cover other qualified dependents on your health insurance. However, *if your partner qualifies as a dependent under IRC 152, there is no imputed income*. If your partner qualifies or the child(ren) of your partner qualify under this section (and ONLY if they qualify) you must complete a Dependent Tax Affidavit and submit it with your other enrollment documents. If your domestic partner's tax status changes during the year, no retroactive changes will be made to imputed income. It is your responsibility to amend your tax return to correct taxable income. If you have questions regarding your eligibility under Section 152, please contact your tax advisor.

**What does that mean in terms of actual cost?** According to current IRS rules, unless your domestic partner is a tax-qualified dependent, you will need to pay taxes on the “imputed income” discussed above as well as the portion of the premium that you pay for your non-tax-qualified dependent. Your premium will be no different than any other family plan premium, but you will be responsible for the taxes on the portion that covers a non-tax-qualified dependent.

*Detailed questions regarding the tax implications of covering a domestic partner are best discussed with your tax advisor.*

**What happens if my domestic partner and I terminate our relationship, or my relationship no longer meets the criteria of a domestic partnership?** You must notify the Benefits Office within 30 days of ending the relationship. Your partner will no longer be eligible for Seabury Center membership and other campus privileges and you must remove your ex-domestic partner and his or her child(ren) from all College benefit plans. (This same rule also applies to the termination of a marriage through divorce.) Your partner loses their eligibility on the last day of the month in which the relationship terminated. An employee should contact the Benefits Office at x3051 to complete a form to remove the partner.

### What if I have other questions?

If you have questions about how to enroll a domestic partner and/or domestic partner's child(ren) in any of the benefits above, contact the Benefits Office at 985-3051 or via email at: [Debbie\\_lilly@berea.edu](mailto:Debbie_lilly@berea.edu)