DOMESTIC PARTNER BENEFIT FACTS

BENEFITS
As a benefit eligible TSRI Employee, Research Associate or Graduate Student, you may enroll a same or opposite gender domestic partner in the following TSRI benefit plans, during your initial eligibility period:

- Medical
- Dental
- Mental Health
- Prescription
- Vision Wear

DEFINITION
Effective January 1, 2005 a domestic partner is defined as a person who with the employee has, and continues to, meet the following requirements:

1. share a common residence, and
2. agree to be jointly responsible for each other’s basic living expenses* incurred during the domestic partnership, and
3. neither person is married or a member of another domestic partnership, and
4. are not related by blood in a way that would prevent them from being married to each other in the state they reside, and
5. are at least 18 years of age, and
6. are members of the same gender or one/or both people are over the age of 62 and meet the eligibility criteria under Title II of the Social Security Act as defined in 42 U.S.C. Section 402(a) for old age benefits or Title XVI of the Social Security Act as defined in 42 U.S.C. Section 1381 for aged individuals; and
7. are capable of consenting to the domestic partnership, and
8. neither person has previously filed for domestic partnership in California or a Domestic Partner Affidavit (for Florida employees only) that has not been terminated.

*Basic living expenses are defined as the cost of basic food, shelter, and any other living expenses. The individuals need not contribute equally or jointly to the cost of these expenses as long as they agree that both are responsible for the cost.

ENROLLMENT
Employees may enroll their domestic partners in the above plans in the following instances:

- when an employee first becomes benefit eligible; or
- in the event of a status change. Status changes are:
  - establishment of new domestic partnership;
  - change in domestic partner’s health coverage

Employees enrolling their domestic partners after their initial period of eligibility, or more than 31 days after a status change must wait until the next Open Enrollment period. Coverage will then begin on the first day of the following calendar year.

California employees who decide to add a domestic partner to his or her medical and/or dental plans must provide a copy of their California Declaration of Domestic Partnership filed with the State to Benefits Administration with their enrollment or change form. For more information on how to register with the State of California, please visit http://www.ss.ca.gov/dpregistry/.
Florida state law does not have a similar registry program. Therefore, since Florida employees cannot avail themselves of a similar program they will be required to sign an affidavit that they meet the California requirements in regards to their domestic partnership. An Affidavit of Domestic Partnership may be obtained by calling Benefits Administration at 858-784-8487 or can be obtained on the TSRI website.

**TAX IMPLICATIONS**

Domestic partners are not considered to be tax-qualified dependents under Internal Revenue Code Section 152; therefore, the value of benefits provided to a domestic partner is considered taxable income to an employee. This cost appears on an employee’s second paycheck of each month under the taxable income information.

**Example**

A TSRI employee currently has the Comprehensive Medical Plan, Employee Only coverage, and adds a qualified domestic partner to the medical and dental plans. The employee’s taxable income is calculated as follows:

<table>
<thead>
<tr>
<th></th>
<th>Medical</th>
<th>Dental</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total cost for employee and domestic partner per month</td>
<td>$822.14</td>
<td>$72.66</td>
</tr>
<tr>
<td>subtract cost for employee coverage</td>
<td>- 411.08</td>
<td>- 36.34</td>
</tr>
<tr>
<td>subtotal</td>
<td>411.06</td>
<td>36.32</td>
</tr>
<tr>
<td>subtract employee cost of domestic partner premium</td>
<td>- 124.00</td>
<td>- 18.00</td>
</tr>
<tr>
<td>taxable income</td>
<td>$287.06</td>
<td>$18.32</td>
</tr>
</tbody>
</table>

Total taxable income would be $305.38 ($287.06 + $18.32) per month.

Federal taxes (federal income tax, FICA and FUTA) and any applicable state taxes are deducted from the employee’s taxable income for the cost of providing coverage for domestic partners. If we assume the employee is in the 27th% percentile income tax bracket, the increase in Federal tax withheld would be $82.45 per month. Therefore, the total monthly cost to the employee for domestic partner medical and dental insurance coverage would be $224.45 ($124.00 + $18.00 for insurance premiums, plus $82.45 in Federal tax). The employee may also owe additional applicable state taxes on the domestic partner coverage.

However, in California domestic partnerships are exempt from State income tax if the partnership meets the above listed criteria and the domestic partnership has been registered with the State.

**TERMINATION OF COVERAGE**

If an employee provides medical and/or dental coverage for a domestic partner, and that partnership subsequently ends, the employee must notify Benefits Administration to terminate coverage. Domestic partners are not eligible for COBRA continuation coverage.

If an employee terminates medical and dental coverage for a domestic partner due to termination of the domestic partnership, a new domestic partner cannot be added to the plans until six months after termination of the previous domestic partnership.