

## **DOMESTIC PARTNER BENEFITS GUIDELINES**

**Effective January 1, 2018**

**Updated March 30, 2020**

Robert Half International Inc., Protiviti Inc., and Protiviti Government Services, Inc. (collectively, the “Company”) are pleased to offer employees who have entered into a domestic partnership (or civil union) benefit coverage for their domestic partner and the partner’s dependent children. This document contains important information regarding domestic partner benefits eligibility for Company employees. All benefits are equally available to employees with domestic partners and employees with spouses.

### **Definition of a Domestic Partner**

Domestic partners are those individuals who have entered into a legally recognized domestic partnership or civil union or who have registered with any state or local government domestic partnership registry. Or, in the absence of a civil union or registration with a state or local government domestic partnership registry, a domestic partner is an adult person of the same or opposite sex with whom you are in a committed and mutually exclusive relationship and with whom you are jointly responsible for each other’s welfare and financial obligations. You must reside together in the same principal residence and intend to do so indefinitely. You must both be over the age of 18, not married to someone else and not be blood relatives.

### **Definition of a Dependent Child**

The Internal Revenue Code (IRC) defines a dependent for tax purposes. In general, a Company employee’s dependent child is either the biological or adopted child of the employee or a child for whom the employee has legal guardianship of by court order. As a result, IRC Section 152 permits the Company employee to claim the child as a dependent on his or her federal tax return.

### **Definition of a Domestic Partner’s Dependent Child**

A dependent child of a domestic partner is either the biological or adopted child of the domestic partner or a child for whom the domestic partner has legal guardianship of by court order. As a result, IRC Section 152 permits the domestic partner to claim the child as a dependent on his or her federal tax return.

### **Proof of Relationship**

All employees wishing to enroll dependents in any Company healthcare plan (medical, dental, or vision) may be required to provide acceptable documentation verifying each dependent’s eligibility for coverage.

## **Benefit Coverage**

Each employee has the opportunity to cover his or her domestic partner and the domestic partner's dependent children in Company benefits. This includes medical, dental, vision, and voluntary dependent life and AD&D insurance. All benefit enrollments can be completed through Mercer Marketplace during your initial enrollment period, a Family Status Change request and/or during annual Open Enrollment.

## **Cost –Tax Consequences**

Benefits provided to domestic partners (and their dependent children) are subject to federal income taxation. The IRS considers the fair market value of health, dental, vision, and dependent life insurance of a domestic partner (and his or her dependent children) to be taxable. This means that the full cost of the additional coverage (i.e., the combination of the Company portion and employee contribution) will be added (or "imputed") to the Company employee's income and taxed accordingly by the federal government, unless the employee can claim the domestic partner (or his or her dependent children) as a "tax dependent" under IRC Section 152.

Many states recognize some form of domestic partnership and maintain their own state income tax regulations. Therefore, employees with Domestic Partners should consult their tax advisor regarding their taxable benefits status. For additional information about the cost of coverage, contact Mercer Marketplace at 1.855.879.6739.

## **Termination of Domestic Partnership**

Within 30 days of the termination of a domestic partnership, you must request a Family Status Change request through Mercer Marketplace in order to drop your domestic partner and his or her dependents from coverage. Benefit coverage for your domestic partner and his or her dependents will end on the date of the termination of domestic partnership. Coverage continuation will be offered to your domestic partner and his or her dependent children pursuant to applicable COBRA provisions.

## **Changes to Benefit Coverage**

Additions, changes or terminations to benefit coverage may be made during the Company's annual open enrollment period. You may also make changes in the event of a Family Status Change (e.g., commencement of domestic partnership, death, birth of a child, loss of coverage, etc.) within 30 days of when the event occurs.

## **Special Note**

Falsifying information or failure to notify Mercer Marketplace of any relevant change in your relationship (e.g., termination of a domestic partnership) will subject you, the employee, to disciplinary action up to and including termination of employment.

## **DOMESTIC PARTNER BENEFITS**

### **FREQUENTLY ASKED QUESTIONS (FAQs)**

**1. Can I enroll my domestic partner in Company benefits?**

You may enroll your domestic partner in medical, dental and vision benefits, as well as dependent life and voluntary AD&D insurance. This can be done through Mercer Marketplace during your initial enrollment period, a Family Status Change request (Domestic Partner Enroll/Term), and/or during the Company's annual Open Enrollment.

**2. Can I enroll the dependent children of my domestic partner in Company benefits?**

You may enroll the dependent children of your domestic partner in Company benefits, including medical, dental, vision, dependent life and voluntary AD&D insurance. This can be done through Mercer Marketplace during your initial enrollment period, a Family Status Change request (Domestic Partner Enroll/Term) and/or during annual Open Enrollment.

**3. Do my domestic partner and his/her dependent children have to enroll in the same benefit plans I've elected?**

Yes. Your domestic partner and his or her dependent children are considered dependents under your benefit coverage enrollment. Consequently, if you wish to cover them, they must be enrolled in the same plan(s) that you are. For example, if you are enrolled in the \$400 Deductible Plan under individual coverage and you want to enroll your domestic partner and his or her dependent children in medical benefits, you must enroll them in the same plan under family coverage.

**4. Why am I taxed for my domestic partner benefits and my legally married colleagues are not taxed for their spouses' participation in the benefits?**

The IRS has ruled that domestic partners cannot be considered spouses for federal tax purposes. As a result, the Company is obligated to report the fair market value of the additional coverage (for the domestic partner and his/her dependent children) as income to the employee for federal tax purposes.

**5. Can I enroll in the Dependent Care Reimbursement Account (DCRA) and submit dependent care expenses related to the dependents of my domestic partner?**

No. IRS regulations do not permit reimbursement for dependent care expenses related to children of a domestic partner.

**6. Will my domestic partner become my life insurance beneficiary in the event of my death?**

The beneficiary(ies) you designate through Mercer Marketplace will be the individual(s) who receive any life insurance benefits in the event of your death. If you do not designate a beneficiary, your life insurance benefit will be paid to your estate.

**7. Is my domestic partner covered under the Company's dependent life insurance?**

Your domestic partner and his or her dependent children (if any) can be covered under supplemental spouse or supplemental child life insurance. All enrollment needs to be requested through Mercer Marketplace during your initial enrollment period, a Family Status Change request (Domestic Partner Enroll) and/or during annual Open Enrollment.

**8. How do I obtain a power of attorney in order to make decisions in the event of a medical emergency?**

Typically, an attorney can offer guidance to you and your domestic partner regarding powers of attorney for decisions related to health care. If you do not have an attorney, you can call the Company's EAP at 1.800.424.4485 for a legal service referral or contact your doctor(s), local medical association or hospital regarding a power of attorney for healthcare.

**9. What happens if my domestic partner or his/her dependent children have a change in benefit coverage during our partnership?**

Additions, changes or terminations to benefit coverage may be made during the annual Open Enrollment period. You may also make a change in the event of a Family Status Change, which is often referred to as a "Qualifying Life Event" and includes a change in marital status, birth or adoption of a child, death of a covered dependent, loss of coverage, etc. The change to your benefit coverage must be relevant to the type of family status change.

**10. Where can I get more information?**

You may contact Mercer Marketplace at 1.855.879.6739.