

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

GENERAL INFORMATION DOMESTIC PARTNER or CIVIL UNION ENROLLMENT

The Hawaii Employer-Union Health Benefits Trust Fund (“EUTF”) permits employee-beneficiaries (eligible public employees and retirees) to enroll domestic partners or civil union partners as Dependent-beneficiaries in the EUTF’s health benefits plans. This information sheet gives general information concerning such enrollments.

Who May Enroll?

In order for an employee-beneficiary to enroll a domestic partner or civil union partner in an EUTF health benefits plan, the following requirements must be met:

DOMESTIC PARTNER

1. The employee-beneficiary and domestic partner must live in a spouse-like relationship.
2. The employee-beneficiary and domestic partner must intend to remain in a domestic partnership with each other indefinitely.
3. The employee-beneficiary and domestic partner must have a common residence and intend to reside together indefinitely.
4. The employee-beneficiary and the domestic partner are and agree to be jointly and severally responsible for each other’s basic living expenses such as food, shelter, and medical care.
5. Neither the employee-beneficiary nor the domestic partners are married or a member of another domestic partnership.
6. The employee-beneficiary and domestic partner are not related by blood in such a way that would prevent them from being married to each other in the State of Hawaii.
7. The employee-beneficiary and domestic partner are both at least 18 years of age and mentally competent to contract.
8. The consent of the employee-beneficiary or the domestic partner to the domestic partnership was not obtained by force, duress, or fraud.
9. The employee-beneficiary and domestic partner must sign and file a declaration of their domestic partnership with the EUTF in such form as the EUTF Board of Trustees may from time to time prescribe.
10. An employee-beneficiary may also enroll a domestic partner’s children as dependent-beneficiaries so long as the children meet the EUTF eligibility requirements applicable to the enrollment of dependent children.

CIVIL UNION

1. The employee-beneficiary must enter into a civil union under the rules established by the State of Hawaii Department of Health.
2. An employee-beneficiary may also enroll a civil union partner's children as dependent-beneficiaries so long as the children meet the EUTF eligibility requirements applicable to the enrollment of dependent children.

What is the Enrollment Process?

In order to enroll a domestic partner or civil union partner, the employee-beneficiary must file the following forms:

1. An enrollment application with the EUTF in the form prescribed by the EUTF Board of Trustees and,
 2. For Domestic Partners, a Declaration of Domestic Partnership in the form prescribed by the EUTF Board of Trustees,
- or
3. For Civil Union partners, a copy of the certificate issued by the State of Hawaii Department of Health must be attached to the enrollment application and,
 4. For Domestic Partners or Civil Union partners an Affidavit of Dependency for Tax Purposes in the form prescribed by the EUTF Board of Trustees.

Items 1, 2, and 3 are required before an employee-beneficiary may enroll a domestic partner or civil union partner in an EUTF health benefits plan. If an employee-beneficiary fails to file item 3, the EUTF will process the enrollment of the domestic partner or civil union partner, but the EUTF will report the domestic partner or civil union partner as a non-dependent for tax purposes (see below). In certain cases, the EUTF may require additional information and documentation before enrolling a domestic partner.

When a domestic partnership or civil union terminates or ceases, the employee-beneficiary and/or former domestic partner or civil union partner are required to notify the EUTF within 30 days. The EUTF form for Declaration of Termination of Domestic Partnership/Civil Union must be submitted.

All EUTF forms are available on the EUTF's website eutf.hawaii.gov or at the EUTF offices (see addresses below).

What is the Cost of Enrolling a Civil Union Partner or Domestic Partner?

In order to enroll a domestic partner or civil union partner, the employee-beneficiary must select the plan that applies; Two-Party plan or Family plan coverage and pay the increased costs for the employee's share for such coverage. As shown below, there will be tax effects from the employee-beneficiary's enrollment of a domestic partner or civil union partner if the domestic

partner or civil union partner does not qualify as the employee-beneficiary's dependent for federal tax purposes.

If the employee-beneficiary is already receiving family plan coverage, there will be no change in the amount of the employee's contribution. However, as shown below, there will be tax effects associated with the employee beneficiary's enrollment of a domestic partner or civil union partner – if the domestic partner or civil union partner does not qualify as the employee beneficiary's dependent for tax purposes.

What are the Tax Effects of Enrolling a Civil Union Partner or Domestic Partner?

The following information is provided as a general overview of current tax laws and should not be construed as tax or legal advice. If you have any questions about the tax effects of enrolling a domestic partner or civil union, you should contract your tax advisor.

"If the employee-beneficiary's civil union partner or domestic partner is not his or her dependent for federal tax purposes, the fair market value of the provision of EUTF health plan benefits to the civil union partner or domestic partner, less how much the employee-beneficiary pays for such coverage with after-tax dollars, will be considered taxable income to the employee-beneficiary for employment and federal income tax purposes; for domestic partners, it will be considered taxable income for state income tax purposes as well. Further, unless the employee-beneficiary covers other persons who qualify as dependents for federal tax purposes, the addition of a non-qualified civil union partner or domestic partners may limit the employee-beneficiary's ability to pay for his or her family plan coverage with pre-tax dollars (via the premium conversion plan). The employee-beneficiary may have to pay for a significant amount of his or her contribution with after-tax dollars."

Further Information?

If you have questions or desire further information regarding enrollment of a civil union partner or domestic partner, you can:

E-mail the EUTF at eutf@hawaii.gov;
Call the EUTF at 586-7390 or toll free at 1-800-295-0089;
Stop by the EUTF offices at: 201 Merchant Street, Suite 1520
Honolulu, Hawaii.

If you have questions on civil union partnerships visit the Department of Health's website at hawaii.gov/health.