

## Domestic Partner Eligibility and Verification

### FAQs for Employees

*On and after January 1, 2025, you will be able to enroll your domestic partner (and qualifying children of domestic partners) in medical (including prescription drug coverage), dental, and vision coverage. You will also be able to include them in dependent life insurance and AD&D and supplemental health and other voluntary benefits. Please review the Frequently Asked Questions (FAQs) below to learn how to enroll your domestic partner (and qualifying children of domestic partners).*

### Contents

1. What is the definition of a domestic partner? .....	2
2. Are same-sex and opposite-sex domestic partners eligible for coverage?.....	2
3. I have a civil union partner. Are they eligible for coverage? .....	2
4. Can I cover my domestic partner's children? .....	2
5. Which benefits are my domestic partner and their qualifying children eligible for?.....	3
6. Can I use my flexible spending accounts toward eligible expenses for my covered domestic partner and their qualifying children? .....	4
7. Is my domestic partner and/or their children eligible for COBRA? .....	4
8. How much does it cost to cover my domestic partner and their children? .....	4
9. What are the tax implications when enrolling a domestic partner?.....	4
10. My domestic partner or my domestic partner's child are NOT my federal tax dependents. Can I still elect an FSA to cover health care and dependent day care expenses and have them reimbursed? .....	5
11. How do I know if my domestic partner and/or their children are tax dependents?.....	5
12. What is Domestic Partner Imputed Income? .....	5
13. Is there an impact on state and local taxes?.....	5
14. How do I enroll my domestic partner and their children? .....	6
15. What information do I need to provide when enrolling? .....	6
16. When does domestic partner coverage begin and end? .....	7
17. Does starting or ending a domestic partnership count as a qualified life event? .....	7
18. Are domestic partners and/or domestic partner children eligible for coverage under the Under 65 Retiree Medical Plan? .....	7
19. I am actively enrolled but my domestic partner will soon be eligible for Medicare. What coverage should they select? .....	7
20. Who do I contact if I have questions? .....	8

## 1. What is the definition of a domestic partner?

A domestic partner can be a same-sex or opposite sex partner that is involved in a committed relationship of mutual caring and support with you, and you are both jointly responsible for each other's common welfare and living expenses. Domestic partners must be:

- At least 18 years of age,
- Not related to you by blood or a degree of closeness that would prohibit legal marriage,
- Exclusively living with you and has done so for the prior 12 months with the intent to do so indefinitely,
- Not married to someone else or engaged in another domestic partnership or civil union, as applicable; and,
- Financially interdependent with you.

## 2. Are same-sex and opposite-sex domestic partners eligible for coverage?

Domestic partners are eligible for coverage as shown in question 5 regardless of gender.

## 3. I have a civil union partner. Are they eligible for coverage?

**Yes, your civil union partner is eligible for coverage.** If you are in a registered civil union, your civil union registration will be recognized just like a marriage certificate where your state recognizes it. Please designate your relationship as a domestic partnership and submit/upload your civil union registration as proof of dependent status to the Arkema Benefits Center website.

## 4. Can I cover my domestic partner's children?

Yes, you are able to cover your domestic partner's qualifying children, up to age 26\*, who are their:

- Biological children,
- Legally adopted children,
- Stepchildren,
- Children placed with your domestic partner for adoption; or
- Foster children (which include children placed with your domestic partner by an authorized placement agency or by judgement, decree, or other order of any court of competent jurisdiction).

*\*Note that coverage may continue beyond age 26 if your domestic partner's child was covered as a dependent under Arkema's benefits prior to his or her 26<sup>th</sup> birthday and is considered a disabled child under Arkema's health and insurance benefits. Refer to your applicable Summary Plan Description for details. Details of the disabled dependent verification process can also be found at the following Aetna website, [aetnaresource.com/n/Arkema](https://aetnaresource.com/n/Arkema).*

## 5. Which benefits are my domestic partner and their qualifying children eligible for?

Your domestic partner and their qualifying children are eligible for the following benefits and/or programs, as applicable:

Benefit Plan/Program	When You Can Enroll
Medical (including Prescription Drug)	<ul style="list-style-type: none"> <li>• Within 31 days of becoming newly eligible or experiencing a qualified life event</li> <li>• During Open Enrollment</li> </ul>
<i>Well-being Matters Program – Castlight</i>	<ul style="list-style-type: none"> <li>• If you enroll your domestic partner in benefits, they are eligible to enroll in the Well-being Matters program administered through Castlight. They will create their own account and login information.</li> <li>• Your domestic partner can earn a \$400 discount off your 2026 medical premium by participating and earning 2,000 points by November 1, 2025.</li> </ul>
Dental	<ul style="list-style-type: none"> <li>• Within 31 days of becoming newly eligible or experiencing a qualified life event</li> <li>• During Open Enrollment</li> </ul>
Vision	<ul style="list-style-type: none"> <li>• Within 31 days of becoming newly eligible or experiencing a qualified life event</li> <li>• During Open Enrollment</li> </ul>
Spouse / Domestic Partner Life Insurance and Accidental Death & Dismemberment Insurance (AD&D)	<ul style="list-style-type: none"> <li>• Within 31 days of becoming newly eligible or experiencing a qualified life event</li> <li>• During Open Enrollment</li> </ul>
Voluntary Benefits	<ul style="list-style-type: none"> <li>• At any time during the year for Identity Theft and Monitoring</li> <li>• Within 31 days of becoming newly eligible or experiencing a qualified life event or during Open Enrollment for Critical Illness, Hospital Indemnity, and Accident Insurance</li> </ul>

## 6. Can I use my flexible spending accounts toward eligible expenses for my covered domestic partner and their qualifying children?

Per federal tax rules, you are not allowed to use Health Care Flexible Spending Account, Limited Purpose Flexible Spending Account, or Dependent Care Flexible Spending Account dollars to reimburse out-of-pocket health care or dependent care expenses for your non-tax dependent domestic partner or child of a domestic partner. If your domestic partner/domestic partner's children are your federal tax eligible dependent(s), then you can use the account for their expenses.

## 7. Is my domestic partner and/or their children eligible for COBRA?

Yes, your domestic partner and/or their children are eligible for COBRA coverage. You will pay for coverage on an after-tax basis similar to other dependents who lose eligibility for coverage.

## 8. How much does it cost to cover my domestic partner and their children?

Your coverage level determines how much you pay for medical, dental, and vision coverage as well as Supplemental Life and AD&D insurance, and any applicable voluntary benefits.

Review your bi-weekly cost for coverage at [benefits.arkema.com/Resources](https://benefits.arkema.com/Resources).

Please note: If you are an active U.S. employee and you cover a domestic partner and their children, health benefit contributions (medical, dental and/or vision) for your domestic partner and their children will be made on a pre-tax basis. If your domestic partner and their children are NOT your federal tax dependents under section 152, the full cost of the coverage they are enrolled in will be added to your pay each pay period they are covered as imputed income and will be taxed. If your domestic partner and/or their children ARE Section 152 tax eligible dependents, you will be able to declare that by completing the Declaration of Tax dependent form. Once you complete the form, the cost of coverage for your domestic partner and/or domestic partner children will not be added as imputed income to your pay. If you don't complete a form or don't indicate that they are a tax dependent, the company will default them to not a tax dependent.

## 9. What are the tax implications when enrolling a domestic partner?

Your domestic partner and their children must meet the qualifications to be considered a dependent. Please see below for the requirements. If your domestic partner and their children **are considered tax dependents**, you will pay the cost of coverage on a pre-tax basis, and there is no domestic partner imputed income added and taxed on your paycheck. If they **are NOT considered tax dependents**, your contributions for coverage will be on a pre-tax basis, but the full cost of the coverage **will** be added and taxed as additional imputed income.

### **10. My domestic partner or my domestic partner's child are NOT my federal tax dependents. Can I still elect an FSA to cover health care and dependent day care expenses and have them reimbursed?**

If your domestic partner or domestic partner's child are not your federal tax dependents, you are not permitted to use your pre-tax contributions to those accounts to reimburse out-of-pocket health care or dependent care expenses for your non-tax dependent domestic partner or child(ren) of a domestic partner. Since FSA accounts have the use it or lose it rule, if you can't use that money for expenses incurred in the calendar year for yourself and federal tax dependents you will lose it, so consider any FSA election amounts accordingly.

Please note you may consult a tax professional for advice on your personal situation before you declare that your domestic partner (and/or their children) is your tax dependent as defined under IRC Section 152.

### **11. How do I know if my domestic partner and/or their children are tax dependents?**

Your domestic partner and their children qualifies as tax dependents under Internal Revenue Code Section 152 if:

- You provide more than 50% of their financial support during the calendar year,
- He/she lives with you for the entire calendar year,
- He/she is a citizen of the United States, or a resident of the United States,
- Your relationship is not in violation of any local laws; and,
- He/she cannot be claimed as a "qualifying child" on anyone else's tax return.

These same tests apply to determine whether your domestic partner's child (if that child is not also your child or adopted child) is also your tax dependent. Please talk to a tax advisor prior to declaring a domestic partner and/or domestic partner's child as tax dependents.

### **12. What is Domestic Partner Imputed Income?**

For non-tax dependents as defined by the IRS, you are required to pay tax on the "value" of health care coverage. The "value" for Arkema's coverage is the full 100% budget rate for that plan and tier of coverage which is added to your pay and taxed over 26 pay periods. The tax calculation on your paycheck will be based on your gross pay plus the imputed income value for non-tax dependents' coverage(s). As a result, the amount of income taxes withheld from your paycheck will increase.

### **13. Is there an impact on state and local taxes?**

Most states follow Federal tax dependent definitions when considering whether a domestic partner and any domestic partner's children are considered tax dependents. In most states and local jurisdictions, domestic partner imputed income will be added to State and local wages as well as Federal, Social Security, and Medicare wages. There are some states that recognize domestic partnerships differently than the Federal government. The payroll department has a list of these

states and cities and will work on recognizing the correct taxability, but please check your own state and local jurisdiction to ensure your tax reporting is correct.

## 14. How do I enroll my domestic partner and their children?

Below are the ways you can enroll your domestic partner and/or their qualifying children:

- During Open Enrollment, add the domestic partner's, civil union partner's and any domestic partner/civil union partner children to the list of dependents and assign them to the plans you want them to be enrolled in.
- Then, complete two forms:
  - **Affidavit of Domestic Partner form** at **benefits.arkema.com/Resources** and please provide two sources of proof of domestic partnership. You can find a list of Acceptable Forms of Dependent Status documentation at **benefits.arkema.com/Resources**. Scan the Affidavit, the 3 sources of acceptable proof, and
  - **Declaration of Tax Status for Domestic Partner and/or Children of a Domestic Partner form** at **benefits.arkema.com/Resources** to indicate the federal tax status of your domestic partner and any domestic partner children. If you do not complete and return this form OR you do not indicate the tax status of the domestic partner and/or domestic partner child you want to cover, we will assume they are NOT your federal tax dependent, and you will have domestic partner imputed income added to your pay each pay cycle.
- Upload all of the above to **myplansconnect.com/Arkema**. To upload the forms, log in, go to Forms & Documents>Upload Documents>General Documents. Click the box that the documents are for "Dependent Verification." Make sure they uploaded successfully.
  - You must upload the forms and proof within 60 days of when you enroll your domestic partner or children of your domestic partner. If you do not upload the forms and proof within 60 days, your dependent's coverage will drop for lack of proof of dependent status on day 61.

Please note your elections are not effective until the confirmation statement link is emailed to you or you receive a confirmation statement in the mail.

## 15. What information do I need to provide when enrolling?

You must complete the Affidavit of Domestic Partnership form and the Declaration of Tax Status for Domestic Partner and Domestic Partner children form. Both forms can be found at **benefits.arkema.com/Resources**. You must also demonstrate your interdependence with your domestic partner by at least 3 of the following:

- Common ownership of real property (joint deed or mortgage agreement) or a common leasehold interest in policy,
- Common ownership of a motor vehicle, Driver's license, or passport listing a common address

- Same automobile insurance policy, Joint bank accounts or credit accounts,
- Designation as the primary beneficiary for life insurance or retirement benefits, or primary beneficiary designation under a partner's will, assignment of a durable property power of attorney or healthcare power of attorney.

## **16. When does domestic partner coverage begin and end?**

If you enroll your domestic partner and/or their qualifying children during Open Enrollment and provide the required form and proof in a timely manner, your selected benefits will begin January 1, 2025. If you experience a qualifying life event or your domestic partner and/or their qualifying children become newly eligible, your benefits will be updated immediately after you report the event to the Arkema Benefits Center.

Domestic partner coverage will end if you do not enroll them for coverage during annual Open Enrollment or your domestic partner and/or their qualifying children no longer meet the eligibility requirements or you report a life event of dissolution of domestic partnership to the Arkema Benefits Center.

Domestic partners and domestic partner children are eligible for COBRA continuation on the same basis as all other dependents who lose eligibility for health coverage due to change in status or reaching the age limit as long as we are aware of the change in your dependents' status. You must report the life event timely to have the coverage offered.

## **17. Does starting or ending a domestic partnership count as a qualified life event?**

Yes, declaration or dissolution of a domestic partnership counts as a qualified life event. You must contact the Arkema Benefits Center to add or remove a domestic partner and their children from your coverage within 31 days of the qualified life event.

Failure to report that your domestic partner or their children are no longer with you or that they are no longer eligible, may result in disciplinary action, if applicable, up to and including, termination of coverage. Additionally, you will be responsible for repaying any claims paid from the effective date of the eligibility status change that made them no longer eligible.

## **18. Are domestic partners and/or domestic partner children eligible for coverage under the Under 65 Retiree Medical Plan?**

No. Coverage for any covered domestic partner and/or a domestic partner's children cannot be continued in the Under 65 Retiree Medical Plan. The only available coverage available at the end of employment for domestic partners and domestic partner children is COBRA continuation.

## **19. I am actively enrolled but my domestic partner will soon be eligible for Medicare. What coverage should they select?**

Since the Medicare Secondary Payer rules only apply to an employee and spouse based on the employee's current employment status, the group health plan will

almost always pay secondary to Medicare for a domestic partner. The plan will typically pay secondary to Medicare for any Medicare-eligible domestic partner, even if the domestic partner is not enrolled in Medicare. In that case, **you will want to ensure that your Medicare-eligible domestic partner enrolls in Medicare when they first become eligible since the Arkema plan cannot be the primary payor regardless.** Failure to enroll in Medicare could result in a substantial uncovered portion of claims for your domestic partner, as the plan will assume Medicare paid its portion first even if your domestic partner was not enrolled in Medicare.

## 20. Who do I contact if I have questions?

If you have questions or need assistance in enrolling your domestic partner and their qualifying children, please contact the Arkema Benefits Center at **1-800-406-9823**, Monday to Friday, 9 a.m. – 6 p.m. Eastern. Domestic Partner Enrollment information and forms are also posted on [myplansconnect.com/Arkema](https://myplansconnect.com/Arkema).