

# EMPLOYEE PLUS ONE BENEFITS ELIGIBILITY AND TAXATION SUMMARY

## Employee Plus One Benefits Eligibility

### Requirements to Qualify as an Adult Designee

University benefits eligibility is extended to an Adult Designee of the same or opposite gender who meets all the following criteria:

a manner prescribed by the university; and

- Is not currently married to or legally separated from another individual under either statutory or common law.

An employee cannot obtain benefits for a spouse and also for an Adult Designee.

The following individuals are not eligible to be a qualifying Adult Designee:

- Parents or step parents of employee;
- Employee's parents' or step parents' other descendants (siblings, nieces, nephews);
- Employee's grandparents, step grandparents or their descendants (aunts, uncles, cousins);
- Employee's renters, boarders and tenants, and people who are employees of the employee;
- Children of employee or a descendant of an employee's child;
- A person hired or directly supervised by the employee in an employment setting; or
- A person the employee may transfer, suspend, lay off, recall, promote, discharge, assign, reward, or discipline as an employee, or if the employee has responsibility to direct an employee's own Adult Designee or to adjust that person's grievances or effectively to recommend any such action, if the exercise of such authority is not merely of a routine or clerical nature but requires the use of independent judgment.

### Requirements to Qualify as an Adult Designee Dependent Child

An Adult Designee's dependent child may be covered as an eligible dependent of an employee for university benefits. An Adult Designee's dependent child qualifies as an eligible dependent if the child meets one of the following criterion:

- is a natural born or legally adopted child, who has not reached the limiting age of 26, of an individual who qualifies as an Adult Designee;
- is a child, who has not reached the limiting age of 26, for whom an individual who qualifies as an Adult Designee is the legal guardian; or

- is a child of an individual who qualifies as an Adult Designee and has a mental or physical disability and has attained the limiting age of 26 may continue coverage beyond age 26 if proof of disability is provided within 31 days of attaining age 26.\*

An Adult Designee's stepchild(ren) is not covered as a dependent of an employee on the university's benefit plans.

\*Does not apply to accidental death & dismemberment and dependent life insurance coverage.

### Employee Groups Eligible for Employee Plus One Benefits

The following university employee groups are eligible for Employee Plus One benefits.

- Active; and
- Ancillary

- Long Term Disability Insurance.

An employee may receive reimbursement for medical care expenses for a qualifying Adult Designee from the Health Care Flexible Spending Account only under limited circumstances. An Adult Designee must meet all of the following requirements:

- Shares the same principal place of abode as the employee for the entire calendar year in question. This means that the Adult Designee may be temporarily absent but must reside in the same place as the employee at all other times.
- Is a member of the employee's household for the entire calendar year in question.
- Receives over half of his or her financial support from the employee. Support includes food, shelter, clothing, medical and dental care, education and other similar items. All sources of support are considered, including the Adult Designee's own funds.
- Is not a qualifying child of any other person. (See p. 8 for definition of "qualifying child.")
- Is a U.S. citizen or national, or a resident of the U.S., Canada or Mexico.

An employee may receive reimbursement for dependent care expenses for

- EAP.

An Adult Designee's dependent child(ren) is not eligible for the following university benefits:

- Life Insurance Employer Provided;
- Voluntary Life Insurance;
- Long Term Disability Insurance;
- Long Term Care Insurance;
- Health Care Flexible Spending Account; and
- Dependent Day Care Flexible Spending Account.

## Employee Plus One Benefits Enrollment

If you are a new employee at the university, you must enroll for coverage within 31 days of your hire or benefits eligibility date (date you satisfy the criteria to be benefits eligible). Enrollment after the initial 31 day period is generally limited to the annual NUFlex enrollment or when a Permitted Election Change Event occurs. However, for participation in the university tuition remission program and the EAP, an employee, Adult Designee, or Adult Designee's dependent children may utilize these program benefits at any time by completing the applicable forms. Contact your Campus Benefits Office for further information.

You may also update your benefits to include Employee Plus One benefits during the NUFlex enrollment period. Changes must be completed by the deadline set by the university. After this deadline, no benefits may be added

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enrollments since federal tax law evaluates an individual's qualification as a tax dependent on an annual basis.

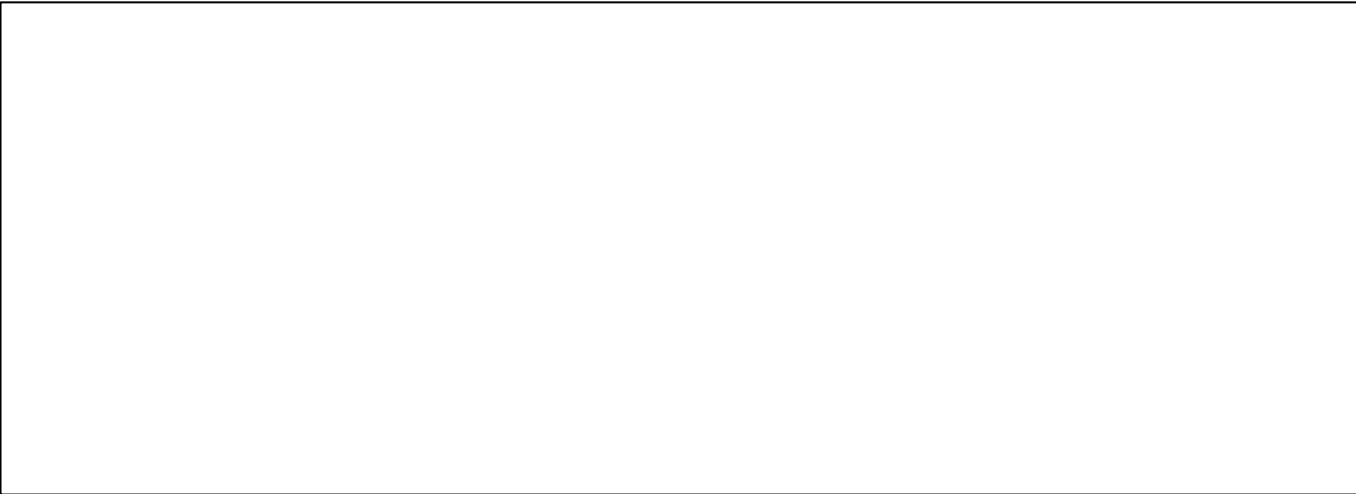
Employee Plus



comparing the difference between coverage categories. For more information on the costs associated with your specific situation, contact your Campus Benefits Office.

Example 1: During open enrollment, an employee, who is employed in a position with an FTE of 100%, elects the Basic Option medical insurance coverage for herself and her Adult Designee. The employee does not elect dental or vision insurance coverage. The Adult Designee does not qualify as the employee's tax dependent.

The employee has imputed income of \$533.00 per month for the next calendar year for medical insurance coverage. (The amount of imputed income may adjust to take into account any premium changes for that year.) This amount is included



provides with the amount of support the Adult Designee receives from all other sources, including social security, and the support the Adult Designee supplies for himself or herself. Support includes food, shelter, clothing, medical and dental care, education, and the like.

(D) The Adult Designee is not a qualifying so.175 0 TDpno0 TD 0 Tc <0003>T97TT6 1 Tf .185 0 TD .0014 T



- Dental Insurance;
- Vision Care Insurance and
- Tuition Remission.

In most cases, the Internal Revenue Code prevents the university from allowing an employee to pay for Adult Designee's dependent children health plan coverage, such as medical, dental, and vision insurance on a pre tax basis. However, if the Adult Designee dependent child qualifies as your federal tax dependent, then the individual's health plan coverage may be included under the pre tax program. You must certify whether your Adult Designee's dependent child(ren) is your federal tax dependent under the Internal Revenue Code when you complete the forms to enroll for Employee Plus One benefits. You should consult with your tax advisor if you believe your Adult Designee's dependent child(ren) qualifies as your tax dependent.

If your Adult Designee's dependent child participates in the tuition remission program, you will also be imputed income for this benefit.



Example 2: During open enrollment, an employee, who is employed in a position with an FTE of 100%, elects the Basic Option medical insurance coverage and dental insurance coverage for himself and his Adult Designee's child, but does not add

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- Specialenrollment