

RE: Domestic Partner Benefit Introduction and Premium Determination

Dear Participant:

Thank you for your interest in enrolling your domestic partner on the Harrison Trust Plan.

Coverage through the Harrison Trust for a domestic partner is determined to have a monthly value. You will be responsible for paying a monthly premium for coverage for your domestic partner and the domestic partner's children. This premium cost listed below is used to pay the federal taxes associated with the benefit.

Medical Plan	Taxable Premium	RATE EFFECTIVE 3/1/2025 Taxes Withheld
Harrison Trust Plan Domestic Partner coverage	\$671	\$290
Harrison Trust Plan Domestic Partner plus dependent(s)	\$1342	\$581
Prefund Harrison Trust Plan Domestic Partner coverage	\$1401	\$606
Kaiser Plan Domestic Partner coverage	\$705	\$304
Kaiser Plan Domestic Partner plus dependent(s)	\$1,410	\$610
Prefund Kaiser Plan Domestic Partner coverage	\$1,464	\$634
Providence Plan Domestic Partner coverage	\$758	\$328
Providence Plan Domestic Partner plus dependent(s)	\$1,516	\$655
Prefund Providence Plan Domestic Partner coverage	\$1,678	\$727

Note: If your domestic partner and the domestic partner's children (if applicable) qualify as your dependent under the Internal Revenue code, you are not responsible for paying the monthly premium. A certificate of Dependent Status Form must be completed and returned in addition to the Domestic Partner Affidavits.

Since the Trust Plan is a composite plan, you may ask why there is a premium associated with the Domestic Partner benefits. The answer is that the Federal Government does not recognize domestic

partnership, and therefore, there are federal and (in some instances) state income taxes associated with the value of the eligible domestic partner benefit.

Federal law requires the \$671 for Trust, \$705 for Kaiser and \$758.00 for Providence (\$1342.00 for Trust, \$1410.00 for Kaiser and \$1516.00 for Providence for domestic partner and children of domestic partner) be treated as income to you. Accordingly, by making your payment, the Trust will pay the Internal Revenue Service. The amount withheld for FICA also includes the amount due from an employer, since your employer has made its contribution based on your employment. The employee portion of FICA paid is also taxable to you.

Please note: The Harrison Trust will not be paying state income taxes that may apply to this benefit. Please consult your tax advisor, should you have further questions regarding applicable federal and state income taxes.

The amount required for coverage may vary as the Trustees change the contribution rate, which in turn, would affect the amount of your self-payment. The domestic partner coverage may be amended or eliminated by the Harrison Board of Trustee at the sole exercise of their discretion.

If your eligible domestic partner is covered by his or her own health insurance policy or plan, the benefit from the Harrison Trust will be secondary. The standard Coordination of Benefit rules followed by the Harrison Trust will apply if the children of the domestic partner are covered by other insurance.

If you lose coverage and become eligible for COBRA, your COBRA coverage will cover your domestic partner and the children of the domestic partner, if enrolled. **In addition, in the event of dissolution of your domestic partner, or your death, your eligible domestic partner and the domestic partner's children (if enrolled) will be entitled to COBRA coverage.**

The Trustees wish to stress that if the Trust ever discovers that there was a false representation to secure eligible domestic partner coverage, the Trustees will aggressively pursue any loss to the Trust (such as benefits paid) and further reserve the right to offset any and all future benefits payable by an amount equal to any loss suffered by the Trust.

To complete the enrollment process, you must complete the following forms:

- Trust enrollment form for your domestic partner and the children of your domestic partner (if applicable)**
- Copy of your registered domestic partnership certificate from Oregon Vital Records**
- Auto-pay Form**

The following form is required only if domestic partner and the domestic partner's children (if applicable) qualify as your dependent under Internal Revenue code.

- Certificate of Dependent Status**

The Affidavits of Domestic Partnership should be reviewed carefully by you and your eligible domestic partner prior to submission.

The first month's premium must be submitted to the Trust office via check. Subsequent payments must be made via the Automatic Deduction process, which is initiated with the Auto-Pay form. Failure to make a timely self-payment will result in a loss of coverage for your domestic partner, and your domestic partner will not be allowed to reenroll until the next Open Enrollment period, as determined by the Board of Trustees.

Should you have any questions regarding the necessary documents for domestic partner enrollment, please feel free to contact the Trust office at ext. 1679 at one of the numbers below.

Sincerely,

Harrison Trust Eligibility