

Three Principles for Reducing Barriers to Coverage for Unmarried People

Using narrow definitions of family to set coverage eligibility discriminates against a wide variety of unmarried people and makes care-giving harder. Many Americans have primary responsibility for a domestic partner, sibling, parent, neighbor or friend; coverage would validate and empower people's actual families. Ideally, all individuals should have equal basic health care and costs under a national single-payer system. Short of this solution, there are many incremental ways to increase the efficacy of unmarried caring relationships. None are radical; each is already in use somewhere in the U.S. Some examples:

1. Cover More Relationships

- a. *Plus-one and household plans*: All health plans should allow the primary covered party to add one non-dependent adult plus any tax dependents. In the non-, micro- and small group markets, insurers that accept any two adult families should be required to consider all two-adult applicants equally, regardless of the nature of the relationship between the parties. Example: Nationwide Insurance, Prudential Insurance and state universities in Michigan and Kentucky cover employees' household members.
- b. *Domestic partner (DP) benefits*: As an interim step, domestic partners should be defined as broadly as possible, and employers should be encouraged to offer DP benefits. Example: in 2004, the Human Rights Campaign Foundation reported that 92% of employers offering DP benefits make them available to both same-sex and different-sex couples. Action: Amend the federal Domestic Partnership Benefits and Obligations Act to include different-sex couples. Pass local Equal Benefits Ordinances, requiring DP coverage at all businesses with public contracts.

2. Treat Covered Relationships Equally

- a. *Income taxes*: All health insurance premiums and benefits should receive identical tax treatment, regardless of family composition. Example: New Jersey state government employees do not pay NJ state income tax on their domestic partner benefits. Action: Pass the federal Tax Equity for Health Beneficiaries Act; or, repeal the Defense of Marriage Act to allow the IRS to apply spousal exemptions to domestic partners.
- b. *COBRA and similar state laws*: Qualified beneficiaries should be defined simply as all persons who were previously deemed eligible for and received family coverage. Example: Some, but not all, companies that cover employees' domestic partners also offer them access to continuing coverage. Action: Amend laws to give all insured family members equal access to continuing coverage; or, repeal DOMA as mentioned above.
- c. *Rating rules*: A consistent, realistic definition of family must be used to determine premium ratings. Example: the Senate Finance Committee proposed that families composed of two adults would pay no more than twice the individual premium. Action: Amend the House Tri-Committee bill's definition of family (currently an individual plus her/his dependents and spouse) to include unmarried interdependent adults.

3. Maintain Coverage When Relationships Change

- a. *Aging out*: Economically dependent children should be able to stay on their parents' plans up to age 30, regardless of marital status. Example: South Dakota and Indiana extend coverage to adult children up to ages 29 and 24 respectively, and do not require termination upon the child's marriage. Action: All states, as well as public plans, should follow this model.
- b. *Breaking up*: Divorce, or the end of a domestic partnership, should not trigger plan termination for the non-primary covered party. Example: New Hampshire's 2008 Divorce Health Access Law prohibits employers and insurers from automatically terminating the family status of divorcing spouses of covered employees. Action: States should adopt this model law, and public plans should incorporate the same principle. COBRA should be amended to make divorce an optionally qualifying event.

For more information about unmarried people's unique challenges in access to health care, and proposals about ways to reduce marital status discrimination by expanding relationship recognition in health care reform, please contact Nicky Grist, ngrist@unmarried.org, 718-788-1911, or visit www.unmarried.org/universal-health-care.html.

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