

New Jersey Civil Unions

New Jersey has amended the marriage statute by enacting the civil union bill (Assembly Bill 3787) which provides that civil union couples must have all the same legal benefits, protections, and responsibilities as a traditional spouse in a marriage. This includes laws relating to insurance and health benefits. The civil union bill is effective February 19, 2007 and applies to all products that provide dependent coverage, including medical.

Civil Union means the legally recognized union of two (2) eligible individuals of the same sex established according to this act. Parties to a civil union must receive the same benefits and protections and be subject to the same responsibilities as spouses in a marriage.

A civil union entered into outside of New Jersey, which is valid under the laws of the jurisdiction under which the civil union was created, is also valid in New Jersey.

The civil union partner should be treated in the same manner as an opposite-sex spouse. The civil union partner is entitled to any spousal benefits available under the plan.

As long as the plan offers dependent coverage, the partner to a civil union is eligible. The plan does not have to be approved or amended for civil union coverage, as is the procedure for adding domestic partners.

Code the civil union partner with the appropriate relationship code based on their gender - Female = W (wife); Male = H (husband).

COBRA

Although civil union spouses must be treated as legal spouses in New Jersey, the Federal Defense of Marriage Act (DOMA) states that under any federal law where the term spouse is used, it means an opposite sex spouse. Therefore, for COBRA purposes, a carrier will treat same-sex spouses in the same manner as domestic partners - i.e., they will not have their own continuation rights but can continue if the employee continues (due to termination of employment or reduction of hours). If the employee does not continue, then the spouse cannot.

New Jersey State Continuation

Typically, COBRA is used by employers with 20 or more employees and state continuation is used by employers with less than 20 employees. Keep in mind that technically New Jersey State Continuation applies to **all** small employers (i.e., employers with 2-50 employees). Therefore, the civil union partner would be entitled to elect New Jersey State Continuation in the same manner as a spouse - i.e., dissolution of marriage or civil union.

For additional information, please refer to the attached Advisory Bulletin issued by the State of New Jersey, Department of Banking and Insurance.

This bulletin can be also accessed at
http://www.state.nj.us/dobi/ihcseh/blt07_seh_01.pdf