



OFFICE OF THE UNDER SECRETARY OF DEFENSE

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WASHINGTON, DC 20301-4000

PERSONNEL AND
READINESS

SEP 30

Mr. Michael Carmichael
Human Capital Officer
U.S. Office of Personnel Management
1900 E Street., NW
Washington, DC 20415

Dear Mr. Carmichael:

The enclosed final report responds to the Office of Personnel Management's memorandum entitled, "Federal Benefits for Same-Sex Domestic Partners" which directed each agency to review the benefits they offer, including workplace flexibilities and policies, and determine whether they already are available to, or could be extended to, the same-sex domestic partners of employees.

The report describes each benefit that could be extended by DoD, including the average cost of the benefit per employee, if known; identifies any applicable legal authority for the benefits, such as a statute, regulation, agency manual, or collective bargaining agreement; indicates whether the benefit is currently being provided to same-sex domestic partners; describes any implementation issues that may need to be addressed in order to make the benefit available to same-sex domestic partners; indicates the timeframe in which you could extend the benefit to same-sex domestic partners; and provides any other information useful to the assessment of whether the benefit should be extended to same-sex domestic partners.

If you have any questions or concerns regarding this matter, my point of contact for this effort is (b)(6) may be contacted at (b)(6) or

(b)(6)

Sincerely,

Gail H. McGinn
Deputy Under Secretary of Defense (Plans)
Performing the Duties of the
Under Secretary of Defense
(Personnel and Readiness)

Enclosure:
As stated



DoD Benefits that Could be Expanded to Same-Sex Domestic Partners

Benefit Description	Avg Cost per Employee	DoD Governing Reference	Currently Provided	Additional Information/Implementation Issues for Expansion	Timeframe to Implement
Child Development Programs (CDP). Civilian employees, paid from both appropriated funds and nonappropriated funds, are eligible patrons of DoD CDPs that provide child care on DoD installations. Civilian employees who are "in loco parentis", of a child in their household may enroll that child in a DoD CDP.	up to \$3,000 per year	Department of Defense Instruction (DoDI) 6060.2 , Child Development Programs (CDPs), 4.3 and Encl 2 Definitions E2.1.28 Parent	Yes	May require clarification of priority dependent upon the working status of the partner in DoDI 6060.2 (4.3.2) .	currently available
School Age Care Program. Civilian employees, paid from both appropriated funds and nonappropriated funds, are eligible patrons of DoD School Age Care Programs that provide child care on DoD installations. Civilian employees who are "in loco parentis", of a child in their household may enroll that child in a DoD CDP.	up to \$3,000 per year	DoDI 6060.3, School-Age Care (SAC) Program, 4.2.4 and Encl 2 Definitions E2.1.28 Parent	Yes	May require clarification of priority dependent upon the working status of the partner in DoDI 6060.3 (4.2.4.2) .	currently available
Youth Programs. Programs for children and youth, kindergarten through grade 12, typically provided on DoD installations. Includes sports and other organized activities. These programs are part of the Morale, Welfare, and Recreation (MWR) programs.	To be determined	DoDI 6060.4, Department of Defense (DoD) Youth Programs (YPs), 1.1	Yes	none	currently available
Priority Placement Programs (PPP). Provides expanded placement opportunities to spouses of certain relocating employees/military members. PPP procedures exist for the Department as a whole; some DoD Components also have unique PPP programs for their specific populations.	To be determined	Government Regulations for Priority Placement, DoDI 1400.20, DoDI 1400.25 Vol 1800 and PPP Operations Manual	No (1)	Requires amendments to DoD policy.	90 days after amendments
Morale, Welfare and Recreation (MWR). MWR programs include clubs, social activities, arts and crafts centers, as well as tours and ticket information and discounts.	To be determined	DoDI 1015.10, Military Morale, Welfare, and Recreation (MWR) Programs, Encl 4.T1	No (1)	Requires amendments to DoD policy.	9 months
Temporary Duty (Quarters) - Reservations	To be determined	DoD 4165.63-M, DoD Housing Management	No (1)	Requires amendments to DoD policy.	9 months
Permanent Change of Station (Lodging)- Reservations	To be determined	DoD 4165.63-M, DoD Housing Management, C5.3.1.1.	No (1)	Requires amendments to DoD policy.	9 months
Care at Overseas Military Treatment Facilities	Reimbursable expense dependent upon cost of care provided	Army Regulation 40-400 and Air Force Handbook 41-114, Navy Patient Administration Directives, DoDI 100.13	No (1)	Requires amendments to the DoD Policy, FTR, JTR and DoD policy on ID .	9 months
Commissary Privileges. Commissaries sell groceries and household goods at an average savings of 30%	To be determined	DoDI 1330.17	No (3)	Requires amendments to the DoD Policy.	9 months

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Benefit Description	Avg Cost per Employee	DoD Governing Reference	Currently Provided	Additional Information/Implementation Issues for Expansion	Timeframe to Implement
Identification Cards. DODI 1000.13 provides an ID card to spouses of DoD civilians and contractors who are stationed overseas for 365 days or more. The ID Card provides access to Commissary facilities in overseas locations	To be determined	DoDI 1000.13	No (2)	May require provisions in various Status of Forces Agreement.	18 months
Identification Cards. DODI 1000.13 provides an ID card to spouses of DoD civilians and contractors that are stationed overseas for 365 days or more. The ID Card provides benefits to Community MWR where available. (Not all MWR facilities are open to DoD civilians)	To be determined	DoDI 1000.13	No (3)	Requires approval by Installation Commander	12 months
DoD Dependent Schools Transfer Program. Program assists DoD civilian teachers assigned to foreign areas in obtaining teaching opportunities. Currently married couple DoDDS educators may be considered jointly when applying for a transfer to a new school with both spouses being considered for a transfer to the same area.	None or minimal	Transfer Program for overseas teachers	No (1)	Requires modification to Department of Defense Education Activity Policy, and direction from DoD that DoDEA may implement this program change. Also requires changes to negotiated agreements.	18 months
Living Quarters Allowance (DoDEA). Waiver to provide Living Quarters Allowance (LQA) to a dependent spouse who will become eligible to obtain his/her Federal civilian retirement annuity within 7 years of the sponsoring spouse's retirement. The waiver decision is unique to overseas DoD teachers assigned to a foreign area.	To be determined	DoDDS Guidance (based on Federal Service Impasse Panel (FSIP) Decision Cases No. 92 FSIP 92 and 103	No	Requires change to DoDI 1400.25 v.1250 and renegotiation with teacher's unions.	18 months

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Non Appropriated Fund (NAF) Benefits				Changes to NAF benefits will be made in step with Appropriated Fund Benefits Changes for domestic Partners	
Family Member Employment. NAF Overseas family member employment preference	None or minimal	DoDI 1400.23; DoD 1400.25-V1250	No (1)	DoD regs must be amended to re-define eligible family members	Approximately 6 months to 1 year after law/policy/regulatory change
Travel/Transportation. NAF Travel/Transportation expenses (PCS); Home Leave	Up to \$20K per eligible employee.	DoDI 1400.25, Subchapter 1405.2.7 allows benefits not to exceed JTR, Vol II	No (1)	DoD regs must be amended to re-define eligible family members	Approximately 6 months to 1 year after law/policy/regulatory change
NAF Overseas allowances (e.g., post allowance, LQA)	Up to \$40K per employee	DoD Policy extending provisions of DSSR/Non-Appropriated Fund Components	No (1)	DoD regs must be amended to re-define eligible family members	Approximately 9 months
NAF Family Friendly Benefits (use of sick leave for medical appointments for DP and DP's dependents)	Not currently tracked - to be determined	DoD and NAF Administrative Extension/NAF Components	No	DoD NAF policy administratively extends provisions of family friendly benefits. The definition of family member can be expanded to include domestic partners. The current definition includes any individual related by blood or affinity whose close association with the employee is the equivalent of a family relationship.	Approximately six months to 1 year after law/policy/regulatory change.
NAF Retirements benefits (spouse annuity)	Up to \$300 per year.	DoDI 1400.25, Vol 1408 encl 3/NAF Component Reg and Pension Plan Documents	No	Although retiring employees are required to designate their legal spouse for the 55% surviving spouse benefit, if there is no legal spouse, the retiree may designate a contingent beneficiary for the 100% continuation. For all intents and purposes, this would allow designation of a same-sex domestic partner for continuation of the retirement annuity for life. Policy change and plan document change required.	Six months after the policy change. Also requires plan document change.

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Benefit Description	Avg Cost per Employee	DoD Governing Reference	Currently Provided	Additional Information/Implementation Issues for Expansion	Timeframe to Implement
NAF Life Insurance Benefits	Must be determined by Group Life Insurance carrier underwriters. For dependent life, employee cost is 100% of premium, no employer premium cost.	DoDI 1400.25, Vol 1408 Encl 6.1.c(1)/ NAF Component Reg and provisions of Group Life Plan	No	Group Life Insurance enrollees may designate anyone they choose as their beneficiary. Family coverage under the plan is restricted to a legal spouse and dependents. Potential additional liability for claims; undetermined at this time. To preclude claims of discrimination, definition of eligible dependent would have to be extended to include heterosexual couples; common law couples; children of the "partner" if financially responsible. Could increase claims exposure.	Undetermined but at least January 1 of next policy year after DoD mandate.
NAF Death Benefits (lump sum annual leave, final paycheck)	none	DoD Policy, NAF Component Reg; Federal Employee Compensation Act (FECA), and Longshore and Harbor Workers Compensation Act (LSHWCA)	Yes	none	currently in place
NAF Post Retirement Medical	Must be determined by Post Retirement Medical Plan actuaries.	DoDI 1400.25 Vol 1408 Encl 5.6/DoD NAF Policy	No	Potential additional liability for claim undetermined at this time. Extension of dependent coverage for same-sex domestic partners would require changes to DOD Regulations, the Health Benefit Plan SPD and the Post Retirement Medical funding documents and trusts.	Plan year runs from Jan - Dec each year. Eligibility changes would need to be made effective 1/1 and announced a month prior to the enrollment period in the fall.
NAF CONUS Emergency Protection and Evacuation	To be determined	DoDD 3025.14; DoDI 3001.02	No	DoD regs must be amended to re-define eligible family members and dependents	6 months - 1 year
NAF Overseas evacuation travel/transportation to safe haven	To be determined	DoDI 1400.32	No	DoD regs must be amended to re-define eligible family members	6 months - 1 year

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Benefit Description	Avg Cost per Employee	DoD Governing Reference	Currently Provided	Additional Information/Implementation Issues for Expansion	Timeframe to Implement
NAF Health Benefits , to include Dental and Vision Coverage	The third-part administrator, Aetna, has advised that there are no additional costs to the plan to add a same-sex partner.	DoDI 1400.25 Vol 1408 Encl 5.5/DoD NAF Policy	No	DoD NAF policy would have to be changed to provide a parallel benefit for domestic same-sex partners. Unless the tax laws are revised, the employee will be taxed for any health insurance benefits provided to the domestic partner and/or the dependents of the domestic partner. This will also increase the employer's payroll taxes. Additionally, unless the laws are changes, employees are not permitted to use pre-tax dollars to pay for a domestic partner's health insurance coverage. Other issues: How to document a valid partnership; how to document eligible children, development of procedures to guard against potential fraud; changes in policy needed to provide special enrollment procedures for partners and eligible children and to provide continuation of coverage for domestic partner when employee loses eligibility or when domestic partner status is lost. Component contracts with HMOs will need to be revised to include any changes to eligibility to recognize same sex domestic partners and dependents.	Plan year runs from Jan - Dec each year. Eligibility changes would need to be made effective 1/1 and announced a month prior to the enrollment period in the fall.
NAF Long Term Care	No employer cost. Fully borne by participant. Cost to participant varies on plan options. Must be determined by Group Long Term Care Insurance carrier underwriters.	DoDI 1400.25, Vol 1408 Encl 6.5.a./ DoD NAF Policy	No	Potential additional liability for claims; undetermined at this time. Note: Navy MWR employees are covered under the Long Term Care Insurance coverage administered by OPM.	Plan year runs from Jan - Dec each year. Eligibility changes would need to be made effective 1/1 and announced a month prior to the enrollment period in the fall. Navy employees will be covered by OPM reg changes.

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Benefit Description	Avg Cost per Employee	DoD Governing Reference	Currently Provided	Additional Information/Implementation Issues for Expansion	Timeframe to Implement
PA - Post Allowance	To be determined	Department of State Standardized Regulations (DSSR) section 220, DoD Directive 1400.25, Subchapter 1250-Overseas Allowances and Differentials.	No	DoD regs must be amended to re-define eligible family members	Approximately 9 months
LQA - Living Quarters Allowance Annual/Interim Expenditures	To be determined	DSSR section 130, DoD Directive 1400.25, Subchapter 1250-Overseas Allowances and Differentials.	No	DoD regs must be amended to re-define eligible family members	Approximately 9 months
EQA - Extraordinary Quarters Allowance	To be determined	DSSR section 138, DoD Directive 1400.25, Subchapter 1250-Overseas Allowances and Differentials.	No	DoD regs must be amended to re-define eligible family members	Approximately 9 months
FTA - Foreign Transfer Allowance	To be determined	DSSR section 240, DoD Directive 1400.25, Subchapter 1250-Overseas Allowances and Differentials; Joint Travel Regulations (JTR) Ch 1, C1004.	No	DoD regs must be amended to re-define eligible family members	Approximately 9 months
HSTA - Home Service Transfer Allowance	To be determined	DSSR section 250, DoD Directive 1400.25, Subchapter 1250-Overseas Allowances and Differentials, JTR Ch 1, C1004.	No	DoD regs must be amended to re-define eligible family members	Approximately 9 months
EDT - Educational Travel	To be determined	DSSR section 280, DoD Directive 1400.25, Subchapter 1250-Overseas Allowances and Differentials, JTR Ch 5 and 6.	No	DoD regs must be amended to re-define eligible family members	Approximately 9 months
EDA - Education Allowance	To be determined	DSSR section 270, DoD Directive 1400.25, Subchapter 1250-Overseas Allowances and Differentials, JTR Ch 5 and 6.	No	DoD regs must be amended to re-define eligible family members	Approximately 9 months
(1) Requires DoD definition of "domestic partner"					
(2) Could be extended if Status of Forces Agreement (SOFA) allows this benefit					
(3) Requires approval/exception by Installation Commander					
(4) DoS proposed change to the DSSR definition of family member will accommodate domestic partner based on each agency's same sex domestic partner definition.					