

SUPERIMPOSED MAJOR MEDICAL PLAN (SMMP) FAMILY BUILDING BENEFIT

Effective November 1, 2024, the Management Benefits Fund (MBF) offers a Family Building Benefit, as a part of SMMP. MBF reimburses for the following family building expenses up to a maximum of Ten Thousand Dollars (\$10,000) per child/attempt to conceive or adopt:

- Eligible adoption expenses associated with adopting an Eligible Child
- Eligible surrogacy parenting arrangement expenses
- Eligible expenses related to purchase of donor tissue

Adoption

This benefit applies to the legal adoption of an Eligible Child. An Eligible Child includes: (i) child not biologically related to MBF member/spouse/domestic partner; (ii) child resulting from a surrogacy arrangement where it is required for the intended MBF member/spouse/domestic partner to legally adopt the child via surrogacy post birth; or (iii) any disabled individual physically or mentally unable to take care of himself or herself regardless of age. Expenses will be reimbursed for both successful and unsuccessful/disrupted adoptions. For successful adoptions, the adopted child must become a legal dependent of the MBF member and must live in the household of the MBF member following adoption.

Adoption Eligible Expenses

- Private and public adoption agency and placement fees
- Legal fees and court costs
- Fees related to immigration, immunization and translation of legal documents
- Reasonable and necessary travel expenses required for the purpose of obtaining physical custody of the adopted child (e.g. meals, flight, hotel and gas)
- Costs associated with State required home study
- Expenses related to an unsuccessful or disrupted adoption
- Other reasonable expenses which are directly related to and the principal purpose of which is for the legal adoption of an Eligible Child

Adoption Non-Reimbursable Expenses:

- Adoption of individuals over 18 years of age (except as noted above)
- Medical expenses prior to finalization
- Voluntary contributions such as donations (monetary gifts provided to the MBF member for adoption purposes)
- Guardianship or custody costs that are not associated with the legal adoption of the child
- Expenses or costs incurred by the birth mother (including medical expenses)
- Expenses incurred prior to active employee/retiree enrollment in MBF
- Expenses reimbursed, paid or funded under any state, local or federal program
- Expenses reimbursed under another employer-sponsored adoption assistance plan

- Expenses claimed as a credit or deduction on your personal tax return
- Loss of income of MBF member due to complications related to the administration of the adoption process
- Charges that are in violation of federal or state law

Surrogacy

This benefit applies to surrogacy arrangements where (a) the active or retiree MBF member, or their spouse or domestic partner, is genetically related to the child; OR (b) the child will be or is a legal dependent of the MBF member AND the child will or does live in the household of the MBF member.

Surrogacy Eligible Expenses:

- Agency fees associated with the surrogacy
- Attorney fees and Court costs related to the surrogacy
- Screening and surrogate fees
- Consultant/specialist fees
- Expenses related to an unsuccessful surrogacy attempt not resulting in a live birth
- Reasonable and necessary out-of-pocket medical costs incurred by the surrogate related to pregnancy and delivery including the expenses listed below, provided that such medical expenses are incurred after the date a valid surrogacy contract is executed, and provided further that such medical claims are incurred no later than one month after delivery and provided further that the expenses are not otherwise covered by the City of New York Health Benefits Program
 - Screening costs for gestational carrier/surrogate
 - Egg or sperm retrieval fees, IVF and medical costs, if not covered by another plan or source
 - The cost of transfer of the embryo to the gestational carrier/surrogate
 - Egg or sperm shipping and transport fees
 - Pregnancy medical expenses related to surrogacy not covered by another plan or source
- Reasonable and necessary lodging and travel expenses of the eligible active/retired MBF member and/or their spouse/domestic partner, or the surrogate, provided that such travel: (1) is within the U.S., (2) is associated with the U.S. based surrogacy, (3) occurs on or after the date a valid surrogacy contract is executed and (4) is completed within one month after delivery.

Example	Eligible expenses for reimbursement
Same-sex male couple seeks to have a child through the use of a surrogate/gestational carrier.	In addition to the above referenced fees, treatments and procedures for a surrogate/gestational carrier, including, but not limited to, the costs of any treatment associated with oocyte retrieval from a donor, sperm donation, and the

	costs of embryo transfer to a surrogate/gestational carrier.
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Surrogacy Non-Reimbursable Expenses:

- Expenses associated with a surrogacy contract/agreement outside the U.S. or expenses associated with a surrogate who does not reside in the U.S.
- Expenses for surrogacy arrangements that are not legally recognized
- Cost of living expenses and/or personal items such as: transportation to doctor’s appointments, special food, maternity clothing, rent, utilities, toys, furniture, etc.
- Voluntary contributions such as donations (monetary gifts provided to the MBF member for surrogacy purposes)
- Guardianship or custody costs that are not associated with the legal surrogacy of the child
- Expenses incurred prior to active employee/retiree enrollment in MBF
- Charges that are in violation of federal or state law
- Loss of income of MBF member and/or surrogate due to complications of pregnancy such as bed rest
- Any fees, expenses or costs associated with a dispute of custody and/or legal parenting rights
- Any costs associated with transferring and/or terminating a surrogacy arrangement
- Expenses reimbursed, paid or funded under any state, local or federal program
- Expenses reimbursed under another employer-sponsored surrogacy assistance plan
- Any federal and/or state taxes incurred by the surrogate related to the surrogacy arrangement between the MBF member and the surrogate
- Storage of blood, umbilical cord, reproductive materials, etc.
- Costs associated with destroying any eggs, sperm or embryos
- Any expenses not expressly stated as included shall be deemed excluded.

Purchase of Donor Tissue

This benefit applies to costs associated with the procurement of donor material tissue through a Food & Drug Administration (FDA) regulated egg/sperm bank, agency or provider’s office for the purpose of having a child where (a) the child will be or is a legal dependent of the MBF member; AND (b) the child that will or does live in the household of the MBF member.

Purchase of Donor Tissue Eligible Expenses:

Donor-related expenses are reasonably and directly related to the costs for the procurement of donor egg(s) and donor sperm through FDA regulated egg/sperm banks, agencies or providers offices. Donor-related expenses include:

- One year of storage for donor egg(s) and donor sperm
- Subscription fees
- Shipping fees

- Reasonable and necessary travel expenses for the donor (including amounts spent for meals and lodging away from home)
- Agency fees
- Donor fertility costs including medications, office visits to fertility clinic, bloodwork, ultrasounds, injection training, egg retrieval costs and anesthesia
- Legal costs and attorney’s fees
- Screening costs for donor including psychological clearance, genetic carrier screening, FDA infectious disease screening and fertility screening examples

Example	Eligible expenses for reimbursement
A single female seeks to have a child through the use of the City’s IVF program.	The purchase of donor egg or sperm, as part of a fertility treatment plan of the MBF member.

Purchase of Donor Tissue Non-Reimbursable Expenses:

- Fees associated with adoption or purchase of donor embryos
- Costs associated with the active/ retired member’s psychological clearance
- Compensation to egg/sperm donor
- Voluntary contributions such as donations (monetary gifts provided to the MBF member for purchase of donor material purposes)
- Expenses incurred prior to active employee/retiree enrollment in MBF
- Charges that are in violation of federal or state law
- Loss of income of MBF member due to complications with regards to the purchase of donor material.
- Expenses reimbursed, paid or funded under any state, local or federal program
- Expenses reimbursed under another employer-sponsored donor assistance plan
- Any expenses not expressly stated as included shall be deemed to be excluded

Tax Treatment

- Adoption. Reimbursement benefits may be excluded from taxable income for certain adoption-related expenses. Please contact your tax advisor.
- Surrogacy Assistance. Reimbursement benefits for surrogacy-related expenses are not excluded from taxable income under IRS regulations. Please contact your tax advisor.
- Purchase of Donor Tissue Assistance. Reimbursement benefits for the purchase of donor material-related expenses are not excluded from taxable income under IRS regulations. Please contact your tax advisor.

Reimbursement Procedures:

To obtain reimbursement for the eligible reimbursement expenses outlined in this Family Building Benefit, the active/retired MBF member must submit the following information to ASO, SMMP Administrator:

- Submit a completed and signed Family Building Benefit Reimbursement form
- Submit supporting documentation as noted below:
 - Eligible Adoption required documentation:
 - Documentation of all fees, costs and other expenses paid and incurred in connection with the adoption of Eligible Child along with proof of payment (including detailed receipts, itemized bills/ invoices, cancelled checks, credit card statements, paid stamped invoices confirming payment, etc.)
 - For successful adoptions:
 - Documentation that indicates whether the Eligible Child is a citizen or resident of the U.S.
 - If the Eligible Child is not a citizen or resident of the U.S. a final decree of adoption by a competent authority of the foreign-sending country, as well as evidence that the child has been issued the appropriate visa from the State Department of the U.S. (e.g., proof the child legally resides in the U.S. with the active/ retired MBF member)
 - For an adoption of an Eligible Child who is a citizen of the U.S., a final decree of adoption
 - For unsuccessful or disrupted adoptions:
 - A home study completed by an authorized placement agency
 - A placement agreement with an authorized placement agency
 - Notarized letter from the adoption agency indicating an unsuccessful /disrupted adoption, detailing the amount paid, when the unsuccessful adoption(s) occurred, reason(s) for unsuccessful adoption, etc.
 - Eligible Surrogacy required documentation:
 - Documentation of all fees, costs and other expenses paid and incurred in connection with a surrogacy parenting arrangement along with proof of payment (including detailed receipts, itemized bills/ invoices, cancelled checks, credit card statements, paid stamped invoices confirming payment, etc.)
 - Copy of the surrogacy agency contract
 - Copy of birth certificate naming the MBF member as the legal parent for successful surrogacy
 - Eligible Purchase of Donor Tissue required documentation:
 - Documentation of all fees, costs and other expenses paid and incurred in connection with the procurement of donor tissue along with proof of payment (including detailed receipts, itemized bills/ invoices, cancelled checks, credit card statements, paid stamped invoices confirming payment, etc.)

All eligible reimbursement expenses incurred on or after November 1, 2024, the Family Building Benefit effective date, for which reimbursement is requested, must be submitted within two years of: 1) the issuance of the final decree of adoption, 2) the date the unsuccessful adoption occurred, and 3) the date donor tissues were procured.

Surrogacy claims may be submitted three (3) times in the surrogacy process. All surrogacy reimbursement requests for expenses must be submitted no later than two years from the date the surrogacy was finalized.

1. After first non-refundable payment is made to the surrogacy agency
2. After final non-refundable payment is made to the surrogacy agency
3. When the surrogacy is finalized (e.g., once the child is born and the MBF member has a copy of the birth certificate naming the MBF member as the legal parent)

Eligible expenses must be incurred on or after the later of 1) enrollment in MBF and 2) the effective date of November 1, 2024.

If the submitted documentation requires additional substantiation and/or proof of payment, you will be contacted by ASO, SMMP Administrator.

MBF will only provide reimbursement to the MBF member and will not pay any eligible expenses directly. MBF will not pay for/reimburse any expenses for legal disputes (or related Court costs).

Note: The SMMP deductible is waived for the Family Building Benefit. Reimbursement under the Family Building Benefit is not considered toward the SMMP out-of-pocket maximum.