

TOWN OF OAK BLUFFS

HEALTH INSURANCE OPT-OUT PROGRAM TERMS AND CONDITIONS

Beginning on July 1, 2018, the Town of Oak Bluffs is offering a health insurance opt-out program for all eligible subscribers. Participation is voluntary and subject to the terms and conditions below.

Subscribers who are eligible and participate in the opt-out program will receive a financial incentive of **\$1,500.00 per plan year** for an individual plan or **\$3,000 per plan year** for a family plan if they no longer take health insurance through the Town.

To be eligible for this program, an employee must meet the following criteria:

1. The Opt-Out program is available for active, benefit eligible employees only (excludes unpaid leaves of absences).
2. Currently be enrolled in a health insurance plan through the Town of Oak Bluffs for at least twelve (12) consecutive months immediately preceding the requested date of cancellation.
3. Complete Opt-Out application form and provide verification of alternative coverage from another health insurance carrier.

Please note that alternative coverage cannot be insurance offered by the Cape Cod Municipal Health Group (CCMHG), which provides coverage for Island Towns and Dukes County.

4. Employees wishing to remain in the Opt-Out program must re-enroll each year during the open enrollment period in the Spring. April to May 31st.
5. Employees may not participate in this plan by switching coverage to their spouse or parent, if they are also an employee of an island town or school that is covered by the CCMHG.

Once enrolled in the Opt-Out program, employees may not re-enroll in the Town's health insurance plans unless one of the following qualifying events occurs:

1. Involuntary loss of alternate health coverage;
2. There is a change in family status (e.g., marriage, divorce, birth or adoption of a child);
3. Termination of spouse's employment, or a reduction of his/her hours, resulting in loss of alternate health insurance;
4. After at least 12 months, the employee chooses to re-enroll in the Town's health insurance plan during the Town's "open enrollment period" in the Spring.

In order to re-enroll back onto the Town's health insurance plan, an employee must provide written documentation within 30 days of the qualifying event to Human Resources.

Financial stipends shall be paid with the last paycheck of the fiscal year, and are considered taxable income and not subject to retirement calculations. If the employee re-enrolls into the Town's health insurance plan due to a qualifying event before the end of the opt-out period they will receive a pro-rated payment at the end of the fiscal year.

In no instances shall an employee receive both a payment under the Opt-Out program and health insurance benefits simultaneously.

For questions, please contact Human Resources 508 693 3554 ext 149.

Approved Personnel Board February 6, 2018