



Town of Oxford

325 Main Street, Oxford, MA 01540

Health Insurance Opt-Out Program Policy

The Health Insurance Opt-Out Program is intended as a monetary incentive for employees who have participated in the Town's health insurance benefits but now elect to withdraw participation from same after 12 months of coverage. Participation is voluntary and subject to the terms and conditions listed below.

To be eligible to participate in this program, an employee must meet the following criteria:

- 1) The employee must be eligible for health insurance benefits.
- 2) The employee must have participated in the Town's health insurance benefits for the past twelve (12) months.
- 3) The employee qualifying for this program based on twelve (12) months of participation in the health insurance benefits may be eligible for one of the following opt-out incentive payments based on the level that most recently coincides with the subscription level that they are opting out of (individual or family).
 - a) Individual Plan: \$2,200.00
 - b) Family Plan: \$4,400.00
- 4) Said payments will be included in an employee's regular pay check, in monthly installments, for each full month an employee does not utilize, elect, participate in, and/or have Town-provided insurance. Payment(s) will be taxable but they are separate from wages and will not be included for the computation of wages including, but not necessarily limited to, overtime rates.
- 5) If an employee who is participating in the program returns to electing or receiving Town-provided health insurance all payments pursuant to this program will cease beginning the month before health insurance coverage becomes effective.
- 6) An employee wishing to participate in this program must submit a signed request and waiver in writing on a form provided by the Town and available from the Payroll/Benefits Department.
- 7) In the event that an employee separates from service with the Town, for any reason whatsoever, he/she will be entitled to payment up to the month containing the date of the employee's separation.
- 8) An employee who participates in this program will be responsible to provide, and must provide, a signed request and waiver in writing on a form provided by the Town and available from the Payroll/Benefits Department, each year that they wish to receive payment(s) under this program.
- 9) Verification of alternative coverage from a source other than the Town of Oxford or its School Department must be provided annually to the Town during the Town's "open enrollment" period for health insurance to qualify. Failure to provide verification of alternate coverage each subsequent year will cease the opt-out payment benefit.
- 10) Nothing in this Agreement is intended to reduce the previously-existing rights of employees to participate in Town-provided health insurance, to limit "qualifying events" that may occur between open enrollment periods or to reduce the rights of employee to have access to health insurance under the law; however, employees should be aware that participation in this program and receipt of any payments under this program are conditioned upon compliance with all of its terms and conditions.
- 11) In no instance shall an employee receive both a payment under the program and health insurance benefits simultaneously.