



Town of Oxford

*325 Main Street
Oxford, Massachusetts 01540*

Health Insurance Opt-Out Program Policy

The following is intended as incentive payments that benefit both the employees who elect to participate in this program as well as the Town. 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 individual must be an employee who is eligible for health insurance benefits.
 - a. If a new employee is hired and he/she may elect to participate in the program after the 30-day waiting period
 - b. An employee may elect to participate in the program after they have received health insurance benefits from the Town for the immediate prior 12 months.
- 2) The Town will pay an employee covered by this program no less than the following annual amounts, based on twelve (12) months of participation in the program.
 - a. Single Plan: \$2,200.00
 - b. Family Plan: \$4,400.00
- 3) Said payments will be included in an employee's regular paycheck, in monthly installments, for each full month an employee does not utilize, elect, participate in, and/or have Town-provided insurance.
 - a. 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.
- 4) 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.
- 5) 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.
- 6) 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.



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- 7) An employee who participates in this program will be responsible to provide and must provide the documentation required in paragraphs 5 and 8 each year that they wish to receive payment(s) under this program.
- 8) 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.
- 9) Nothing in this Policy is intended to reduce the previously-existing rights of employee 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.
- 10) In no instance shall an employee receive both a payment under the program and health insurance benefits simultaneously.
- 11) The employee will qualify for the incentive level that most recently coincides with the subscription level that they are opting out of (individual or family).
- 12) The Town reserves the right to alter, amend or discontinue this opt out policy in its discretion.



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Health Insurance Opt-out Program Application

Thanks for your interest in the health insurance opt-out program. This program is being offered in an effort to reduce the cost of the Town's Health Insurance premium costs.

You will need to submit the following documents as part of the application. Please have them completed and ready to submit.

1. Written documentation of alternative health insurance covered outside of the Town's group plans on employer letterhead
2. Copy of Insurance Card

If you have any questions or trouble filling out the application, please contact the Human Resources Department at oxfordhr@oxfordma.us or 508-987-6035.

1. Contact Information

First Name: _____

Last Name: _____

Email Address: _____

Phone Number: _____

2. I certify that I am an active benefit eligible employee for the Town of Oxford ("Town"). I hereby acknowledge that I have been advised of my right to enroll in health insurance coverage through the Town of Oxford. Having been so advised, I do hereby waive my right to health insurance coverage through the Town and I authorize the Town to cancel my existing health insurance coverage.

☐ Yes

☐ No

3. Date of voluntary cancellation: _____



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4. In order to be eligible for the opt-out program, you must agree to the following:

- In return for my agreement to waive health insurance coverage, the Town agrees to pay me on a monthly basis for a total annual payment of two thousand dollars (\$2,200.00) for waiving my individual health insurance plan or four thousand (\$4,400.00) for waiving my family health insurance plan, whichever applies pursuant to the Town's Health Insurance Opt-Out Policy.
- I acknowledge that the Town of Oxford is not responsible for any expenses incurred after my insurance termination date for my dependents or myself. Furthermore, my covered dependents and I are not eligible for COBRA continuation coverage.
- I understand that the Town of Oxford is not responsible for my medical coverage after my termination date (except for medical coverage for injuries and illnesses covered by M.G.L. c. 41, § III F or M.G.L. c. 152) and for each fiscal year thereafter that I voluntarily agree to waive health insurance coverage through the Town.
- I certify that insurance coverage is in force elsewhere for losses in regard to medical conditions for me and my dependents, if any.

☐ Yes, I agree to the above

☐ No, I do NOT agree to the above

5. I certify and/or agree to the following:

- There are no outstanding court orders or agreements requiring me to provide health insurance coverage for my spouse, ex-spouse or dependent children, if any.
- I hereby acknowledge that I am only eligible to re-enroll in the Town's health insurance plans during the Annual Open Enrollment Period or for a qualifying event. The qualifying events are:
 - Marriage or divorce
 - Birth or adoption of a child
 - Death of a family member
 - Lack of other coverage through no fault of the employee or subscriber
 - Change in hours, which results in change of employment status
- I acknowledge that I may not participate in this plan by switching coverage to a spouse or parent, if they are also an employee of the Town of Oxford or the Oxford School Department.

☐ Yes, I agree to the above

☐ No, I do NOT agree to the above



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6. I understand that to re-enroll, I must complete the required paperwork during the Open Enrollment period or, for a qualifying event, notify the Payroll/Benefits Office and complete the re-enrollment process within thirty (30) days of the date of loss of coverage.

I acknowledge that if I do re-enroll in the Town's group health insurance, if my employment with the Town ends, or if my hours are reduced to below 20 hours per week during the fiscal year, I will only be entitled to payment up to the month containing the date of the employee's separation, re-enrollment or reduction of hours below 20 hours per week.

☐ Yes, I agree to the above

☐ No, I do NOT agree to the above

7. The following documents must be submitted to Payroll/Benefits Department:

Health Insurance Responsibility Disclosure Form (HIRD).

Written documentation of alternative health insurance covered outside of the Town's group plans
and a
Copy of current Insurance Card

8. By signing this document...

I certify I acknowledge that I have read, understand and agree to comply with the terms and conditions of the Town of Oxford's Opt-Out Policy.

I understand that false or misleading information given will disqualify me from participating in the health insurance opt-out program.

Employee's Signature: _____

Employee's Name: _____

Date: _____