

Health Insurance Opt-Out Program

FY19

Under these terms of the Town of Andover's Health Insurance Opt-Out Program, eligible active service employees who obtain alternate health insurance coverage from another source may voluntarily cancel their Town coverage, and receive 12 monthly payments in the corresponding amount listed below (in bold), which will be based on 25% of the total FY19 annual premium cost of the specific health insurance plan type (HMO or PPO) and coverage type (individual or family) that the employee was enrolled in prior to participating in this opt-out program.

To qualify for this opt-out program you must meet both of the following requirements:

- 1) You were an active employee of the Town of Andover covered by one of its health insurance plans for at least the last six months preceding your enrollment in this program;
- 2) You can provide documentation of alternate comparable health insurance plan coverage from another source.

Once enrolled in this opt-out program, you must maintain your alternate health insurance coverage, and you may not re-enroll in the Town's health insurance plans unless one of the following occurs:

- 1) You involuntarily lose your alternate health coverage through no fault of your own;
- 2) There is a change in your family status (e.g., marriage, divorce, birth or adoption of a child);
- 3) The termination of your spouse's employment, or a reduction of his/her hours, resulting in the loss of your alternate health insurance coverage;
- 4) At least 12 months have passed, and you choose to re-enroll in one of the Town's health insurance plans during the annual open enrollment period.

BCBS Plans	FY19 Annual Cost	25% of Cost	Monthly Payment*
Network Blue NE (HMO) – Individual	\$ 8,418.84	\$2,104.71	\$175.39
Network Blue NE (HMO) – Family	\$22,695.60	\$5,673.90	\$472.83
Blue Care Elect (PPO) – Individual	\$10,233.84	\$2,558.46	\$213.21
Blue Care Elect (PPO) – Family	\$27,426.72	\$6,856.68	\$571.39

NOTE: The Opt –out is only for one 12 month period.

** These monthly payments are considered income and are subject to withholdings.*

The open enrollment period to sign up for this opt-out program in Fiscal Year 2019 is as follows:

May 3, 2018 to June 8, 2018 for the 12 month period of 07/01/2018 – 06/30/2019

The monthly payments will end after 12 months, or will cease earlier if you must re-enroll in the Town's health insurance due to a qualifying event, you are no longer employed by the Town of Andover, or you voluntarily reduce your hours below the qualifying threshold.

Town of Andover

Health Insurance Opt-Out Election Form

PLEASE READ PAGE ONE BEFORE COMPLETING FORM – PRINT CLEARLY

Insured Name (First) (MI) (Last)

Street Address

City State Zip Code

1. I hereby elect a monetary allowance in lieu of participating in a Town of Andover sponsored group health insurance plan. I understand that the allowance will be paid monthly, in twelve equal payments beginning in July, 2018. I understand that taxes will be withheld from these payments.

2. I was covered by a Town of Andover health insurance plan on January 1, 2018 and that coverage remains active at present.

Type of coverage on January 1, 2018: Individual Family

Plan Enrolled in: Network Blue New England _____ Blue Care Elect _____

3. I have compared my other alternate health insurance coverage with my Town of Andover coverage. The coverage is comparable.

4. I understand that I may cancel this election only:

- a. You involuntarily lose your alternate health coverage through no fault of your own;
- b. There is a change in your family status (e.g., marriage, divorce, birth or adoption of a child);
- c. The termination of your spouse's employment, or a reduction of his/her hours, resulting in the loss of your alternate health insurance coverage;
- d. At least 12 months have passed, and you choose to re-enroll in one of the Town's health insurance plans during the annual open enrollment period.

Signature of Insured

Date

FOR TOWN USE ONLY

- 1. Current Health Plan Terminated Yes ___ No ___
- 2. Effective Date _____
- 3. UltraBenefits Notified (date) _____
- 4. Buy-out period From _____ To _____
- 5. Processed by _____