



TOWN of BROOKLINE

Massachusetts

HUMAN RESOURCES OFFICE
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Human Resources Director

OPT-OUT PROGRAM POLICY

Eligibility

1. **Benefit Eligible** - To participate in the Opt-Out Program, an employee must be an active employee who is eligible for group health insurance benefits through the Town of Brookline.
2. **12-months of coverage** - An active employee must be able to prove he/she had been covered by a Town health insurance plan for at least 12 continuous months prior to his/her application to the Opt-Out Program. This "year" is to be a "rolling" 12 month period from the time of enrollment in the Town's health plan.
3. **Proof of other coverage** - An employee must show proof of coverage outside a Town sponsored health plan before participating in the Opt-Out Program. Employees must fill out the state Health Insurance Responsibility Disclosure Form (HIRD) form and other necessary forms each year during the Town's Open Enrollment period.

Timing of Application / Payment

Once an eligible employee waives coverage of his/her group health insurance through the Town, **he/she must complete Opt-Out Enrollment Form and submit it to the Human Resources Office upon waiver of insurance.** Eligible employees will receive an annual incentive payment; \$1,000 for individual plan **or** \$2,500 for a family plan, **provided they remain unenrolled in the Town's health insurance.** Payment of the opt-out incentive will be at the end of the plan year (currently the fiscal year). (Ex. Withdraw coverage effective July 1, 2013 and receive incentive payment during July 2014.) Whenever possible the annual payment will be within 30 days of the end of the plan year.

1. **Open Enrollment** - Generally, employees will apply for the opt-out program during the Annual Open Enrollment Period.
2. **Spouse's Open Enrollment** - Where an employee's spouse has a different open enrollment period, the employee can waive their group health insurance coverage during their spouse's open enrollment. Payment will be a pro-rated amount of the incentive at end of the plan year. Subsequent annual payments will be made at the end of each plan.
3. **Qualifying Event** - an employee can always waive her insurance outside the Town's Open enrollment period if she has a qualifying event. When such a circumstance arises an employee can participate in the Town's Opt-Out program. *However, these individuals will not receive a payment during the plan year in which they initially waived their insurance but will receive the annual payments will be made at the end of each subsequent plan* (Ex. Withdraw coverage effective September 1, 2013 and receive incentive payment during July 2015).

Re-Enrollment in the Town's Health Insurance Plans

An employee who enrolls in the Opt-Out Program may re-enroll in one of the Town's health insurance plans:

- A. During the Town's annual Open Enrollment period by contacting the Town's Human Resources Office and completing the required paperwork, or
- B. In the case of a loss of coverage, by contacting the Town Human Resources Office within 30 days of the qualifying event and providing documentation of the loss.