

OPTIONAL 2012 HEALTH INSURANCE BUY-OUT PROGRAM

For Currently Employed Village of Oak Park Full-Time Employees Only

The Village of Oak Park offers the optional 2012 Health insurance buy-out program to provide a financial incentive for employees to elect not to cover themselves, their spouse, domestic partner or dependents through the Village's Health Insurance Program.

To Whom Does This Apply

Employees who have health insurance available through another employer, such as a spouse's employer, which covers the employee, the employee's spouse, domestic partner or dependents who are eligible to be covered under the Village's health insurance.

What is the program

The Village offers a financial incentive, in the form of a cash payment, to employees who elect to provide health insurance for themselves or their family through another employer. This program only applies to the Village health insurance coverage. Dental and Life Insurance are not included in this incentive buy-out program. This incentive will be paid monthly in an employee's payroll check throughout the plan year.

These elections are made annually during open enrollment, provided however, that if an employee, spouse, domestic partner or dependent experiences a qualifying event during the year, coverage decisions may be changed. However, exclusions for pre-existing conditions may apply pursuant to the respective plan document if coverage is provided at any time other than the Village's Open Enrollment period.

Employees who opt out of individual coverage will receive a monthly payment of \$75.00 or \$900 annually.

Employees who opt out of dependent coverage receive a monthly cash payment of \$200.00 or \$2,400 annually.

Be advised that this income is fully taxable and is also subject to IMRF pension.

Who should take advantage of this incentive

The decision to convert to individual coverage or cancel all coverage should be weighed very carefully. Employees should evaluate their insurance options to determine if it is cost effective to take advantage of this incentive. The additional premium associated with providing coverage under a spouse's plan may be offset by the Village's Opt Out incentive.

What do I have to do to sign up

Employees wishing to participate in the insurance buy-out program must provide evidence that their spouse or domestic partner and/or dependents are insured elsewhere **and also have their spouse or partner sign the authorization form.**

Please Note: Anyone interested in participating in the buy-out option **must** execute the appropriate election form(s) attached to this memorandum. Employees electing to completely opt out of the Village Health insurance (Individual and Dependent Coverage) are required to execute both election forms. **Election form(s) is (are) due in the Human Resource Department no later than December 9, 2011.**

Please contact Jackie Jamison at (708) 358-5655 if you have any questions.

**VILLAGE OF OAK PARK, ILLINOIS
HUMAN RESOURCE DEPARTMENT**

REQUEST TO WAIVE DEPENDENT HEALTH INSURANCE — 2012 PLAN YEAR

BUY-OUT INCENTIVE - \$1,500 PER YEAR

The Health Insurance Benefits provided by the Village of Oak Park have been thoroughly explained to me. **I ELECT NOT TO PROVIDE HEALTH INSURANCE FOR MY QUALIFIED DEPENDENTS.**

I understand that if I elect not to provide health insurance for my dependents, any eligible dependent(s) currently covered by the health insurance provided by the Village of Oak Park **WILL NOT** be entitled to Health Insurance Benefits provided by any Health Insurance Plan the Village provides effective January 1, 2012.

I understand if I wish to provide coverage for my dependents at a later date, I may do so during the Village's annual open enrollment period, unless my dependent experiences a qualifying event, such as the loss of the other insurance coverage. I understand that if this is the case, I must enroll my dependents within 31 days of the loss of coverage or other qualifying event, provided the dependent(s) has (have) not voluntarily relinquished his/her/their alternative health insurance during the plan year.

I have attached documents showing that my dependent(s) is (are) covered by health insurance under some other policy, e.g., my spouse's employer. I understand and agree that approval to discontinue coverage is at the discretion of the Village of Oak Park.

I Have Read and Fully Understand the Contents of This Form and the Memo Which Accompanied It:

PRINT NAME: _____ DATE: _____

SIGNATURE: _____

SIGNATURE OF
SPOUSE: _____ DATE: _____

Description of Attached Alternative Insurance Documentation (Plan Document; ID Card, etc)

**VILLAGE OF OAK PARK, ILLINOIS
HUMAN RESOURCE DEPARTMENT**

REQUEST TO WAIVE INDIVIDUAL HEALTH INSURANCE 2012 PLAN YEAR

BUY-OUT INCENTIVE - \$75.00 PER MONTH/\$900 PER YEAR

The Health Insurance Benefits provided by the Village of Oak Park have been thoroughly explained to me. **I ELECT NOT TO COVER MYSELF THROUGH THE VILLAGE'S HEALTH PLAN.**

I understand if I elect to opt out of health insurance coverage, I WILL NOT be entitled to Health Insurance Benefits the Village provides individually to employees, effective January 1, 2012.

I understand if I wish to renew coverage for myself at a later date, I may only do so during the Village's annual open enrollment period, unless I have experienced a qualifying event, such as the loss of my other health coverage, in which case I have 31 days from the date of such loss to enroll under the Village's health plan provided I have not voluntarily relinquished my alternative health insurance during the plan year. I understand and agree that approval to discontinue coverage is at the discretion of the Village of Oak Park.

I Have Read and Fully Understand the Contents of This Form and the Memo Which Accompanied It:

PRINT NAME: _____

SIGNATURE: _____

DATE: _____

Description of Attached Alternative Insurance Documentation
