

RESOLUTION 2011-77

**RESOLUTION OF THE TOWNSHIP OF BARNEGAT,
COUNTY OF OCEAN, STATE OF NEW JERSEY,
AUTHORIZING A CHANGE TO THE CURRENT
HEALTH BENEFITS SELECTION PROGRAM**

WHEREAS, there is a need to make changes to the current Health Benefits Selection Program in the Barnegat Township Personnel Policies and Procedures Manual; and

WHEREAS, the Township has determined that the following policy is in the best interest of the Township and its citizens; now

THEREFORE, BE IT RESOLVED, this 1st day of January, 2011 by the Township Committee of the Township of Barnegat, County of Ocean, State of New Jersey, as follows:

1. The Township Committee accepts the recommendations of its staff and hereby approves the change in the Health Benefits Selection Program.
2. This resolution will take effect immediately upon its passage.
3. A certified copy of this resolution shall be forwarded by the Township Clerk to the following:
 - (a) Honorable Jeffrey Melchiondo, Mayor;
 - (b) David Breeden, Administrator;
 - (c) Kathleen Janeski, CFO;
 - (d) Jerry J. Dasti, Esq.

CERTIFICATION

I certify that the foregoing Resolution was duly adopted by the Township of Barnegat at the Reorganization meeting held on the 1st day of January, 2011, a quorum being present and voting in the majority.

Kathleen T. West, RMC
Municipal Clerk
PERSONNEL POLICIES AND PROCEDURES
SUBJECT: HEALTH BENEFITS
SELECTION PROGRAM

POLICY

ESTABLISHMENT OF A HEALTH BENEFITS SELECTION AND BUYBACK PROGRAM:

The Health Benefits Selection and Buy Back program allows the employee to voluntarily select health benefits that best suit his/her individual need by voluntarily declining certain or all of the health benefits accorded that employee as provided by the Township. For those benefits that the employee declines, he/she shall be compensated according to this policy.

COVERAGE:

This policy covers all full-time employees and other particular part-time employees who receive health benefits.

PROCEDURE

A: SELECTION:

An employee who is entitled to family coverage may amend their coverage as follows:

- Decline all coverages.
- Reduce from family coverage to single coverage. Decline medical benefits (must provide documentation demonstrating coverage elsewhere).
- Decline dental coverage only.
- Decline prescription coverage only.
- Decline any combination of coverage types listed above.

An employee who is entitled to single coverage may amend their coverage as follows:

- Decline all coverages.
- Decline medical benefits (must provide documentation demonstrating coverage elsewhere).
- Decline dental coverage only.
- Decline prescription coverage only.
- Decline any combination of coverage types listed above.

PROOF OF OTHER MEDICAL COVERAGE:

Participants who decline medical (hospitalization) coverage, must provide written documentation, as described by the Township, to prove that he/she is covered elsewhere. No employee will be allowed to decline this coverage without proof of other coverage.

PAYMENT IN LIEU OF BENEFITS:

For participating employees, the following is the payment per option per quarter. Combinations shall be calculated as the sum of the coverage types selected. Quarterly payment will be made no later than the tenth day of the month following the end of the quarter.

Payment In-Lieu of Benefit is taxable under Federal and State Regulations (Included: Federal Wage Tax, FICA., State Income Tax, State Unemployment Tax and State Disability Insurance). Taxes will be deducted in accordance with your W-4 form on file at the time of enrollment.

Payment In-Lieu of Benefits have no effect on pension deductions or calculations.

SCHEDULED PAYMENT:

Payment shall be made in accordance with the following schedule:

No later than:

First Payment January 10th

Second Payment July 10th

The Township will follow State Guidelines by implementing a maximum payout of \$5,000.00 per year effective January 1, 2011

Payment is taxable.

ENROLLMENT IN THE PROGRAM:

Employee who wish to participate in the program shall do so effective May 15th and November 15th of each year. An employee must notify the Township in writing no later than the preceding April or October

During the two enrollment period, employees will be allowed to either add to, or declining from, their benefits.

Benefit changes shall be effective May 1st and November 1st, respectively.

EMERGENCY ENROLLMENT:

If an employee chooses to decline a certain benefit based on spouse coverage and the spouse coverage is later eliminated, or, in the case of plan change from single to family due to marriage or divorce, the employee may do so anytime during the year with a 30-day notice to the Township.

A 15-day emergency enrollment or to the first of the following month may be allowed under extreme hardship. The Township Administrator shall determine on a case-by-case basis whether there exists an extreme hardship.

If an employee changes their benefits plan, their quarterly payment shall be amended accordingly.

PRE-EXISTING CONDITIONS:

Pre-existing conditions shall be covered in accordance with the benefit plan at the time of enrollment.

CARRIAGE OF DEDUCTIBLE:

Any employee who reduces their coverage and six months later, during an enrollment, adds back the coverage, he/she will not be able to receive credit for, and carry the deductibles, if any, that were met earlier in the year.

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