

Section 1. Title.

This local law may be known as the Health Insurance Buyout Law for the Town of Hunter

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Section 2. Purpose.

To provide an alternate or substitute fringe benefit to eligible employees of the Town who are entitled to receive health insurance coverage from the Town. It has been determined to be in the best interest of the Town to offer annually or bi-annually to such eligible employees cash payments in lieu of health insurance, subject, however to law and prevailing contractual obligations of the Town.

Section 3. Definitions.

A. Employees - Any person holding a position of employment in the service of the town, but shall not include a volunteer, or any person not compensated for his services, or an independent contractor **or an elected official in office on 1/1/2006 or thereafter.**

B. Town - The Town of Hunter, County of Greene, State of New York

C. HBA-Health Benefits Administrator

Section 4. Extension of Benefits.

A. Upon compliance by the employee with the provisions of this local law and subject to all laws, rules, regulations, and contractual obligations of the Town, the Town shall provide to its eligible employees, a cash payment, in lieu of enrollment on the Town's health insurance plans(s).

Such payment to be a set amount or a percentage of the total premium that would be paid by the Town and to be determined from time by the Town Board.

B. An eligible employee entitled to receive health insurance coverage as a benefit of his or her employment, who wishes to take part in the buy-out, shall deliver to the Town HBA at least two times per year, documentation proving that he or she is actively enrolled and covered under another health insurance plan. The submitted documentation will be reviewed and if approved by the HBA, the interested employee must then complete and submit to the HBA, a signed statement of waiver of health insurance benefits for the current calendar year, on a form to be provided by the Town.

Such delivery shall be deemed a request by the eligible employee that the Town not provide health insurance benefits for the employee and his/her dependents for the current calendar year. Delivery of the waiver document to the HBA will indicate that the eligible employee chooses instead to receive a cash payment in lieu of medical benefits.

Section 5. Terms.

A. A town employee participating in the buy-out will be credited for and compensated for no less than a six month period during which time they waived enrollment to health insurance. Therefore, a Town employee must remain without Town funded health insurance for a period of six months to be eligible for this payment.

All credits shall terminate upon the effective date of health insurance benefits if such employee needs to or chooses to re-enter the health insurance program(s) provided by the Town.

If said employee meets the eligibility for health insurance, they may re-enter the same plan or any other plan available of their choosing, and under the same terms at the time, the waiver became effective. This applies to an employee of any classification (appointed, part or full time) who was hired prior to 01/01/2002. Any employee hire after 01/01/2002 who meets eligibility criteria, will be permitted to re-enter the town's insurance plan(s), however they may be subject to applicable monthly fees.

B. A town employee exercising the option to waive health insurance coverage and to receive a cash payment in lieu of medical insurance benefits may cancel such waiver at any time during the calendar year by written notice 30 days prior to the requested reinstatement date delivered to the Town HBA. A town employee canceling and terminating a waiver of health insurance by the Town must make written application to re-enter the insurance program(s) provided by the Town and submit to the HBA.

Reinrollment in the plan shall take no less than thirty days after the requested reinstatement and as long as necessary to meet the contractual terms of the health care provider.

The requested re-entry date is also subject to review.

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#### Section 6. Controlling Provisions

Insofar as the provisions of this local law are inconsistent with the provision of any other law, or contractual obligation of the Town, the provisions of this law shall be controlling.

#### Section 7. Limitation of Applicability

The benefits of this local law will insure only to employees as defined herein, or as otherwise defined by the Town Board as eligible and entitled to receive health insurance as a benefit of employment and shall not enlarge or diminish the rights or any other party, nor shall any provision of this chapter be construed to affect, alter, or repeal any provision of the Worker's Compensation Law.

This benefit is only applicable to those actively employed with the Town of Hunter who meet all eligibility requirements for health insurance.

Retirees, vestees, part time employees or any other classification of employee so determined by the Board, are not eligible to take part in the buy out.

#### Section 8. Extension of Benefits to Certain Employees Restricted

The benefits of this chapter shall be extended to an employee of a negotiating unit for which an agreement has been negotiated pursuant to Civil Service Law, only if such an agreement expressly so provides.

**The Buy Out Law is NOT applicable to elected officials in office on 1/1/2006 or thereafter."**

#### Section 9. Severability.

If any work, phrase, sentence, section, Subsection, or other portion of this local law or any application thereof to any person or circumstances is declared void, unconstitutional, or invalid for any reason, then such worked, phrase sentence, part, Section, Subsection, or other portion, or the proscribed Application thereof, shall be severable, and the remaining provisions of this ordinance/local law, and all applications thereof, not having been declared void, unconstitutional, or invalid, shall remain in full force and effect.

#### Section 10. When Effective

This local law will take effect on the day filed with the Secretary of State.