

**CITY OF NEWPORT BEACH
HUMAN RESOURCES DEPARTMENT**

**WHAT YOU NEED TO KNOW ABOUT THE HEALTH BENEFITS OPT-OUT
PROVISION- PART TIME EMPLOYEES ASSOCIATION-NEWPORT BEACH**

This packet of information has been developed in order to facilitate employee's understanding of the benefit and to provide all the forms necessary for implementation.

WHEN CAN I UTILIZE THIS BENEFIT?

This benefit becomes available when a covered PTEANB employee obtains through their spouse's group sponsored medical coverage that meets the minimum value requirements as defined by the Affordable Care Act (ACA) regulations **OR** when a covered PTEANB employee group sponsored medical coverage outside the City's plans that also meets the minimum value requirements within the last 60 days. Opting out can also occur during the open enrollment period.

The opt-out is not available to a covered PTEANB employee whose spouse is also a covered City employee except during open enrollment periods. This is a requirement of the health plans.

HOW DO I OBTAIN MY OPT-OUT BENEFIT?

You must read and complete the waiver and release agreement and attach proof of active and current group sponsored medical coverage as stipulated in the waiver form. **Employees who select health care plans through the health insurance marketplace under the Affordable Care Act will not receive a cafeteria allowance.**

Employees who became members of Part Time Employees Association of Newport Beach (PTEANB) after June 30, 2014 and do not elect City medical coverage are not eligible to receive the opt-out allowance. Part time employees who are not eligible for coverage under the Affordable Care Act can buy individual or exchange coverage and opt out of both City coverage and the cafeteria contribution.

WHEN WILL MY COVERAGE ACTUALLY BE CANCELED?

Your coverage under a City health plan will cease on the last day of the month you successfully complete your paperwork to cancel your insurance.

HOW SOON WILL I START TO RECEIVE MY BENEFIT?

You will begin to receive your benefit in the second pay period of the month following the month in which your insurance was canceled.

Please note: Benefits will begin as stated above provided you submit your waiver to Human Resources and it is approved by the 15 of the month, otherwise benefits will be delayed for an additional month.

HOW DO I GET REINSTATED IN A CITY HEALTH PLAN AFTER WAIVING COVERAGE?

Medical plans require that reinstatement occur only during open enrollment periods, unless you experience a qualifying event.

WHAT IS A QUALIFYING EVENT?

Marriage, divorce, birth of a child, death, loss of coverage, gaining other group sponsored coverage, placement of an adopted child and gaining stepchildren through marriage are all considered qualifying events. You only have 60 days after a qualifying event to make any adjustments.

WHO CAN I TALK TO FOR MORE INFORMATION?

Call the Human Resources Benefits line at (949) 644-3294.



**CITY OF NEWPORT BEACH
WAIVER OF BENEFITS
AND RELEASE AGREEMENT - PTEANB**

The City of Newport Beach provides health benefits, which are defined as medical to all eligible part-time PTEANB employees who are PERS members. Employees are allowed to waive the City's health benefits, and receive opt-out money as designated in the chart below. To qualify, the employee would be required to supply evidence of other group sponsored medical coverage and sign this agreement.

Hours Work Per Week	Waive/Opt-Out Benefit
Less than 30 – PTEANB Member on or before 6/30/2014	\$3.25 per hour worked up to 60 hours a pay period (maximum amount of \$422.50 per month).
PTEANB Member on or after 7/1/2014	There is no "opt out" benefit for employees who waive medical coverage and who became PTEANB members on or after July 1, 2014.

I, _____
Print Name

1. Employee has alternate group sponsored medical coverage and would like to waive his/her right to participate in the City offered medical coverage in order to receive the opt-out money.
2. Employee is not eligible for group sponsored medical coverage under the Affordable Care Act (ACA). Employee understands he/she is allowed to purchase individual coverage or coverage through the State Exchange and opt out of both City coverage and the City's cafeteria contribution.
 - I waive both the medical insurance and the City's cafeteria contribution.
3. Employee has provided the City with proof of current group sponsored medical coverage in **one of the following forms** and attached it to this waiver and incorporated by reference. **Copies of or presentation of other insurance member identification cards are not accepted as proof of coverage.**
 - A. Letter from Employee's spouse's employer or covered person's employer, or
 - B. Letter from the other insurance plan verifying that Employee is covered as a subscriber or dependent under their coverage. **Note: the proof of coverage must be in effect for the duration of the following plan year.**
4. By signing this waiver:
 - A. Employee agrees to release the City of Newport Beach from any responsibility as their employer to provide medical coverage to Employee. Employees may only waive health benefits once per plan year, unless a qualifying event occurs.
 - B. Employee agrees to indemnify and hold harmless the City of Newport Beach from any responsibility, damages, losses, causes of action or other claims as a result of Employee's request to waive City provided medical coverage and the City's cancellation of coverage in Employee's name in response to Employee's execution of this waiver.
5. This waiver and release agreement shall remain in full effect until the next Open Enrollment period at which time I acknowledge that I will be required to provide updated proof of other group or coverage, should I wish to opt-out for the following plan year.

Date

Employee Signature

Human Resources Department Use Only

- Proof of valid coverage attached
- Approved to begin payment

Date

Authorized H.R. Personnel