

**TOWNSHIP OF ANDOVER
SUSSEX COUNTY, NEW JERSEY**

ORDINANCE NO. 2017-13

AN ORDINANCE OF THE TOWNSHIP OF ANDOVER, COUNTY OF SUSSEX, AND STATE OF NEW JERSEY AMENDING AND SUPPLEMENTING CHAPTER 115, PERSONNEL POLICIES, ARTICLE XI. COMPENSATION, WITH THE ESTABLISHMENT OF SECTION F ENTITLED "HEALTH CARE WAIVER AND EMPLOYEE HEALTH INSURANCE COVERAGE"

WHEREAS, the Township of Andover is a participating member of the New Jersey State Health Benefits Plan ("SHBP"); and

WHEREAS, N.J.S.A. 52:14-17.31a authorizes participating municipalities to provide financial incentives to eligible employees who waive coverage provided by the Township if the employee has access to other health care and coverage; and

WHEREAS, section 11 of P.L. 2010, c.2 amends N.J.S.A. 52:14-17.31a limiting municipal authority to compensate employees who waive health care benefits coverage under the SHBP to 25% of the amount or \$2,500, whichever is less; and

WHEREAS, the continued waiver of such coverage, in conformance with recently enacted state laws, by eligible employees would annually save the Township thousands of dollars in the payment of health care premiums for employees who have access to coverage elsewhere.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and the Township Committee of the Township of Andover, in the County of Sussex, and State of New Jersey as follows:

CHAPTER 115. Personnel Policies, Article XI. Compensation, should be amended to add as follows:

115:6-7 Medical Insurance Waiver

Incentives for the waiver of health benefits coverage for eligible Township employees shall be permitted pursuant to N.J.S.A. 52:14-17.31a as follows:

1. Township employees who are eligible for health care benefits coverage are permitted to waive such coverage and receive consideration for such waiver in the amount of **25%** of the annual single premium **or \$2,500, whichever is less**, if the employee can demonstrate that they have alternative coverage through the completion of a SHBP waiver form.
2. Township employees who have waived health benefits coverage may reinstate such coverage in the event that they can demonstrate, by notice in writing, that their alternative coverage has been terminated. An employee who resumes coverage shall repay, on a pro rata basis, any amount received from the employer which represents an advance payment for a period of time during which coverage is resumed.
3. The health benefits waiver incentive shall not apply to any retiree.
4. Any eligible employee who has waived health benefits coverage may reinstate such coverage for any reason during open enrollment periods even if alternative coverage remains available to them.
5. In order to qualify for the compensation, the individual must be employed by the

Township and waive health coverage for the entire calendar year. There is no proration of reimbursement for this election.

6. Employees shall be eligible for this benefit commencing January 1, 2018.

BE IT FURTHER RESOLVED,

1. If any provision of this Ordinance shall be held invalid, or contrary to the law, then such provision of the Ordinance shall be deemed separable from the remaining provisions of this Ordinance and shall not affect the validity of the other provisions of the Ordinance.

2. This Ordinance shall take effect twenty (20) days following the passage and publication as required by law.

3. This Ordinance shall be published in the Township's official newspaper as required by law.

ATTEST:

TOWNSHIP OF ANDOVER
COUNTY OF SUSSEX
STATE OF NEW JERSEY

Diana Francisco
Diana Francisco, Township Administrator

By: Thomas D. Walsh
Thomas Walsh, Mayor

Intro - 9-11-17
Adoption - 9-25-17
Publication 10-13-17