



# TOWN OF UPTON, MASSACHUSETTS

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## BOARD OF SELECTMEN

MEMO TO: All Benefit Eligible Town Employees  
 FROM: Blythe C. Robinson, Town Manager  
 DATE: May 10, 2016  
 RE: **FY 2016/2017 – Open Enrollment Period**

During the open enrollment period employees may add, cancel or change their enrollments in Health Insurance, Dental, Long Term Disability and the Flexible Spending Account. Please review this memo for changes to the health, dental and FSA plans or the fiscal year starting July 1, 2016 so you can decide what you would like to do.

***PLEASE SUBMIT ALL CHANGES BY JUNE 3, 2016.***

**Health Insurance:** On July 1<sup>st</sup> the rates increase 12.8% for both the HMO Blue plan and the PPO Plan. This year the network has been expanded from Massachusetts to all New England states. Please note that the premium cost share for the HMO is 75% Town/25% employee, and the PPO Plan is 60% Town/40% employee. You may switch from the HMO to the PPO only in June.

### **HEALTH INSURANCE RATES**

<b><u>Plan</u></b>	<b><u>Type</u></b>	<b>HMO Blue</b>		<b>PPO Plan</b>	
		<b><u>Individual</u></b>	<b><u>Family</u></b>	<b><u>Individual</u></b>	<b><u>Family</u></b>
	Annual Premium	\$11,097.24	\$28,853.28	\$14,285.40	\$37,142.40
	Monthly Premium	\$924.77	\$2,404.44	\$1,190.45	\$3,095.20
	Monthly Town Share - 75%	\$693.58	\$1,803.33	N/A	N/A
	Monthly Empl. Share - 25%	\$231.19	\$601.11	N/A	N/A
	Monthly Town Share - 60%	N/A	N/A	\$714.27	\$1,857.12
	Monthly Empl. Share - 40%	N/A	N/A	\$476.18	\$1,238.08
	Employee Cost/Week*	<b>\$57.80</b>	<b>\$150.28</b>	<b>\$119.05</b>	<b>\$309.52</b>
	Percentage Increase	12.8%	12.8%	12.8%	12.8%

\* Deductions for health insurance are taken out 4 weeks/month or 48 weeks per year.

**BOARD OF SELECTMEN**  
 James A. Brochu, Chairman  
 Robert J. Fleming  
 Gary Daugherty

**TOWN MANAGER**  
 Blythe C. Robinson  
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**Health Insurance Opt-Out Plan:** All non-union employees and certain union employees may elect to opt-out of receiving Town-sponsored health insurance and receive a stipend for doing so. For non-union and fire union employees the stipend is either \$1,500/year for an individual plan, or \$3,000/year for a family plan. For Police the stipend is \$1,500/year. The stipend is paid monthly in the last payroll of each month. See the Town's Opt-out Policy on the website or contact Sandy or I for more information. To opt out you must fill out a health insurance form to cancel coverage, sign the opt out policy and show proof that you have another insurance plan you are eligible to join.

**Dental Insurance:** The Town will remain with Altus Dental again this year. The plan is not changing, which offers a benefit of \$1,500/year of coverage per subscriber, and the rates remain the same as well. The enrollment form is attached on green paper. You may either add or drop coverage during open enrollment. The rates for this benefit which is 100% employee paid are below:

<u>Plan Type</u>	<u>Monthly Cost</u>	<u>Weekly Cost</u>
Individual	\$ 45.60	\$ 11.40
Family	116.83	\$ 29.21

**Flexible Spending Account (FSA):** Any employee working 20 hours/week or more may enroll in the FSA account through TASC. Because the plan is year to year, **you must either fill out a new enrollment form indicating how much you would like withdrawn for the fiscal year, even if you are not changing the amount, or if you have an on line account you may self-enroll.** The limit is \$2,550 for medical expenses, however dependent care expenses remains at \$5,000.00. The enrollment form is attached on blue paper.

As a reminder, the entire amount of the benefit you choose is available to you on July 1<sup>st</sup> to be spent throughout the year. The amount is deducted in equal amounts from your paycheck over the year, and is taken out on a pre-tax basis. Any amount you do not spend at the end of the year (and the 60 day grace period after June 30<sup>th</sup>) is retained by the Town.

**Long Term Disability Insurance:** If you would either like to sign up for this benefit or you wish to cancel the policy you signed up for last year you must do so during the open enrollment period. This benefit is offered to eligible employees, but the Town does not contribute to the cost. The benefit covers a period of 180 calendar days in which you are eligible to have 60% of your monthly income covered up to a maximum payment of \$6,000 per month. Forms for this are available on the website and from our office.

**Life Insurance:** If you are interested in purchasing additional life insurance beyond the \$20,000 offered by the Town you may do so during the open enrollment period. Insurance is available

**Please submit all completed paperwork to the Town Manager by June 3, 2016.**

up to \$300,000 and depending on how much you choose you may be required to take a physical exam.

If you have had an event take place during the year that would cause you to want to change your beneficiaries (birth of a child, death, marriage or divorce) please contact our office to fill out a new form and update your beneficiaries. Whoever is on file as your beneficiary (ies) will receive the benefit upon your death.

**SMART PLAN – 457 PLAN RETIREMENT PLAN SAVINGS OPPORTUNITIES:** The Town also makes available to employees several plans that give employees the opportunity to save additional dollars for retirement. You can sign up at any time of the year, but we want to make you aware of them regardless. You may elect to set aside up to \$18,000 (or \$24,000 if you are over age 50) into the pre-tax 457 plan, and up to \$18,000 (or \$24,000 if over age 50) into a post-tax Roth 457 account. We have brochures on the investment options in our office, and we can also arrange for you to talk to a plan representative to go over your individual situation. You can start either plan with a contribution of at least \$10/week.

Copies of all of the forms you might need are available on the Town website (except health insurance). The link to those forms is:

<http://www.uptonma.gov/human-resources/pages/insurance-information-forms>

Should you have any questions about this change or would like to make changes to your enrollment status please do not hesitate to contact either Sandy or myself for assistance.

**Please submit all completed paperwork to the Town Manager by June 3, 2016.**