

Chapter 21

HEALTH INSURANCE

ARTICLE I Payments in Lieu of Coverage

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[HISTORY: Adopted by the Town Board of the Town of Patterson: Art. I, 6-10-1992 as L.L. No. 3-1992. (readopted 4-13-2005 by L.L. No. 9-2005) Amendments noted where applicable.]

ARTICLE I
Payments in Lieu of Coverage
[Adopted 6-10-1992 as LL. No. 3-1992]

§ 21-1. Purpose.

To provide an alternate or substitute fringe benefit to eligible employees of the town otherwise 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 to such eligible employees cash payments in lieu of health insurance, subject, however, to law and prevailing contractual obligations of the Town.

§ 21-2. Definitions.

As used in this Article, the following terms shall have the meanings indicated:

EMPLOYEEES - Any person holding a position by election, appointment or employment in the service of the town, but shall not include a volunteer, any person not compensated for his services or an independent contractor. The term "employee" shall include a former retired employee.

TOWN - The Town of Patterson, County of Putnam, State of New York.

21-3. Extension of benefits.

A. Upon compliance by the employee with the provisions of this Article and subject to all laws, rules, regulations and contractual obligations of the town, the town shall provide to the town's eligible employees, a cash payment in lieu of entitlement from the town of health insurance coverage.

B. The cash payment in lieu of medical insurance shall represent an amount equal to fifty percent (50%) of the total annual gross amount paid by the town of health insurance on behalf of such employee. The Town Board may, by resolution, modify and change the annual cash payment allocation for town employees, but in no event shall the annual cash payment in lieu of medical insurance exceed fifty percent (50%) of the total annual gross amount paid for health insurance coverage. Payment for credit of waived benefits accrued for the calendar year will be made in one (1) payment at the end of the same year.

C. An eligible employee entitled to receive health insurance coverage as a benefit of his or her employment shall deliver to the Personnel Department, each year, an original signed statement of waiver of health insurance benefits from the town, 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 such employee for the then-current calendar year and that such eligible employee opts instead to receive, at the end of such calendar year, a cash payment in lieu of medical benefits. A town employee exercising such option shall receive credit for each full calendar month of waived benefits for that calendar year. All credit shall terminate upon the

effective date of health insurance benefits if such employee reenters the health insurance program provided by the town.

D. A town employee exercising the option to waive entitlement to 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 delivered to the Personnel Department. A town employee canceling and terminating a waiver of health insurance by the town may make written application to reenter the health insurance program provided by the town.

§ 21-4. Construal of provisions.

Insofar as the provisions of this Article are inconsistent with the provision of any other law or contractual obligation of the town, the provisions of such other law, act or contractual obligation shall be controlling.

§ 21-5. Limitation on applicability.

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

§ 21-6. Extension of benefits to certain employees restricted.

The benefits of this Article 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 agreement expressly so provides.