

Dallas School District 2

Code: **GCBC/GDBC-AR**
Adopted: 9/13/10
Readopted: 6/27/17

Insurance Opt-Out

Current employees eligible for district medical insurance contributions may “opt out” of participation in the medical insurance if they are covered by another employer-sponsored group medical insurance plan. Employees eligible to opt out would be able to receive 50% of their contractual insurance cap per month beginning with their first paycheck after the district has received notice of the opt-out election from OEBB. This amount will be subject to all applicable taxes and withholdings. Any OEBB costs associated with opting-out will be deducted from the employee’s opt-out payment. An employee’s insurance cap is defined by collective bargaining agreement, or employee contract.

To be eligible for the monthly payment, the employee must:

1. Maintain coverage under another employer-sponsored group medical benefit plan;
2. Provide proof of current coverage under the other employer-sponsored group medical benefit plan; and
3. Submit his or her election to opt out through the OEBB benefit management system.

Employees must submit a new opt out election and proof of other coverage each plan year. Monthly payments will immediately cease at any time an employee fails to meet one of the conditions above or is no longer employed with the district.

Employees who opt out of the medical insurance may enroll in the plans during an open enrollment period or during the plan year if they experience a qualifying benefit plan change, subject to the rules and regulations set forth by OEBB. Monthly opt out payments will cease in the month prior to the effective date of the newly elected insurance coverage.

Employees who opt out of medical insurance plan may still enroll in dental and or vision insurance plans. The district and the employee will divide equally the cost of dental and or vision plan available to them equally.

If an employee who has elected to opt out drops dental and or vision and re-enrolls during an open enrollment period the employee would be held to routine and preventative care for the first 12 months and subject to a 12 month waiting period orthodontia coverage. However if the employee had a qualifying event then they would return to dental and or vision with full coverage.

If any employee “opts out” of insurance and then retires before joining again during an open enrollment period or because of a qualifying event, they will not be eligible for medical insurance upon retiring. It is the sole responsibility of the employee to understand the tax implications and insurance coverage aspect of “opting out” of insurance.

These provisions are subject to the rules and regulations set forth by OEBB and any other applicable federal and state laws. Further, the district reserves the right to establish other rules and regulations necessary for the implementation of this provision.