

**ORDINANCE NO. 25-08**

**AN ORDINANCE OF THE CITY OF SPRING HILL, TENNESSEE TO RESCIND  
ORDINANCE 18-07 REGARDING THE EMPLOYEE HEALTH INSURANCE OPT-  
OUT INCENTIVE**

**WHEREAS**, the Board of Mayor and Aldermen of the City of Spring Hill, Tennessee, pursuant to its Charter and applicable laws, enacted Ordinance 18-07 on March 19, 2018, amending the City's Employee Handbook to permit an employee health insurance opt-out incentive; and

**WHEREAS**, Ordinance 18-07 added language to the "Employee Benefits" section of the Employee Handbook allowing employees who waive City-provided health insurance coverage due to access to alternative coverage to receive an annual incentive payment; and

**WHEREAS**, the Board has determined that this option is no longer permissible under the terms of the City's current group health insurance provider, and further finds that it is in the best interest of the City to rescind this provision and remove the associated incentive from the Employee Handbook; and

**WHEREAS**, the Board desires to maintain the fiscal integrity of the City's health insurance program and simplify the administration of employee benefit policies;

**NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF MAYOR AND  
ALDERMEN OF THE CITY OF SPRING HILL, TENNESSEE, AS FOLLOWS:**

**SECTION 1.** Ordinance 18-07, adopted on March 19, 2018, is hereby rescinded in its entirety.

**SECTION 2.** The Employee Handbook shall be updated to remove the language permitting a health insurance opt-out incentive, effective May 19, 2025.

**SECTION 3.** All resolutions, ordinances, or parts thereof in conflict herewith are hereby repealed.

**SECTION 4.** This Ordinance shall take effect upon final passage, the public welfare requiring it.

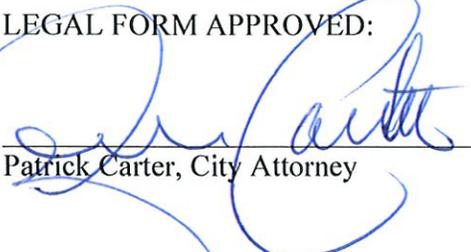
Passed and adopted this 19<sup>th</sup> day of May, 2025.

  
\_\_\_\_\_  
Matt Fitterer, Mayor

ATTEST:

  
\_\_\_\_\_  
April Goad, City Recorder

LEGAL FORM APPROVED:

  
\_\_\_\_\_  
Patrick Carter, City Attorney

Passed on First Reading: May 5, 2025

Passed on Second Reading: May 19, 2025



**REQUEST:**            *Approval of Ordinance 25-08*  
**SUBMITTED BY:**   Chris Clausi, Interim City Administrator  
**DATE:**                May 5, 2025  
**RE:**                    Rescind Ordinance 18-07, Health Insurance Opt-Out Incentive

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**PURPOSE:**

The purpose of this resolution is to request the Board of Mayor and Alderman (BOMA) to rescind Ordinance 18-07 which permitted a health insurance opt-out incentive.

**BACKGROUND:**

On March 19, 2018 the BOMA passed Ordinance 18-07, an Ordinance amending the employee handbook regarding health insurance benefits that permitted a health insurance opt-out incentive. Specifically, the following sentence was added to the Employee Handbook:

*“Employees who have access to other coverage and waive city health insurance coverage, will be given an annual incentive payment of an amount set by the Board of Mayor and Alderman.”*

In addition, on the same date, the BOMA passed Resolution 18-18 authorized an annual incentive amount of \$2,400.00 for employees who opt-out of the employee health insurance coverage.

On September 18, 2023, a Memorandum of Understanding (MOU) was signed by the Primary Benefits Coordinator for the City of Spring Hill and the Benefits Administrator for the State of Tennessee. That MOU specifically required that the City of Spring Hill, as the Local Government Agency (LGA), “...shall not offer a subsidy, compensation, benefit, or item of value to individuals eligible for the Local Government Plan who decline enrollment to the Local Government Plan.”

In was brought to my attention on April 16, 2025 that we were not in compliance with that portion of the MOU. We have now self-reported to the State of Tennessee regarding this oversight, and the State has determined they will allow us to keep our current health insurance plan without penalty if we immediately cease providing the opt-out. In addition, we are to provide them with proof of BOMA’s rescission of Ordinance 18-07.



**FINANCIAL IMPACT:**

Removing the thirty-two (32) employees who are currently receiving the incentive of \$2,400 per year, will be a cost savings of \$76,800.

**STAFF RECOMMENDATION:**

Staff recommends approval of Ordinance 25-08 as this is the only way to maintain our current health insurance plan with the State of Tennessee.



STATE OF TENNESSEE  
DEPARTMENT OF FINANCE AND ADMINISTRATION  
BENEFITS ADMINISTRATION  
312 Rosa L. Parks Avenue  
Suite 1900 William R. Snodgrass Tennessee Tower  
Nashville, Tennessee 37243-1102  
Phone (615) 741-3590 or (800) 253-9981  
FAX (615) 253-8556

Jim Bryson  
COMMISSIONER

Laurie Lee  
EXECUTIVE DIRECTOR

MEMORANDUM OF UNDERSTANDING  
BETWEEN THE STATE OF TENNESSEE  
AND LOCAL GOVERNMENT AGENCY

TERMS AND DEFINITIONS

1. **Additional Benefits** means benefit plans approved by BA and offered separately by Local Government Agencies, including those which provide (a) benefits for a specific disease and/or illness (e.g., cancer, heart, stroke), (b) benefits limited to a fixed amount per day (or other period) of hospitalization, (c) accident, death, and dismemberment benefits, and (d) any other benefits approved in writing by Benefits Administration. Additional Benefits does not include dental or vision benefits offered by an LGA that does not offer Voluntary Benefits as defined by this MOU.
2. **Agency Benefits Coordinator (ABC)** means an employee of the agency who serves as the liaison between the State Group Insurance Program, Members and BA.
3. **Annual Enrollment** means a period prior to the plan year when Members may change, add, or remove benefits for themselves or eligible dependents. Specific dates for this period are determined by BA each year.
4. **ACH** means Automated Clearing House.
5. **Benefits Administration (BA)** means the division of the Tennessee Department of Finance & Administration that administers the State Group Insurance Program.
6. **Business Days** means Mondays, Tuesdays, Wednesdays, Thursdays, and Fridays. State government holidays and weekends are excluded from calculation of Business Days.
7. **Calendar Days** means all seven days of the week including State government holidays.
8. **Certificates of Coverage** means legal publications that define eligibility, enrollment, benefits, and administrative rules of a Voluntary Benefit.
9. **CFR** means Code of Federal Regulations.
10. **COBRA** means Consolidated Omnibus Budget Reconciliation Act.
11. **Edison** means the State's enterprise resource planning system for the administration of benefits enrollment and premium data.
12. **ePHI** means electronic PHI that is produced, saved, transferred, or received in an electronic form.
13. **GASB** means Governmental Accounting Standards Board.

34. **TCRS** means Tennessee Consolidated Retirement System.
35. **The Tennessee Plan** means the plan offering supplemental medical insurance for retirees with Medicare as defined in TCA Title 8, Chapter 27, Parts 2 and 3.
36. **Voluntary Benefits** means dental and vision benefits or other benefits which are established and offered by the Committee as defined in TCA 8-27-104.
37. **Website** means the ParTners for Health Website ([www.tn.gov/partnersforhealth](http://www.tn.gov/partnersforhealth)), which includes a section specifically for ABCs.

## INTRODUCTION

This MOU is a legally binding agreement, entered into pursuant to TCA 8-27-703(c)(2) and submitted pursuant to TCA 8-27-704(c)(2), which defines the administrative requirements for participation in the group health plan coverage through the Local Government Plan and available Voluntary Benefits pursuant to TCA 8-27-702 *et seq.* and TCA 8-27-104 by City of Spring Hill, an eligible Local Government Agency.

The Plan Document defines the eligibility, enrollment, benefits, and additional terms of coverage for the Local Government Insurance Plan. In the event any provisions of this MOU conflict with the Plan Document, the Plan Document and Summary Plan Description for The Tennessee Plan (Supplemental Medical Insurance for Retirees with Medicare), or the Certificates of Coverage for Voluntary Benefits, the provisions of those Plan Documents and/or Certificates of Coverage shall control.

Failure to comply with the terms of this MOU may subject the LGA to adverse action, including but not limited to the imposition of fines or removal from the health and/or voluntary benefit plans by the Committee.

This MOU supersedes and replaces all prior MOUs, agreements, or other documentation between BA and the LGA describing the administrative requirements of the LGA for participation in the above stated group benefits.

## SECTION 1 - RESPONSIBILITIES OF THE LOCAL GOVERNMENT AGENCY

1. An LGA with less than 1,000 employees shall submit an Intent to Enroll form to BA no less than 60 Calendar Days prior to the insurance effective date. An LGA with more than 1,000 employees shall submit an Intent to Enroll form no less than 120 Calendar Days prior to the insurance effective date.
2. The LGA shall, at execution of this MOU, identify an employee to serve as the LGA's primary ABC, who shall be responsible for plan administration and act as a liaison between the LGA, its employees, and BA. The LGA shall also identify all additional employees that will serve as ABCs. Only ABCs for whom a signed Edison Benefits User Security Authorization form has been submitted and approved shall have data update and/or inquiry access to Edison for the employees of the agency and dependents. No ABC shall allow an insurance agent, broker, agency, or an unauthorized LGA employee to have access to Edison. Duties and responsibilities of ABCs are outlined in Section 3 of this MOU.
3. A first-time participating LGA shall complete the Retiree Coverage Election Form, selecting one of the retiree coverage options listed on the form and obtaining appropriate approvals and signatures as outlined on the form. Existing participating LGAs who have previously chosen to opt in active employees and current retirees or a limited opt out with continued retiree coverage for only current retirees may change their election in a subsequent plan year in accordance with Plan Document section 4.06(A). All retiree coverage elections shall remain in effect unless changed in the manner set out in Plan Document section 4.06(A).
4. The LGA shall offer ALL options of the Local Government Plan to its employees and retirees, including all carriers, networks, and plan types available to them. Coverage shall be offered to all eligible employees and retirees. Subject to Item 8 in this section, the LGA shall not offer other health plans or coverage.

The LGA may offer Voluntary Benefits to eligible employees. If the LGA elects to offer one or more of the

- c. The LGA shall not offer a subsidy, compensation, benefit, or item of value to individuals eligible for the Local Government Plan who decline enrollment in the Local Government Plan.
  - d. An LGA participating in the Local Government Plan may only offer BA-approved Additional Benefits.
  - e. To offer Additional Benefits, the LGA shall submit a written request to BA no less than 60 Calendar Days before it offers the Additional Benefit, submit all documentation and information requested by BA, and receive advance approval in writing from BA before any Additional Benefit is offered. Failure of the LGA to comply with these requirements may result in the assessment to the LGA of all costs resulting from the LGA's failure to cooperate, including actuarial consulting fees and all costs to the plan caused by non-compliance. Non-compliance may also result in termination of the LGA's participation in the plan.
  - f. An LGA's offering, subsidizing or incentivizing participation in any product prohibited in this section may result in the assessment to the LGA of all costs resulting from the LGA's failure to cooperate. The assessment may include actuarial consulting fees and all additional costs to the plan caused by non-compliance. Non-compliance may also result in termination of the LGA's participation in the plan.
9. The LGA shall Notify BA within 10 Business Days after an ABC terminates employment or is no longer responsible for the duties of an ABC. The LGA shall also provide BA with contact information for the new ABC immediately upon designation.
  10. The LGA shall Notify BA within 10 Business Days of the appointment or election of a new Head of Agency or the appointment of a new fiscal officer. The LGA shall also Notify BA within 10 Business Days if there is any change in contact information for the Head of Agency or fiscal officer, including email address, phone number and mailing address.
  11. The LGA shall assist BA with all audits, requests for information or documentation required for federal reporting, and other requests related to the compliance of all parties with the Plan Document, the Plan Document for The Tennessee Plan, or eligibility rules for the Voluntary Benefits within 15 Business Days of the request.
  12. The LGA shall respond to survey and information requests from BA within 15 Business Days, including but not limited to surveys related to (a) employer/participating agency premium contributions for employees, retirees and dependents; (b) employer/participating agency contribution levels based on retirees' years of service for GASB OPEB reporting purposes; and (c) documentation, including pamphlets, enrollment materials, policies, etc., of all Additional Benefits and other products offered by the employer/participating agency.
  13. The LGA shall reimburse an amount equal to any expense incurred by BA because of the LGA's failure to provide a report or any information required by this MOU. This amount may include actuarial consulting fees, reimbursement of BA staff time devoted to resolving the LGA's failure to abide by this MOU, and any other applicable fee or expense incurred by BA. The LGA agrees that BA may deduct the amount of the incurred expenses from the LGA's ACH debit account upon providing 10 Business Days' notice. In addition to reimbursement of fees and expenses, an LGA's non-compliance may result in termination of the LGA's participation in the plan.
  14. The LGA's failure to provide requested survey information regarding data required by GASB for an OPEB calculation shall result in the LGA being excluded from the annual actuarial calculations, valuations and OPEB liability determinations by the actuaries under contract with the state's Department of Finance & Administration. The LGA acknowledges that it would be responsible for securing its own actuarial consultant for this purpose.
  15. The LGA shall remit the premiums for coverage under the Local Government Plan and Voluntary Benefits via an ACH debit account. The LGA shall provide BA with at least 60 Calendar Days' notice before making any change to its bank account or other information that may impact ACH transactions. The LGA shall use the ACH form, instructions and contact information available on the Website.
  16. LGA participation in the Local Government Plan shall continue for no less than 24 consecutive months unless the LGA's participation is terminated earlier by the Committee.
  17. To terminate participation in the Local Government Plan, the LGA shall provide written notice to BA no less

Revenue Code (26 U.S.C. 4980H), and regulations implementing those provisions.

30. To the extent that the LGA varies its employer contribution by benefit option or premium tier, the LGA assumes all compliance duties and risks associated with the statutory requirements of federal and State law, including but not limited to the nondiscrimination and wellness requirements in the HIPAA (HIPAA, Pub. L. 104-191) as amended and the Americans with Disability Act (ADA, Pub. L. 101-336), as amended. The LGA may refer to "Contributions" in the Plan Document and any other publications or frequently asked questions which BA may publish for information regarding the State's contribution policy. The LGA shall rely upon its legal counsel to ensure that the LGA's approach complies with all applicable legal requirements and be aware that information provided by BA does not constitute legal advice.
31. If a change in State or federal law requires changes in the procedures set out in this MOU, the LGA will comply with those requirements regardless of whether this MOU is formally amended.
32. The LGA bears all responsibility for financial losses caused by the LGA's non-compliance with or violation of applicable laws or regulations governing the conduct of the Local Government Plan. Such federal provisions include, but are not limited to, PPACA, HIPAA, the HITECH Act, and COBRA. The LGA's responsibility under this provision includes any fines, penalties or legal costs paid or incurred by the State because of the LGA's non-compliance with or violation of federal law.
33. The LGA shall participate in all audits conducted by BA, in conjunction with the Tennessee Comptroller of the Treasury to verify that policies and procedures of the Plan Document are enforced.

## **SECTION 2 - RESPONSIBILITIES OF THE LOCAL GOVERNMENT AGENCY REGARDING HIPAA AND HITECH**

1. The LGA shall comply with all applicable provisions of HIPAA and the HITECH Act and their accompanying regulations. The LGA shall take all appropriate measures to protect the privacy and security of the PHI it receives from Members electing coverage under the plan. All agency employees who have access to Edison insurance benefits data shall complete BA's annual online HIPAA training. Failure to complete all mandatory training will result in suspension of an individual's Edison insurance benefits access. Training requirements cannot be waived unless approved in advance by the BA HIPAA compliance officer.
2. The LGA affirms that it is familiar with the requirements of HIPAA and HITECH and accompanying regulations and that it shall comply with all applicable HIPAA and HITECH requirements, including but not limited to the following:
  - Compliance with the Privacy Rule, Security Rule and Notification Rule;
  - The creation of and adherence to sufficient privacy and security safeguards and policies;
  - Timely reporting of violations in use and disclosure of PHI and ePHI; and
  - Timely reporting of privacy and/or security incidents.
3. The LGA affirms that it will cooperate with BA, the BA privacy officials, and other compliance officers required by HIPAA and HITECH and its regulations, during performance of the duties so that both parties will be in compliance with HIPAA and HITECH.
4. The LGA shall develop, adopt and implement standards which are, at a minimum, compliant with the HIPAA Privacy Rule and Security Rule to safeguard the privacy and confidentiality of all PHI or ePHI about Members. For example, the LGA shall ensure that it does not have completed forms containing PHI or ePHI in public view, left in unsecured boxes or files or left unattended in any off-site location (e.g., in an automobile or remote workspace). The LGA's procedures shall include but not be limited to safeguarding the identity of Members of the State Group Insurance Program and preventing the unauthorized disclosure of PHI or ePHI. The LGA shall comply with the HIPAA amendments in Public Law 111-5, the HITECH Act, and any implementing regulations when they become effective.
5. The LGA shall not use or further disclose PHI or ePHI other than as permitted or required by HIPAA or as required by law. Use of PHI or ePHI for payment, treatment or health care operations may include disclosure only as permitted by HIPAA, including when such information is strictly necessary to resolve the issue or concern under discussion and the person has adequate permission or legal authority to review such information.
6. The LGA shall use appropriate safeguards to prevent the unauthorized use or disclosure of the PHI or ePHI.

- orientation materials provided by BA;
  - Describe to the employee how and when to add newly acquired dependents, and explain the Member's responsibility to provide documentation to verify dependent eligibility within designated timeframes;
  - Review with the employee the impact of a leave of absence from employment on benefits;
  - List for the employee the benefits options Members have at the time of termination of employment (e.g., COBRA, retirement); and
  - Explain to the employee how to make changes to coverage or terminate coverage for themselves or dependents including the employee's obligation to immediately notify the ABC of any change in dependent eligibility status.
3. Upon request, the ABC shall provide to BA all orientation materials provided by the LGA to new employees.
  4. All ABCs shall participate in ABC conference calls/electronic meetings with BA staff based on a schedule defined by BA. The conference calls/electronic meetings may be held weekly leading up to and during the Annual Enrollment period. ABCs shall review all notices emailed from BA and must check the Website weekly to review all new BA postings. ABCs shall participate in all meetings held by BA in addition to the regular conference calls and weekly messages.
  5. The ABC shall promptly review notices and updates from BA, including notices regarding annual premium increases or benefit changes and updates to the Plan Document.
  6. All ABCs shall complete all training required by BA. All new ABCs shall complete the New ABC Training offered by BA and shall be required to pass a test to access Edison benefits information. New ABC Training shall be completed within 60 Calendar Days of becoming an ABC. Supplemental training shall be completed as required by BA and failure to do so will result in suspension of access to benefits information in Edison. Training requirements cannot be waived unless approved in advance by BA.
  7. All new ABCs shall complete the MOU and HIPAA training module in Edison within 30 Calendar Days of access to the system. All ABCs shall complete the MOU and HIPAA training ANNUALLY during the scheduled training month or as otherwise prescribed by BA. Failure to complete the annual MOU and HIPAA training will result in suspension of access to benefits information in Edison which will not be restored until MOU and HIPAA training is complete.
  8. The ABC shall be familiar with the insurance benefits and eligibility provisions described in the Plan Document and any applicable Certificates of Coverage for the Voluntary Benefits.
  9. The ABC shall be responsible for certifying the Application to Continue Insurance at Retirement. The ABC shall refer all eligibility or policy questions related to creditable years of service and monetary retirement benefits to TCRS staff. Questions about retiree eligibility and questions about the Annual Enrollment period for retirees shall be directed to BA.
  10. The ABC shall refer Members interested in obtaining information concerning the process for appeal to the Member Handbooks, the Summary of Benefits and Coverage and the Plan Document on the Website, and shall assist Members in filing appeals if requested.
  11. The ABC shall answer general questions on the coverages offered by the Local Government Plan. The ABC shall refer any detailed eligibility inquiries to the BA Service Center. The ABC shall refer any detailed benefits and claim inquiries to the appropriate insurance carrier.
  12. The ABC shall coordinate or assist with events or benefits fairs related to these products, including reserving meeting space, as requested by BA, and ensuring that employees/Members are aware of these events.
  13. The ABC shall assist with requests from BA to help with ensuring the agency Members respond to requests for information and otherwise comply with sections "5.05, Subrogation Rights"; "5.06, Right of Reimbursement"; and "5.07, Recovery of Payment" of the Plan Document.
  14. The ABC shall provide an email address file for all their employees to BA within 15 Calendar Days of receipt of a request.
  15. ABCs scheduled for retraining shall lose access to benefits information in Edison if retraining is not completed in the time frame designated by BA.



STATE OF TENNESSEE  
DEPARTMENT OF FINANCE AND ADMINISTRATION  
BENEFITS ADMINISTRATION  
312 Rosa L. Parks Avenue  
Suite 1900 William R. Snodgrass Tennessee Tower  
Nashville, Tennessee 37243-1102  
Phone (615)741-3590 or (800) 253-9981  
FAX (615) 253-8556

Jim Bryson  
COMMISSIONER

Laurie Lee  
EXECUTIVE DIRECTOR

MEMORANDUM TO: Local Government Agency (LGA) Head

FROM: Laurie Lee 

DATE: September 14, 2023

SUBJECT: LGA Health Insurance Plan Updated Memorandum of Understanding

As you know, Benefits Administration requires that each agency in the Local Government Plan have a current, signed Memorandum of Understanding (MOU) on file with us. This MOU is the agreement between Benefits Administration and your Agency outlining our mutual responsibilities for participation in the state-sponsored Local Government health insurance plan.

Changes and administrative clarifications have required us to update this document, which is attached along with a summary of key changes to the MOU. All the information about plan choices, benefits and premiums can be found on our website at [tn.gov/partnersforhealth](http://tn.gov/partnersforhealth).

As required by Tenn. Code. Ann. § 8-27-703(c), an executed current MOU is required to participate in annual enrollment in the Local Government Plan in the fall. The attached MOU must be signed by the Agency Head, Fiscal Officer and your Primary Agency Benefits Coordinator.

Please sign, date and return the entire document to [Benefits.Administration@tn.gov](mailto:Benefits.Administration@tn.gov) no later than October 16, 2023. You can also send the document to the address or fax number listed above.

If you have any questions about the updates to the MOU, or you are unable to meet this deadline and need to request an extension, please email [Benefits.Administration@tn.gov](mailto:Benefits.Administration@tn.gov). I will sign the document on behalf of the Local Government Plan and a final copy will be returned to you.

Thank you for your assistance.

CC: Agency Fiscal Officer, Agency Benefits Coordinator

Attachments: LG 2023 MOU  
LG MOU – Summary of Changes  
LG Withdrawal Considerations

35	Section 2 – Item 1	<b>UPDATED TEXT:</b> revised language to clarify that failure to complete mandatory training will result in suspension of an individual's Edison insurance benefits access
36	SECTION 3 – Responsibilities of the Agency Benefits Coordinator	<b>UPDATED TEXT:</b> formerly Section 2, renumbered as Section 3
37	Section 3 – Item 2	<b>UPDATED TEXT:</b> revised bulleted items to clarify expectations related to employee orientation; most items are reworded or have been moved around within the list without changing context; new items include a statement added to formalize the expectation that ABCs review each item on the Employee Insurance Checklist with the employee, clearly articulating the 30-day deadline for new hire enrollment; language clarifies that the ABC is to ensure that employees receive all orientation materials provided by BA in print or that access to electronic versions is provided.
38	Section 3 – item 3	<b>NEW ITEM:</b> text added requiring ABCs, upon request, to provide BA with all orientation materials the LGA has given to new employees
39	Section 3 – item 4	<b>NEW ITEM:</b> text added requiring ABCs to participate in conference calls and meetings with BA staff based on a schedule set by BA; ABCs also required to review all notices emailed from BA and check the website weekly to review all new BA postings
40	Section 3 – item 5	<b>NEW ITEM:</b> text added requiring ABCs to promptly review notices and updates from BA, including notices regarding annual premium increase or benefit changes and updates to the PD
41	Section 3 – item 6	<b>UPDATED TEXT:</b> text revised to clarify what training is required of ABCs and when
42	Section 3 – item 7	<b>UPDATED TEXT:</b> text revised to clarify MOU and HIPAA specific training requirements
43	Section 3 – item 8	<b>UPDATED TEXT:</b> text moved from another location in the previous MOU; text added requiring that ABCs be familiar with insurance benefits and eligibility provisions described in any applicable Certificates of Coverage as well as the PD
44	Section 3 – item 13	<b>UPDATED TEXT:</b> corrected Plan Document section references to align with renumbering of PD sections since the last MOU was issued
45	Section 3 – item 16	<b>UPDATED TEXT:</b> revised text to explain that an ABC's access to benefits information in Edison will not be reinstated following failure to timely comply with a yearly security audit until a new, signed Edison Benefits User Security Access form is received from the agency for each ABC
46	SECTION 3 – Responsibilities of BA	<b>DELETED ITEM:</b> the section labeled as Section 3 in the previous MOU has been deleted; items have been moved and incorporated into newly renumbered sections of the updated MOU
47	MISCELLANEOUS	Various other updates involving non-substantive changes have been made throughout the document, such as renumbering to accommodate other changes, inserting acronyms or abbreviations, deleting non-substantive, extraneous text, and updating web links

they are retiring must work and remain in the plan for one year immediately prior to retirement in order to continue in the plan upon retirement.

(2). If a LGA opted out of providing retiree coverage before leaving the plan, this decision is irrevocable and a LGA which returns to the plan after the 24 month exclusion period may not opt in to retiree coverage. A LGA which chose to make a "limited opt out" for active employees, as set forth in section 4.06(A)(3) of the Plan Document, before leaving the plan may not opt in to retiree coverage for those employees after returning to the plan. A returning LGA which did not previously opt out may choose a limited or full opt out, and a returning LGA which chose a limited opt out may choose to retain it or choose a full opt out. A returning LGA may select "opt out" status in a subsequent plan year in accordance with Plan Document sections 4.06(A) (2) and (3).

- f. Retirees and their spouses of any age who are Medicare-eligible are not eligible to enroll in the State Sponsored Plan but may request enrollment in The Tennessee Plan (supplemental medical insurance for Retirees with Medicare) if they meet all requirements for that plan.
- g. Voluntary benefits offered by the state will be impacted and in most cases will be unavailable for employees who are not enrolled in the state sponsored group insurance plan. Please consult with your ABC for specific rules governing state-offered voluntary benefits available to retirees.
- h. Persons whose first employment with a qualifying employer commenced on or after July 1, 2015 may not enroll in The Tennessee Plan (supplemental medical insurance for retirees with Medicare). It is the responsibility of the LGA to assist ineligible persons with finding other coverage.

**RESOLUTION 18-18**

**A RESOLUTION TO AUTHORIZE AN INCENTIVE AMOUNT FOR EMPLOYEES WHO OPT-OUT OF CITY EMPLOYEE HEALTH INSURANCE COVERAGE IF THEY HAVE ACCESS TO OTHER HEALTH INSURANCE PLANS, IN ACCORDANCE WITH ORDINANCE 18-07**

**WHEREAS**, the Spring Hill Board of Mayor and Aldermen provides family health insurance benefits to employees; and

**WHEREAS**, due to the increasing cost of health insurance benefits, the City of Spring Hill Board of Mayor and Alderman desires to partner with city employees for the provision of this benefit.

**WHEREAS**, in order to achieve this objective, the City of Spring Hill intends to authorize an incentive amount for employees who have access to other health insurance plans and opt-out of the city's employee health insurance plan.

**NOW, THEREFORE BE IT RESOLVED**, that the City of Spring Hill, Board of Mayor and Aldermen authorizes an annual incentive amount of \$2,400.00 for employees who opt-out of employee health insurance coverage with the city if they have access to other health insurance plans, in accordance with Ordinance 18-07.

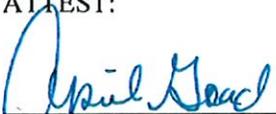
**BE IT FURTHER RESOLVED**, that this amendment shall become effective on July 1, 2018.

Passed and adopted by the Board of Mayor and Aldermen of the City of Spring Hill, Tennessee on the 19<sup>th</sup> day of March, 2018.



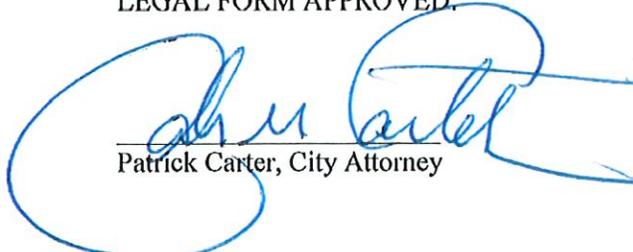
\_\_\_\_\_  
Rick Graham, Mayor

ATTEST:



\_\_\_\_\_  
April Goad, City Recorder

LEGAL FORM APPROVED:



\_\_\_\_\_  
Patrick Carter, City Attorney