

SUMMARY PLAN DESCRIPTION
Bernardsville Public Library
HEALTH BENEFITS OPT OUT PROGRAM
(SECTION 125 PLAN)

Adopted August 23, 2011

NAME OF PLAN: Opt	Bernardsville Public Library Health Benefits Out Program (Section 125 Plan)
NAME AND ADDRESS OF PLAN SPONSOR/ EMPLOYER:	Bernardsville Public Library 1 Anderson Hill Road Bernardsville, New Jersey 07924
EMPLOYER IDENTIFICATION NUMBER ASSIGNED TO THE PLAN SPONSOR:	223-307351
TYPE OF PLAN:	Plan under Section 125 of the Internal Revenue Code of 1986, as now in effect and as may hereafter be amended.
TYPE OF ADMINISTRATION:	Named Individual.
PLAN ADMINISTRATOR:	Bernardsville Public Library Executive Director 1 Anderson Hill Road Bernardsville, New Jersey 07924 (908) 766-0118
NAME AND ADDRESS OF PERSON UPON WHOM SERVICE OF PROCESS MAY BE MADE:	same as Plan Administrator Service of legal process may also be made on the plan trustee.
NAME, TITLE AND ADDRESS OF THE PRINCIPAL PLACE OF BUSINESS OF EACH TRUSTEE OF THE PLAN:	Bernardsville Public Library same as address above
ELIGIBILITY REQUIREMENTS FOR PARTICIPATION:	Full-time employees are eligible to participate in this Plan from the employee's date of employment with Bernardsville Public Library. Eligible employees who can demonstrate effective coverage under an alternative medical benefits plan are eligible to participate in the medical insurance waiver program. (A "full-time" employee is anyone who on average works 35 or more hours per

week.) In order to participate, an employee must provide the Plan Administrator with a completed SHBP Enrollment/Election Change Form and Coverage Waiver/Reinstatement Form either during the first 31 days of the employee's employment or during the annual open enrollment period held during October of each year. The employee must elect a coverage level under the SHBP or a cash benefit. The employee must also satisfy any participation requirements established by the SHBP in which the employee chooses to participate.

**ELIGIBILITY REQUIREMENTS
FOR BENEFITS:**

This Plan provides benefits to employees in the form of a choice between non-taxable medical benefits offered under the SHBP or taxable compensation in lieu of all medical benefits. Each Participant in this Plan shall elect, at the time of enrollment, those benefits which he or she wishes to receive through this Plan by electing a coverage level from the table below for coverage under the SHBP maintained by the Plan Sponsor or the cash benefit shown on the table below depending on the Participant's status and must designate his or her election on the SHBP Enrollment/Election Change Form and Coverage Waiver/Reinstatement Form.

**BERNARDSVILLE PUBLIC LIBRARY
MEDICAL INSURANCE WAIVER PROGRAM
MONTHLY REIMBURSEMENT RATES
EFFECTIVE AUGUST 2011**

\$1,540/ANNUALLY FOR MEDICAL; \$250/ANNUALLY FOR DENTAL

If a Participant elects to receive a cash benefit for a Plan Year, the cash benefit will be prorated based upon the period of time during the Plan Year that the Participant is an Eligible Employee. The calculation of the pro rated cash benefit will be determined by the Administrator.

* In accordance with New Jersey State Law, P.L. 2010, c .2, the maximum waiver incentive is twenty-five (25%) percent of the amount saved by Bernardsville Public library, or Five Thousand (\$5,000.00) Dollars, whichever is less. Eligible employees may apply for the waiver anytime during the year. Once the termination date of coverage is confirmed, waiver payments will begin. . Eligible employees may re-enroll in the SHBP during open enrollment or upon a HIPPA event

Bernardsville Public Library reserves the right to amend, change, or discontinue the SHBP and/or the cash benefit at any time and/or to add additional options at any time. Participation in the SHBP is subject to the terms and conditions set forth in each separate plan. Copies of the SHBP and the benefits available under each such plan are available to participants and beneficiaries from the Plan Administrator upon request and without cost.

SOURCES OF CONTRIBUTIONS:

All payments due under this Plan shall be made directly by the Plan Sponsor.

OPEN ENROLLMENT PERIOD:

October 1 through October 31 of each Plan Year.

PLAN YEAR:

January 1 to December 31.

CLAIMS PROCEDURE:

Claims for benefits under the SHBP elected by the Participant should be made in accordance with the terms and conditions set forth in such plan. Benefits under this Plan will be paid automatically without the requirement of any claim by the Participant. However, in the event a Participant believes he or she has not received any benefits due under this Plan, the Participant must notify the Administrator in writing, indicating the benefits not received; all such notices must be filed within ninety (90) days following the end of the Plan Year in which the event giving rise to the claim occurred. The Administrator must notify you of its decision with respect to your claim within ninety (90) days. If your claim is denied, in whole or in part, you may request a review of the denial by filing a written application with the Administrator within sixty (60) days after you receive the notice of denial. You may also review pertinent plan documents and submit issues and comments to the Administrator within that time period. The Administrator will review the initial decision and provide you with a written decision within sixty (60) days from the date of your request for a review.

INCONSISTENT TERMS:

If any terms or conditions stated in this Summary Plan Description are inconsistent with the terms and conditions of the Plan, the Plan provisions shall control.

NOT COVERED BY ERISA

This Plan is **NOT** covered by the Employee Retirement Income Security Act of 1974, as amended (ERISA).