

**AGREEMENT**

**BY AND BETWEEN**

**THE CHARTER TOWNSHIP OF CLINTON,  
A MICHIGAN MUNICIPAL CORPORATION**

**- AND -**

**THE POLICE OFFICERS LABOR COUNCIL  
REPRESENTING  
THE CLINTON TOWNSHIP POLICE  
LIEUTENANTS & SERGEANTS**



**Effective  
April 1, 2013 through March 31, 2018**

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**AGREEMENT BETWEEN THE CHARTER TOWNSHIP OF CLINTON,  
A MICHIGAN MUNICIPAL CORPORATION**

**- AND -**

**THE POLICE OFFICERS LABOR COUNCIL  
REPRESENTING THE CLINTON TOWNSHIP POLICE  
LIEUTENANTS AND SERGEANTS**

**THIS AGREEMENT ENTERED** into the 25<sup>TH</sup> day of June 2013, between the CHARTER TOWNSHIP OF CLINTON, a Michigan Municipal Corporation, hereinafter referred to as the "Township" and the POLICE OFFICERS LABOR COUNCIL representing the Clinton Township Police Lieutenants and Sergeants, hereinafter referred to as the "Union" or "Association".

This agreement replaces and supersedes all previous agreements and shall be considered the sole and complete agreement between the parties.

WITNESSETH:

Whereas, the parties hereto, in consideration of the mutual covenants and agreements herein contained, do hereby agree as follows:

**ARTICLE 1**  
**PURPOSE AND INTENT**

The general purpose of this Agreement is to set forth terms in respect to rates of pay, wages, hours of employment, or other conditions of employment, and to promote orderly and peaceful labor relations for the mutual interest of the Charter Township of Clinton in its capacity as Employer, the Employees, the Association, and the citizens of the Charter Township of Clinton.

The parties recognize that the interest of the community and the job security of the employees depend upon the Employer's success in establishing proper services to the community.

To these ends the Employer and the Association encourage to the fullest degree, friendly and cooperative relations between their respective representatives at all levels and among all employees.

**ARTICLE 2**  
**RECOGNITION**

The Charter Township of Clinton recognizes the Michigan Police Officers Labor Council as the sole and exclusive bargaining agent to the extent permitted and required by Act 336 of the Public Acts of the State of Michigan for 1965, as amended, for all officers holding the rank of Sergeant or Lieutenant.

The Township will not interfere with, discourage, restrain or coerce police officers in the Union of any lawful activities therein.

The Township will negotiate with the Union on items relating to rates of pay, wages, hours, conditions of employment and fringe benefits, including incentives for education.

It is agreed between the parties hereto that the cost of negotiation, execution, administration and enforcement of this Agreement is fairly reflective of an Employee's regular monthly membership dues that are paid by members of the Association and therefore, the parties adopt the philosophy of the "agency shop" principle in this Agreement.

All employees, therefore, within the bargaining unit shall sign a written authorization with the Township to have deducted from wages and paid to the Association, a sum equal to the monthly membership dues as shall from time to time be promulgated by the Union membership and published by the Officers. Employees who shall fail to comply with this requirement within thirty (30) days from the first date of their employment shall be discharged by the Township. The return of said deductions by the Township to the Association shall be made at a time agreeable to the parties hereto which shall be reasonable with the operations of the payroll department and the office of the Treasurer. Deducted dues shall be forwarded to the Police Officers Labor Council.

The Union shall indemnify and hold the Township harmless for any costs or expenses incurred, including actual attorney fees, in the event of any employee asserting any claim against the Township in respect to the foregoing.

However, if at any time during the continuance of this Agreement, the "agency shop" principle as outlined above is declared illegal by any Court of Record in the State of Michigan, then and in that event, the Township may refuse to deduct such payroll deduction and any employee who wishes to continue on a voluntary basis may, and the Township shall process such voluntary contribution.

### **ARTICLE 3** **REPRESENTATION**

The Association shall be represented in all negotiations by the President or his designated representative and a Committee of the Association not to exceed five (5). The Township shall negotiate with those representatives as herein provided.

If the Bargaining Committee of the Association so requires, the Department shall permit three (3) on-duty Officers to negotiate a working agreement without loss of benefits, upon approval of the Chief of Police, depending upon the manpower situation at the time.

Upon approval of the Chief of Police, depending upon the manpower situation at the time, two (2) members of the Association Executive Board, in addition to the President of the Association, may be excused from duty for the business portion of the monthly Association meetings.

The President of the Association, or his alternate, shall be allowed time off without loss of benefits to conduct such Association business as is necessary, including his participation in grievance procedures; provided, however, for the regularly scheduled business, a forty-eight (48) hour notice shall be given to the Chief of Police and such notice shall be given as soon as possible for non-scheduled business.

The Association President, with the approval of the Police Chief, will be allowed to attend State and National Association Meetings and Conferences, not to exceed five (5) days per contract year, without loss of pay.

**ARTICLE 4**  
**DISCRIMINATION**

There shall be no discrimination against any bargaining unit member by reason or race, creed, color, age, disability, national origin, sex, union membership, or any other characteristic protected by law, including, but not limited to, claims made pursuant to Title VII of the Civil Rights Act, the Americans with Disability Act, the Age Discrimination in Employment Act or any other similar laws, rules, or regulations. All such claims shall be subject to the grievance and arbitration procedures (Article 4) as the sole and exclusive remedy for violations. Arbitrators shall apply appropriate law in rendering decisions based upon claims of discrimination.

**ARTICLE 5**  
**GRIEVANCE PROCEDURE**

Section 1. Grievance Resolution

The informal resolution of grievances is urged and encouraged to be resolved at the lowest possible level of supervision for which this grievance procedure is established. Whenever the words "fifteen" (15) days are used in this Article, they shall be defined to be fifteen (15) working days, exclusive of holidays, Saturdays and Sundays.

Section 2. Definition

A grievance is defined as any difference that may arise between the parties relative to:

1. Any matter involving an alleged violation of any other provision of this Agreement or Act 78 of the Public Acts of the State of Michigan of 1935, as amended.
2. (a) Matters relating to rate of pay, wages, and/or hours of employment.  
  
(b) Matters relating to the conditions of employment as set forth in this contract.

Section 3. Internal Procedures



Every Officer covered by this Agreement shall have the right to present grievances in accordance with the following procedures:

STEP 1. If either an Officer or the Union feels he or it have been aggrieved, they shall discuss the grievance with the Captain of the officer's unit for review, who shall answer the grievance in writing within fifteen (15) days from receipt of the grievance.

STEP 2. If a satisfactory settlement is not reached in Step 1, or if the written answer is not submitted within the fifteen (15) day limit as prescribed in Step 1, the grievance shall be submitted in written form within fifteen (15) days to the chief of Police or his designee for review, who shall reply in writing within fifteen (15) days from receipt of the grievance. A meeting between the Chief of Police and the Local President or a designated representative of the Local President may be held to discuss the grievance during and within the aforesaid fifteen (15) day period.

Anything herein to the contrary notwithstanding, any grievance costing the Township more than fifteen hundred dollars (\$1,500.00) then and in that event, the grievance will automatically proceed to Step 2 of the Grievance Procedure.

STEP 4. If a satisfactory settlement is not reached in Step 2, or a written answer is not submitted within the fifteen (15) day limit as prescribed in Step 2, the grievance shall be submitted in written form within fifteen (15) days to the Human Resources Director or his designee, who shall reply in writing within fifteen (15) days from receipt of the grievance. A meeting between the Human Resources Director and the Local President or a designated representative of the Local President shall be held to discuss the grievance during and within the aforesaid fifteen (15) day period.

By the Board's adoption of this Agreement, it acknowledges that the Human Resources Director can make the decision for the Board until such time as it is revoked. If because of revocation the Board becomes part of this grievance procedure, then the Board shall render an opinion within forty-five (45) days from submittal to the Clerk.

STEP 4. Arbitration or an Act 78 Civil Service Hearing: If a satisfactory settlement is not reached in Step 3, or if the Human Resources Director does not meet with the Union within

fifteen (15) days, or the written answer is not submitted within the fifteen (15) day limit as prescribed in Step 3, the moving party can either proceed to binding arbitration as set forth below or petition the Township Civil Service for a hearing; provided, however, that once the election is made within the fifteen (15) day period, a change in the election cannot be made except by mutual agreement.

#### Section 4. Arbitration

The party that requests arbitration of the unsettled grievance shall notify the other party in writing of such desire for arbitration. After a receipt of a desire to arbitrate, the parties shall attempt to agree on an arbitrator. If the parties are unable to so agree within five (5) working days or within a longer period that is mutually agreed upon, the moving party shall submit the matter to either the Michigan Employment Relations Commission (M.E.R.C.) or the American Arbitration Association (at the moving party's option) requesting that an arbitrator be selected with the assistance and under the rules of the respective arbitral service. Upon agreement of the parties, the arbitrator will mediate the dispute. If mediation does not result in settlement, the arbitrator will proceed to hear and decide the dispute.

#### Section 5. Civil Service Hearings

Unresolved grievances having not been submitted to arbitration may be submitted to the Civil Service Commission. The Civil Service Commission may only hear issues which fall within its legal jurisdiction under Public Act 78 of 1935, as amended. If the Commission determines that it does not have jurisdiction or authority to hear a grievance, then the grievance may be reconsidered for arbitration.

#### Section 6. General Provisions Affecting Grievance Procedures and Arbitration

A. Failure to appeal a decision at any step of the grievance procedure within the specified time limit shall be deemed a withdrawal of the grievance. If management fails to answer a grievance within the specified time limit, the Union shall have the option to either grant an extension of time, or have the grievance automatically moved to the next step of the grievance procedure.

B. Grievances affecting a number of employees may be treated as a policy grievance and

entered at the second step of the grievance procedure by the Association.

C. It shall be the firm policy of the Employer to assure to its employees and to the Association, an opportunity to have the unobstructed use of this grievance procedure without fear or reprisal or without prejudice in any manner to employment status. However, the time limits of the grievance steps may be extended upon the mutual written agreement of the Association and the Employer.

D. The moving party herein will not be allowed to submit unresolved grievances to both the arbitration and the Civil Service Commission. The submission of the unresolved grievance to either arbitration or the Civil Service Commission will preempt the moving party from submitting the unresolved grievance to the body that the grievance has not been submitted to.

E. The arbitrator shall have no power to add to or subtract from or modify any of the terms of this agreement or any supplementary agreement, nor to rule on any matter except while this agreement is in full force and effect between the parties.

F. The arbitrator shall have no power to establish wage scale rates on new or changed jobs, or to change any wage rates unless it is provided for in this Agreement.

G. The arbitrator shall have no power to provide agreements for the parties in those cases where in this agreement; they have agreed that further negotiations should occur to cover the matter in dispute.

H. In the event a case is appealed to an arbitrator and he finds that he has no power to rule on such case, the matter shall be referred back to the parties without decision or recommendation on the merits of the case.

I. The award of the arbitrator shall be based exclusively on evidence presented at the arbitration hearing; and, the award under no circumstances shall be based in whole or part or contain a reference to statutes; decisions, regulations or other extra contract materials not specifically incorporated in this agreement.

J. The expenses of the arbitrator shall be shared equally by the parties. Each party shall make arrangements for, and pay the expenses of, witnesses which are called for them.

K. There shall be no appeal from an Arbitrator's decision. It shall be final and binding on the Association, on all Bargaining Unit Employees, and the Township on those matters within the jurisdiction of the Arbitrator.

## **ARTICLE 6**

### **PROMOTIONS, LAY-OFFS, SUSPENSIONS, DISCHARGES & REINSTATEMENTS**

The provision of Act 78 of the Public Acts of the State of Michigan for 1935 as amended, are adopted by reference as if fully stated herein. In the event competing candidates are "tied" in their total scores, in rank seniority shall be the determining factor. If in rank seniority is equal, the Department seniority shall be used.

The Lieutenant and Captain selection processes will include an assessment center. The assessment center will compose 100% of the process for Lieutenant and Captain. The Township will provide training regarding assessment center participation to employees who wish to have it.

A written reprimand may not be used for progressive discipline purposes after a period of two years from the date of discipline, provided that there is no other disciplinary action during the two year period.

## **ARTICLE 7**

### **SENIORITY-TRANSFER-JOB OPENINGS**

The Chief of Police shall have full authority to job assignments. The Chief will use the following types of criteria in making such assignments. This list is not intended to be all inclusive. The order of presentation is not an indication of importance or weight to be attributed.

- Formal education. Type of degree(s) attained and areas studied.
  
- Training courses taken. Will employee need additional training to minimally perform in assignment. Can the department expect that the employee will remain with the Department long enough to recoup value in return for cost expended for training?

- Previous job assignments and success in performing them.
- Employee's stated preferences.
- Employee's demonstrated strengths and weaknesses, e.g. people, organizational, written communication, verbal communication, mathematical, skills, etc.
- Management development. The need to provide employees with exposure to various functions within the department. (e.g. an employee with extensive road patrol experience may be perceived to need administrative experience and so is assigned to support services.)

If it is determined an immediate change is necessary, the Chief of Police shall notify the Union of the reason(s) for the assignment change. Any such assignment change shall be for cause.

A seniority list shall be furnished to the Association by the Department once a year.

Transfers or changes in duties are not permanent. Transfers shall not be made unless notice shall be posted on the Lieutenants & Sergeants Association bulletin board for fourteen (14) calendar days prior to such transfer being made.

Any Officer interested in filling said vacancy shall file a written request within the fourteen (14) calendar day posting period described in Section 6.3. If an Officer is on vacation during the posting period he/she will be automatically considered as having applied for the position. He/she will be given the opportunity to withdraw the automatic application upon their return from vacation.

In filling vacancies, the Chief of Police may consider equally a person's ability, training and education concerning the following positions:

- Multi-jurisdictional Team Officers (e.g. MATS, COMET)
- Training Officers
- Traffic Division Officers
- Swat or Entry Team Officers
- Critical Incident Officer(s)

Field Training Officer(s)  
Community Relations Officer(s)  
Accident Reconstructionist(s)  
Special Investigations Positions(s)

The Chief of Police will have authority to assign, provided he documents the reasons why other(s) were denied and any one who was denied the position can grieve the denial(s). Assignments will be made pending the arbitrator's decision.

The number of Captains positions will be reduced from six to four. The next two vacancies, which occur as a result of discipline, demotion (voluntary or involuntary), and attrition, in the rank of Police Captain will be replaced by Police Lieutenants.

This will result in five and then ultimately a minimum of six Police Lieutenant positions in the Department.

Seniority shall be determined by:

1. Rank.
2. Time in Rank.
3. Date of hire as a sworn Officer.

**ARTICLE 8**  
**EMPLOYEE COMPENSATION**

Section 1. Salary Structure

The parties hereto agree that the schedule below shall constitute the base annual salary schedule for 2080 hours per year.

	<u>Sergeant</u>	<u>Lieutenant</u>
April 1, 2013	\$82,683.00	\$90,951.96
April 1, 2014	\$82,683.00	\$90,951.96
April 1, 2015	\$83,509.83	\$91,861.48
April 1, 2016	\$84,762.48	\$93,239.40
April 1, 2017	\$86,033.92	\$94,637.99

The pay rates shown above shall be applied throughout the term of the contract. On each of the dates shown above the differential between the Police Officer maximum base pay rate and the Police Sergeant pay rate shown in the above schedule shall be calculated. If such calculation should show that the Police Sergeant pay rate has fallen below 120% of the Police Officer maximum pay rate, then the Police Sergeant pay rate shall be increased to 120% of the Police Officer base pay rate. If the Police Sergeant pay rate is adjusted due to this clause, then the Police Lieutenant pay rate will be adjusted so that it is 110% of the Police Sergeant pay rate. On each of the dates shown above the pay rates shown in the schedule will apply unless the Police Sergeant pay rate shown in the schedule is less than 120% of the Police Officer maximum base pay rate on that date.

Employees will furnish the Township with the required information in order to facilitate a direct deposit of checks to the employee's designated account. All members of the bargaining unit shall participate in Direct Deposit for all Township pays.

Section 2. Overtime, Off-Duty and Emergency Pay

8.2.1 Effective with the implementation of this Contract, road patrol members who immediately before or after they work their scheduled twelve (12) hour shift and who qualify for overtime shall be compensated at the overtime rate of one and one-half (1-1/2) times the hourly shift rate worked. Non-road patrol members who immediately before or after they work their scheduled eight (8) hour shift and who qualify for overtime shall be compensated at the overtime rate of one and one-half (1-1/2) times the hourly shift rate worked.

Members called in for overtime work not in conjunction with a scheduled shift shall receive one and one-half (1-1/2) times the hourly rate based on the shift they worked.

Members working in conjunction with their regularly scheduled eight (8) or twelve (12) hour shift who work overtime into a holiday will receive one and one-half (1-1/2) times pay plus holiday pay for hours worked; however, members working in conjunction with their regularly scheduled eight (8) or twelve (12) hour shift who work overtime after a holiday will not receive holiday pay for the overtime, but shall be entitled to one and one-half (1-1/2) times the hourly rate of the shift they were working without consideration of holiday premium.

Members on vacation shall not be considered for call-back or call-in unless it is an emergency call-out. Then they shall be paid at twice their normal hourly shift rate.

When members appear in any Court, administrative hearings, morgue assignments, etc. on their time off, they shall be paid at the overtime rate of one and one-half (1-1/2) times their normal base hourly rate for all works spent on such assignments with a minimum of three (3) hours for each appearance. Members appearing in Court on certain holidays (Lincoln's Birthday, Washington's Birthday, and Veteran's Day) or vacation time cannot earn more than one and one-half (1-1/2) times their base hourly rate.

When any members are notified to standby, they shall receive a minimum of three (3) hours pay for each six (6) hours they are required to standby. If required standby time is less than three (3) hours, they shall receive the pay for the actual time they were required to stand by. The standby overtime procedure shall not be used except when the Court orders a member to stand by or by a prosecuting attorney or the Detective in charge of the case or in the case of an extreme emergency within the Department.



All overtime over one (1) hour and beyond established premiums per the contract shall be computed in fifteen (15) minute increments.

A. Overtime under one (1) hour shall be computed in the following manner:

1 to 15 minutes equals zero (0)

16 minutes to 30 minutes equals one-half ( $\frac{1}{2}$ ) hour

31 minutes to 60 minutes equals (1) hour

B. Overtime over one (1) hour and beyond established minimums per the contract shall be computed in fifteen (15) minute increments as listed below:

1 minutes to 15 minutes equals 15 minutes

16 minutes to 30 minutes equals 30 minutes

31 minutes to 45 minutes equals 45 minutes

46 minutes to 60 minutes equals 1 hour

A rotating list shall be maintained to attempt to provide equal opportunity.

When the overtime list for uniformed road patrol officers has been exhausted and when said overtime has been refused by the patrol officers, then those Sergeants and Lieutenants who volunteer for said road patrol duty shall be paid at the rate of time and one-half their regular rate.

Officers required to attend medical appointments while off duty shall be paid in compensatory time at the overtime rate of one and one-half ( $1 \frac{1}{2}x$ ) their normal base hourly rate for all time spent with a minimum of two (2) hours for each appearance

### 8.2.2 Compensatory Time

A. Compensatory time shall be accumulated as follows:

No more than one hundred and fifty (150) hours of compensatory time will be allowed on the books at any given time, for each individual.

B. Compensatory time shall be used as follows:

1. Compensatory time is to be used only when manpower permits, with the approval of the shift or bureau commander.
2. Compensatory time may be used by itself or in conjunction with vacation or leave days.

Payment for Compensatory Time: Upon separation from service officers shall be paid for all their accrued compensatory time. In the event the separation is due to the officer's death, the payment for accrued compensatory time shall be paid to the officer's estate. When compensatory time is paid in a lump sum, a maximum of eighty (80) hours of such time will be counted towards an officer's final compensation to be used in the calculation of his/her pension.

### 8.2.3 FLSA

The Township payment for those items which must be included in the Fair Labor Standards Act calculation of overtime will be made on an annual basis. The payment will be made in the first paycheck of February each year.

### Section 3. Shift Differential

Shift premiums shall be computed as follows:

1. Officers who are assigned to the Midnight Shift (6:00p.m to 6:00a.m.) shall receive an additional six percent (6%) over their base hourly rate for each assigned hour.
2. If a command officer is assigned to a shift that entitles him/her to a shift differential pay, then he/she shall receive that entitlement during the pay period which they worked.
3. Shift selection picks will be made twice per year by seniority.

Section 4. Show-Up Time

Command Officers who are required to report for duty thirty (30) minutes prior to the start of their shifts in order to insure the continuity of police operations shall receive a lump sum payment equal to four (4%) percent of their base salary per contract year. Such lump sum payment will be made in the last period of March.

Section 5. Holiday Pay

Command officers shall receive pay for thirteen (13) holidays in the last pay period in November, which pay shall be at the rate of eight (8) hours base pay per holiday, it being understood that to receive holiday pay, an officer must have been employed during the contract period in which the holiday occurred.

The said holidays are: New Year's Day, Lincoln's Birthday, Washington's Birthday, Good Friday, Memorial Day, Independence Day, Labor Day, Easter Sunday, Veteran's Day, Thanksgiving, Christmas Eve Day, Christmas and New Year's Eve Day. All holidays will be observed on the calendar Holiday. If a Holiday falls on an officer's regularly scheduled workday, the officer will be required to work that day unless he is authorized to use a vacation or personal leave day. If a holiday falls on an officer's regularly scheduled off day, he shall not receive compensation beyond that provided in Section 7.1 of this agreement. In addition to the payment described in Section 7.1, all employees who work any of the said holidays shall receive an extra day's pay based on their base salary for each holiday worked and that extra day's pay shall be included in their regular paycheck covering the pay period which the holiday or holidays occurred.

However, the officer shall not receive that pay for a holiday unless the officer worked if scheduled the last scheduled day before, and the first scheduled day after said holiday unless the officer is excused from working those scheduled working days. Vacation time will not be considered in the determination of the above.

In each of the Bureaus, and in the Road Patrol, seniority shall be first used to give a person holiday time, but if a person refuses, then he or she will be charged on the list as though they had worked, and if for any reason, no one accepts the holiday, then the person or persons with the lowest seniority will have to accept holiday work as needed and determined by management.

Management will make the determination as to manpower needed during holidays and will attempt to equalize the holiday time in accord with the above formula, but Bureaus will be considered together and the Road Patrol and Traffic Division will be considered separately.

Extra compensation at straight rate of pay for assigned shift for day or days actually worked shall be included in the regularly scheduled check covering the pay period in which the holiday or holidays occurred.

Each command officer shall receive one (1) day off with pay for his/her birthday. The officer shall be allowed to choose what day to take off for the birthday, manpower permitting with the Chief's approval or his designee.

Bargaining unit members working on Christmas Day shall be provided with a reasonable food benefit at the police station during their shift.

## Section 6. Medical Insurance

### 8.6.1 Medical Plans

The Employer shall provide and pay for, except as provided below, the following health insurance plans, including spouse and dependent children coverage, as defined by the carrier, during the Township's annual open enrollment period:

- A. Blue Cross/Blue Shield Community Blue Option 11 Base (Plan #0049), \$15/\$30/\$60 RX, 1-X MOPD, (Appendix C)
- B. Blue Cross/Blue Shield Community Blue Option 11 Enhanced (Plan #0048), \$15/\$30/\$60 RX, 1-X MOPD, (Appendix D)
- C. Blue Cross/Blue Shield Community Blue Option 10, (Plan 30019), \$15/\$30 RX, 1-X MOPD, (Appendix E)
- D. Blue Cross/Blue Shield Community Blue Option 10, (Plan #0050), \$7/\$35/\$70 RX, 1-X MOPD, (Appendix F)

Employees who select a health plan from above shall pay the difference between the Township's PA 152 contribution cap and the premium or illustrative rate of the selected option, if any.

The Union will continue to have on-going discussions with the Township throughout the term of the contract regarding healthcare issues affecting the bargaining unit.

Notwithstanding the above, either party during the life of the contract may propose a change in the third party administrator or the addition of health benefit options. Any such proposal shall be subject to negotiations and the applicable impasse procedures contained in Act 312.

Active employees who are covered by another hospital/medical insurance plan may elect to receive fifty dollars (\$50) per week in lieu of participation in the Clinton Township hospital/medical insurance plan. Employees electing this benefit must meet the requirements and agree to the stipulations as described in Appendix A attached to this agreement and complete the form "Waiver of Medical Insurance" attached to this contract as Appendix B.

#### 8.6.2 Duty Related Death – Spouse and Dependent Minor Children

Upon the duty related death of any full-time officer of the Police Department, the Township shall provide a hospitalization and medical insurance policy for the deceased's spouse and dependent minor children and the cost of said policy shall be paid for by the Township.

The hospitalization insurance policy provided for by the Township in this section, shall be equal to the policy provided for the officer prior to his/her death.

The service or aid to be rendered by the Township concerning the policy of hospitalization insurance as provided in this section, shall remain in effect only until the widow or widower remarries; however, in the case where there are dependent minor children of the deceased officer, then in that event, the widow, widow's children or guardian for said minor dependent children may elect to have the Township acquire the said hospitalization insurance policy for said minor dependent children, with the cost of said policy being paid for by the Township until the child is no longer a minor dependent child.

#### 8.6.3 Non-Duty Related Death – Benefits for Spouse and Dependent Children

Upon the death of any full-time employee of the Police Department, the Township shall make available a hospitalization insurance policy for the deceased's spouse, dependants and minor

children provided the cost of said policy shall be paid by the widow/widower or deceased's family at least one month prior to the date upon which the premium is due.

The policy referred to in this section will be a type policy which shall be as equal as possible and providing hospitalization insurance benefits as the Township provided for the employee prior to his/her death, it being fully understood that it might not be possible for the Township to acquire the same hospitalization policy under its present group insurance arrangement and the widow or widower and family shall have the right to discontinue this policy at any time since the service rendered by the Township is only one of servicing the arrangements for payments provided the Township is paid in advance.

The service or aid to be rendered by the Township concerning the policy of hospitalization insurance as provided in this Section, shall remain in effect only until the widow/widower remarries; however, in the case where there are dependent children of the deceased employee under the age of 19 years, then and in that event, the widow or widower, children or guardian for the minor children may elect to have the Township acquire the said hospitalization insurance policy for said children provided the full cost of the premium of such insurance, whatever is available, shall be paid to the Township at least one (1) month in advance of any premium due date.

No widow, widower, or dependent children otherwise eligible under this policy shall be obligated hereunder as this policy shall be entirely voluntary and shall be effective only so long as the persons entitled to benefits hereunder desire to have such coverage as the Township may be able to make available from time to time as provided above.

Any person who fails to make payment of the premium in accordance with the terms of this section shall immediately be terminated and disqualified from any further coverage hereunder.

This policy shall be implemented through the Department of Human Resources and any person who desires to acquire the benefits provided hereunder shall make all arrangements through that office.

Section 7. Dental & Optical Insurance

8.7.1 Dental

The Township shall provide and pay for a dental plan for the employee and dependents as described in Appendix “G”. This plan includes an orthodontic rider which will cover dependents up to nineteen (19) years of age with a maximum lifetime benefit of \$1,500. There shall be no deductible and the plan will have a fifteen-hundred (\$1,500.00) dollar limit on benefits per person per contract year.

Non-PPO dentist reimbursement for all Class I benefits shall be 65%.

8.7.2 Optical

The Township shall provide all members, their spouses, and their minor dependents with an Optical Insurance Plan which covers annual eye examinations and the annual purchase and/or replacement of single and multi-corrective lenses (bi and tri focal), frames, safety glasses (employee only) and contact lenses. Service program benefits described below:

Benefit Provider	Frequency	Network Provider	Out-of-Network
Exam MD	12 Months	Paid in full less \$5 copay	Up to \$60
Exam OD	12 months	Paid in full less \$5 copay	Up to \$45
Lenses			
Single	12 months	Paid in full	Up to \$60
Bifocal	12 months	Paid in full	Up to \$85
Trifocal	12 months	Paid in full	Up to \$105
Progressive	12 months	Up to \$120	Up to \$105
Lenticular	12 months	Up to \$120	Up to \$120
Frames	12 months	Up to \$120	Up to \$120
Contacts (1 pair)	12 months	Up to \$120	Up to \$120
(in lieu of lenses and frames)			

Effective April 1, 2013, the Township shall provide all members (employee only) of the coverage with a maximum lifetime benefit of two thousand five-hundred dollars bargaining unit with Lasik/RK procedure (\$2,500.00).

Section 8.     Life Insurance

The Township shall provide fifty thousand (\$50,000.00) dollars death benefit life insurance policy with double indemnity in the event of accidental death.

Section 9.     Clothing & Cleaning

The cost of cleaning a uniform shall be borne by the Township and the Township reserves the right to take bids and nominate a cleaner or cleaners to provide the service for the officers.

Each officer shall receive a bank system for drawing new clothing and personal equipment each year and for this purpose, the year shall be computed from April 1 through March 31, this being a contract year. Advance draw shall not be allowed.

Uniform officers shall be credited with an eleven hundred dollar (\$1,100.00) advance in said bank for the contract year beginning April 1, 2010 and an eight hundred dollar (\$800) advance for each contract year beginning April 1, 2011 and April 1, 2012. In addition thereto, officers shall be allowed two hundred dollars (\$200.00) in cash each year. Said two hundred dollars (\$200.00) is to be an advance payment for year April 1 through March 31, with said payment to be paid the first pay in April. The uniform and personal equipment allowance shall include the cost of equipment and the cost of alterations, including missing buttons, uniform repairs and the sewing on of patches. The Township will repair or replace any items of personal property broken, damaged, or lost in the line of duty, but not through the negligence of the officer. Officers who are promoted to the rank of Lieutenant shall receive a one time \$700.00 stipend to fund the change in uniform to the appropriate rank.

Officers assigned to a non-uniform position will receive thirteen hundred dollars (\$1,300.00) for new clothing for the contract year beginning April 1, 2010 and one thousand dollars (\$1,000.00) for each contract year beginning April 1, 2011 and April 1, 2012. This amount shall be divided



into two (2) cash advances. For the contract year beginning April 1, 2010, the first six hundred fifty dollars (\$650.00) shall be paid the first pay period in April and the second six hundred fifty dollar (\$650.00) shall be paid the first pay period in October. For the contract years beginning April 1, 2011 and April 1, 2012, the first five hundred dollars (\$500.00) shall be paid the first pay period in April and the second five hundred dollars (\$500.00) shall be paid the first pay period in October. Such allowance shall be prorated if the officer leaves the Bureau, on a monthly basis with the credit to be given for the month of leaving if he/she spent over fifteen (15) days in that Department in a particular month.

The Employer agrees to purchase for each command officer a soft-body armor concealable bulletproof vest of his/her manufacturer choice, which shall be approved by the Department prior to purchase. Command officers may select a vest up to the maximum threat level available for cancelable soft body armor, but must meet a minimum threat level equal to the departmental service weapon. As a condition of this benefit, the employee agrees to wear said vest during all working hours when he/she is on uniform road patrol and further agrees to have the vest available for use while on other assignments. The Employer agrees to replace the vest as is necessary or needed but at no sooner intervals than five (5) years. Any vest damaged that is not through neglect will be replaced immediately at the employers cost.

The Employer agrees to purchase six (6) flack vests of assorted sizes to be kept in the Police Station for periodic use as needed.

If a change in the uniform is made by the Township, the payment for the changed uniform will be made through the allowance provided in this article. The Township will provide enough time so that such change will not result in a hardship on the officer. The Local Association can grieve an unreasonable change in uniform. In such case, the change will not be implemented until an arbitrator has ruled on the grievance.

#### Section 10. School Tuition

An employee who on his/her days off attends an accredited college, university, or trade school recognized by an accrediting agency certified by the United States Department of Education and in a course or program related to police service, with the approval of the Chief of Police, shall be reimbursed by the Township for tuition, purchase of books, and other necessary materials required by the course. Employees shall be reimbursed by the Township within thirty (30) days

upon submission of proper documentation that he/she is enrolled in the course.

If the employee does not work for the Township for at least one (1) year after receiving his/her school expenses, then and in that event the employee shall refund or have deleted from his/her separation pay the pro rata amount for that portion of a year, as measured by months, that remains after terminating employment. The proration of months shall be determined by counting any months where the employee has employment status for at least sixteen (16) days during the calendar month and disregarding any months where the employee does not have sixteen (16) calendar days. This paragraph shall not apply if the employment ceases because of retirement with normal age and service time or due to a duty disability retirement.

Any employee who withdraws from or fails to complete a course after receiving reimbursement from the Township or who fails to obtain a passing grade of "C" or better, shall have thirty (30) days from the date of withdrawal or the date he/she receives less than a "C" grade to repay the Township such monies. If such amount is not repaid to the Township, upon advance notice to the employee, such amount may be withheld from his/her pay. Advance notice shall not be necessary if the employee is terminating employment.

Upon ratification of this agreement, an employee who on his or her days off attends a college, university or trade school in a course or program related to police service, with the approval of the Chief of Police, shall be reimbursed a maximum of \$2,000 per calendar year by the Township for tuition, purchase of books, and other necessary materials required by the course. Current bargaining unit members in the bargaining unit on December 29, 2010 shall be exempt from this provision for a period of four years from the date of signing of the contract April 1, 2010 through March 31, 2013 contract (December 29, 2014).

#### Section 11. Weapon Allowance

Each officer shall be reimbursed at the rate of two dollars (\$2) per day for the carrying of his/her side arm. Payment for said weapon allowance shall be paid on the last regularly scheduled pay of March.

It is further agreed by and between the parties hereto that each Officer covered by this Agreement will participate in the mandatory shooting program. The Township will provide and offer a Command Officer an opportunity to shoot on a regular basis throughout the year. Said

Officer must qualify one time per year.

It is understood by the parties that the Department does not require officers to carry firearms when they are off duty.

#### Section 12. Workers' Compensation

Provisions of the Workers' Compensation Laws of the State of Michigan shall apply in all injuries, accident or illness to employees arising from the performance of their duties. Any employee who is unable to work as a result of such injury, accident or illness shall be paid by the Township the difference between eighty percent (80%) of his/her regular rate of pay and the amount received from workers' compensation for the duration of the recovery not to exceed six (6) months from the date of the injury, accident or illness.

For the initial six (6) month period recited above, the employee shall be entitled to accrue benefits, including seniority, as though he/she were working. At the termination of said initial six (6) month period, if the employee cannot return to work, then he/she shall be granted a second six (6) month extension upon application to the Township Board.

The second extension shall not include salary, pay supplements, or benefits unless approved by the Township Board. However, the Township shall maintain hospital and medical insurance, dental insurance, life insurance, and optical insurance during the second six (6) months.

At the end of the second extension, if the employee cannot return to work in the same capacity, the employee's employment relationship shall cease unless the Township Board grants a further extension.

During the second six (6) month extension, and no later than ten (10) months from the injury, the employee shall notify the Township of his/her decision to apply for a disability retirement to allow necessary time for processing prior to the cessation of the employment relationship with the Township.

Normal payroll tax deductions will be made on the supplemental check issued by the Township. However, total authorized deductions for union dues, and pension contribution shall be deducted at the full annualized bi-weekly rate. Employees may be required to submit copies of all

workers' compensation checks which they have received to the Accounting Department.

### Section 13. Retirement Benefits

#### 8.13.1 Pensions

##### 8.13.1a Defined Benefit Pension Provision

Members of the bargaining unit shall be provided pension benefits in accord with the Fire and Police Pension and Retirement Act 345 of P.A. of 1937 as amended.

Employees who retire on or after November 1, 2007 Section 6(1)(e) of Act 345 shall be amended to provide that upon retirement from service, as provided in this subsection, a member shall receive a regular retirement pension payable throughout the member's life as follows:

Members of the Collective Bargaining Group shall be entitled to regular retirement benefits with twenty-five (25) years of service with the Clinton Township Police Department, regardless of their age.

##### Members promoted prior to January 1, 2008

The regular retirement pension shall be based upon 2.8% of the member's average final compensation multiplied by the first 25 years of service credited to the member, plus 1% of the member's average final compensation multiplied by the number of years, and fraction of a year, of service rendered by the member in excess of 25 years of service, without a maximum benefit of Final Average Compensation (FAC). There shall be no reduction in pension benefits upon attainment of full social security age.

##### Members promoted after January 1, 2008

The regular retirement pension shall be equal to 2.8% of the member's final average compensation multiplied by the years of service credited to the member, with a maximum benefit of 70% of Final Average Compensation (FAC). There shall be no reduction in pension benefits upon attainment of full social security age.

8.13.1b Annuity Withdrawal

Upon retirement members of the bargaining unit shall be entitled to withdraw up to their accumulated contributions (including interest) to the system, provided that they agree to accept an appropriate lesser monthly benefit. Such lesser benefit is to be computed by the Township's actuary using a method intended to prevent such contribution withdrawal from costing the Township or the Pension Fund any additional monies.

For purposes of this calculation, the actuary shall use the then current interest rate for immediate annuities published by the Pension Benefit Guarantee Corporation and the actuary shall also use the mortality table used for the most recent regular actuarial determination. However, if a member applies for military time and receives the same from the Township Board, then that member's contribution to the retirement system for military time cannot be withdrawn upon his/her retirement.

8.13.1c Final Average Compensation

"Final Average Compensation" shall mean the average of the three (3) years of highest annual compensation received by the member during their ten (10) years of service immediately preceding their retirement or leaving service. A member with eight (8) years or more of service shall have vested retirement benefits. The Township shall provide the Union with any changes in the components which make up the elements of Final Average Compensation. At the present time, those monetary benefits that are computed for final Average Compensation purposes are: regular salary, overtime pay, payment in lieu of holiday and/or vacation time, comp time up to 80 hours, and show-up time. It is understood that lump sum payments for banked sick days and vacation days at the time of retirement are not included in final Average Compensation except as defined in Articles 9.1 and 9.3.

8.13.1d Member Contribution

Effective with the pay of January 1, 2008, the pension contribution shall be increased from six and sixty-five one hundredths percent (6.65%) to seven percent (7.00%). Effective with the signing of this agreement, the pension contribution shall increase from seven percent (7.00%) to ten percent (10%).

8.13.1e            Surviving Spouse Benefit for Retiree on Duty Disability Retirement

A surviving spouse of a retiree who is receiving a duty disability pension at the time of death shall continue to receive the same duty disability pension benefit otherwise paid to the disability retiree until attainment of age 55. At the time the duty disability retiree would have otherwise attained the age of 55, the surviving spouse shall be entitled to a benefit based upon the retiree's attainment of age 55, recomputation in accordance with retirement system provisions, and the designation of the spouse as his/her 60% surviving spouse beneficiary under Act 345.

8.13.1f            13<sup>th</sup> Check

For employees who retire on or after April 1, 2000, after 5 years of retirement said retirees will be eligible for annual 13<sup>th</sup> check not to exceed the retirant's normal monthly retirement check. Said check will be distributed if investment funds attributed to the Police members exceed eight (8%) percent. Participants defined contribution plan shall be eligible 5 years after termination of employment. Up to 50% of said excess will be used to make such payments. If 50% of the excess is not sufficient to make a payment equal to a monthly check then the amount available will be distributed equally among the eligible retirees. Unused excess will not be carried over from one year to the next.

8.13.1g            Survivor Benefit

The Township and the Union mutually agree that Section 6 (1) (i) of Public "Act 345 of 1937, as amended, shall be amended to provide if a member continues in service on or after the date of acquiring 10 years of service credit, does not have an Option I election provided for in subdivision (j) in force, and dies while in the service of the municipality before the effective date of the member's retirement, leaving a surviving spouse, the spouse shall receive a pension computed in the same manner as if the member had retired effective the day preceding the date of the member's death, elected option I provided for in subdivision (h), and nominated the spouse as survivor beneficiary.

8.13.1h Defined Contribution Pension

Members promoted prior to January 1, 2008

The Township agrees to create a 401(a) defined contribution plan for bargaining unit members who have reached regular retirement eligibility with twenty-five (25) years of service and who voluntarily elect to participate in the plan. The 401(a) defined contribution plan will be maintained with Fidelity Investments and will require a mandatory Township contribution of 10% of wages and a mandatory employee contribution of 7% of wages. Thereafter, the Township will match an employee's contribution dollar for dollar at the current maximum allowed by the Internal Revenue Service up to 25%. Upon entering the 401(a) defined contribution plan, the employee's seven percent (7.00%) contribution to the Act 345 pension system will cease and years of service in the Act 345 pension system will be fixed.<sup>1</sup> During participation in the defined contribution plan, the participant continues with full employment status, receives all future promotions and benefit/wage increases. Additionally, final average compensation in the 345 pension system shall continue to adjust and be determined upon final separation of employment. It is understood by both parties to this agreement that voluntary employee contributions are post-tax contributions. It is also understood by both parties that it is the participant's sole responsibility for analyzing the tax consequences of participation in the 401(a) defined contribution system.

Members promoted after January 1, 2008

The Township agrees to create a 401(a) defined contribution plan for bargaining unit members who have reached regular retirement eligibility with twenty-five (25) years of service and who voluntarily elect to participate in the plan. The 401(a) defined contribution plan will be maintained with Fidelity Investments and will require a mandatory Township contribution of 7% of wages and a mandatory employee contribution of 7% of wages. Thereafter, the Township will match an employee's contribution dollar for dollar at the current maximum allowed by the Internal Revenue Service up to 25%. Upon entering the 401(a) defined contribution plan, the employee's seven percent (7.00%) contribution to the Act 345 pension system will be fixed.<sup>2</sup> During participation in the defined contribution plan, the participant continues with full employment status and receives all future promotions and benefit/wage increases. Additionally, final average compensation in the 345 pension system shall continue to adjust and be determined

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<sup>1</sup> For example, an employee who elects to enter the 401(a) plan with 27 years of service shall have a defined benefit pension equal to 72% of final average compensation, (25 yos x 2.8% = 70% + 2 yos x 1% = 2%).

upon final separation of employment. It is understood by both parties to this agreement that voluntary employee contributions are post-tax contributions. It is also understood by both parties that it is the participant's sole responsibility for analyzing the tax consequences of participation in the 401(a) defined contribution system.

8.13.1i Purchase of Service Credit

Upon ratification of this contract, employees may purchase up to a total of two (2) years of combined military, past police service and dispatch time to enhance their current pension credit. Employees must declare intent to purchase said time within sixty (60) days of contract ratification. The cost to the employee to purchase credit shall be seven percent (7%) of final average compensation eligible wages. An employee may pay for service credit for a period not to exceed two years from the date of declaration of intent to purchase. The calculation of final average compensation eligible wages shall consist of the four (4) calendar quarters immediately preceding payment and not "declaration of intent" as provided for above.

Any payment provided for by this paragraph shall be made while an employee is still employed with the Township. No delayed payment shall go beyond an employee's termination date.

The ability to purchase up to two (2) years of time will only be available to current members of the bargaining unit. Payment for service time purchase shall be made in a lump sum. Further, the option to purchase military/police service credit will be eliminated for all employees after the sixty (60) day intent to purchase window has expired and the option to purchase military/police service credit will be eliminated for employees hired after the ratification of the contract. The cost of prior police service time purchased by an employee shall not be refundable to the employee under any circumstance nor will it be included as part of any annuity withdrawal refund.

This provision will not be available to any employee having purchased two years of military time previously.

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<sup>2</sup> For example, an employee who elects to enter the 401(a) plan with 25 years of service shall have a defined benefit pension equal to 72% of final average compensation, (25 yos x 2.8% = 70% + no credit yos beyond 25 yos).



8.13.1j            New Bargaining Unit Members

Employees promoted into the bargaining unit after 4/1/2013 but having been hired by the Township after 4/1/2011 shall continue to receive the same pension and retiree health care benefits those employees are entitled to in the Police Officers Association collective bargaining agreement dated April 1, 2011 through March 31, 2016. Specifically, the employee shall be entitled to a 2.0 pension multiplier with a 4% employee contribution to taxable compensation and an employee contribution of six percent (6%) of base wage into the Retiree Health Care Fund.

8.13.2            Retiree Health Coverage

The Township shall provide each employee who retires from the Department after twenty-five years of service with a hospitalization insurance policy. The policy shall cover the retired officer, the retiree's spouse and any minor dependent children. The coverage shall be similar or equal to Community Blue 10 (suffix 681/0020), \$10/\$20/\$40 RX with 1-X MOPD (Appendix G). To be eligible for this benefit, the surviving spouse must have been the spouse and dependents of record at the time that the employee retired on a regular or disability retirement and began receiving retirement benefits.

However, upon taking any employment after retirement, the employee shall notify the Charter Township of Clinton who their employer is and whether or not health care insurance is available to them, and if the employer offers health care insurance, the Township shall drop the employee from the Township's insurance for health care until such time as the employee ceases employment, at which time he/she shall be reinstated with the Township health care insurance as soon as possible.

Employees shall be required to pay \$50 per pay into the Township Retiree Health Care Fund annually commencing April 1, 2011. Beginning April 1, 2013, employees shall be required to pay \$35 per pay into the Township Retiree Health Care Fund annually.

If the retiree and/or the retiree's spouse qualify for Federal Medicare benefits, the retiree and spouse must enroll in Parts A and B as soon as eligible. The Township shall pay for a Medicare supplement like or similar to the policy which the retiree had while in retirement prior to Medicare coverage.

Upon the death of a retired officer his/her spouse and minor dependant children shall continue to receive health insurance benefits, as though the retiree were still alive, until she/he remarries.

8.13.3            Retiree Dental & Optical Coverage

Effective April 1, 2002 employees who retire on or after that date, their spouses and dependent minor children will be covered by the Optical Plan and the Delta Dental Plan for Class I and Class II benefits identical to those received by active employees. Upon the death of a retired officer his/her spouse and minor dependant children shall continue to receive dental and optical benefits, as though the retiree were still alive, until she remarries.

8.13.4            Retiree Life Insurance

It is agreed that upon a normal age and service retirement, the Officer only will be provided with a \$10,000.00 life insurance policy.

Section 14.    Flexible Spending Accounts

The Township shall establish Flexible Spending Accounts (FSAs) as governed by IRS Code 125 regulations. The FSA program year shall be from April 1<sup>st</sup> through March 31<sup>st</sup>. Maximum contributions per employee are \$2,500 for medical accounts and \$5,000 for dependent care accounts. Upon completion of the program year, all funds remaining in either the medical or dependent care accounts shall revert to the Township to cover program costs as specified under IRS regulations.

**ARTICLE 9**  
**COMPENSATED ABSENCES**

Section 1.    Paid Time Off

It is understood between the parties hereto that sick days accrued prior to April 1, 2010 shall be referred to as “banked sick time”. The accrual of banked sick time shall be frozen as of 4/1/2010. Fifty percent (50%) of accumulated banked sick leave shall be paid in the case of retirement or payment to beneficiaries in the event of death, or if the officer leaves the

employment of the Township for any reason provided, however, that the officer has at least five (5) years with the department. Banked sick leave hours will be charged for actual time taken. Serious illness of a husband, wife or child shall warrant use of banked sick leave by the officer after arrangements have been made with his or her immediate superior. At the end of each contract year, officers shall have the right to sell up to ninety-six (96) hours of banked sick time for one half (1/2) of his/her pay per day determined by the value of the officer's base pay on the last day of the contract year in which the hours are to be paid. This payment shall be paid in the second pay period in April. Up to one half (1/2) of ninety-six (96) banked sick hours sold in a fiscal year may be used in the calculation of the officer's final average compensation for retirement. At the end of the contract year beginning 4/1/2010, officers may sell an additional thirty-six (36) hours of banked sick time for one half (1/2) of his/her pay per day determined by the value of the officer's base pay on the last day of the contract year for which the hours are to be paid. This one time only sale of hours shall be included in the officer's final average compensation for retirement. Officers promoted into the bargaining unit after September 1, 2010 shall have the right to sell up to forty (40) hours of banked sick time for one half (1/2) of his/her pay per day determined by the value of the officer's base pay on the last day of the contract year in which the hours are to be paid. This payment shall be paid in the second pay period in April. Up to one half (1/2) of forty (40) banked sick hours sold in a fiscal year may be used in the calculation of the officer's final average compensation for retirement.

Effective April 1, 2010, officers shall accrue paid time off (PTO) at a rate of ninety-six (96) hours per year. Up to one hundred and twelve (112) paid time off hours accumulated in excess of one hundred and twelve (112) shall be paid to the employee in the first pay period following the end of the contract year in which said time exceeds one hundred and twelve (112). Excess hours shall be paid at a rate of one-half (1/2) of base pay. The last day of the contract year in which the excess was accumulated will determine the price of the base pay per hour. Up to one fifty-seven (57) PTO hours sold in a fiscal year may be used in the calculation of the officer's final average compensation for retirement. Fifty percent (50%) of accumulated paid time off shall be paid in the case of retirement or payment to beneficiaries in the event of death, or if the officer leaves the employment of the Township for any reason.

The trading of either banked sick time or paid time off between employees is prohibited.

Section 2. Short-Term & Long-Term Disability

The Township shall provide officers with a short-term disability benefit which shall provide sixty-six and two-thirds (66-2/3%) percent of his/her salary. Effective April 1, 2010 the short-term waiting period shall be seven (7) calendar days. The Township agrees to maintain and provide at no cost to the officer hospital, medical, life, dental, and optical insurance at the same benefit level being provided to the collective bargaining group. This coverage shall be maintained during the waiting period as well as through the short-term disability benefit period. The officer shall cease to accrue paid time off or vacation time while on short-term disability.

The Township shall also provide long-term disability benefits in accord with the benefits of the Insurance Policy and Summary Plan Description in the Human Resources Department, except as modified by this collective bargaining agreement. The benefits of the above plan shall not be diminished without the mutual agreement of both parties. A copy of the long-term benefits are contained in the policy and description recited above and has been given to the Union secretary and is available for examination in the Human Resources Department. The Township shall have the right to self insure the short-term and long-term disability benefit as long as the benefits provided are in accordance with the summary plan descriptions described above.

An individual officer's personal insurance shall not be an offset to the benefits described in this section.

If an officer is absent from work because of injury or sickness, he/she shall have the option of first using banked sick days, paid time off days, vacation days and compensatory days before applying for the benefits under the short term disability program. Once the said officer applies and qualifies for short-term disability benefits, he/she shall not have the right to draw on banked sick days, paid time off days, vacation time or compensatory time for any injury or illness arising out of the same cause for which the disability benefit originated. However, at the conclusion of the short-term disability period (180 days from when the officer was absent from work due to the injury or illness) and before the commencement of the long term disability, the officer again shall have the option of using sick days, personal days, furlough days and compensatory days before applying for long-term disability benefits.

Once an officer qualifies for disability benefits under the long-term policy the officer may maintain the hospital, medical, life, dental, and optical insurance that was previously available to

him/her while receiving short term benefits provided the officer funds the cost of maintaining such insurance benefits in advance of the time of payment with the further provision that such insurance benefits cannot be maintained for a period exceeding six (6) months. The officer shall not accrue paid time off or vacation time while on long-term disability.

The times mentioned herein shall not diminish the length of time the Township is required to supply COBRA benefits, it being the understanding of the parties that the COBRA benefits will be available to the officers and commences once the Employer ceases to provide the insurance benefits by paying for them him/herself during the six (6) months period allowable under the long term disability program.

Once a regular officer is on long-term disability for a period of six (6) months, then that officer shall no longer be an employee of the Charter Township of Clinton regardless of the fact that there are paid time off, vacation time and compensatory days not used. This provision does not prevent the officer from requesting a leave of absence from the Township before going on long-term disability, with the further provision that such leave of absence shall not exceed a maximum period of six (6) months.

If the officer can return to work within six (6) months of commencing the long-term disability period, then he/she shall be guaranteed the automatic return to his/her job, with full seniority, providing the returning officer must be able to prove that he/she has sufficiently recovered from his/her disability to the point that he/she can perform his/her duties if requested by management.

### Section 3. Vacations

Even though the contract year is not a calendar year, the reference to vacations in Article 9 is intended to indicate that records for vacations shall be maintained on a calendar year basis and vacations shall be scheduled on a calendar year basis.

YEARS OF SERVICE

VACATION DAYS

Start through 5 years.....	120 hours/year (1-1/6 eight hour days /month)
6 years through 12 years.....	168 hours/year (1-3/4 eight hour days/month)
Over 12 years .....	208 hours/year (2.166 eight hour days/month)

Vacations shall be scheduled between March 21 and April 1 of each year. The vacation shall be divided into winter and summer periods. Winter vacations shall be January through March and October through December. Summer vacations shall be April through September. Vacation time accumulated in excess of two-hundred and forty (240) hours at the end of each contract year shall be forfeited, provided, however, that up to forty (40) hours per year can be cashed in if at least eighty (80) hours remain in reserve after cashing in the forty (40) hours. Forty (40) hours sold in a fiscal year shall be used in the calculation of an officer's final average compensation for retirement.

Selection of vacations will be as follows: The senior officer in each shift shall have the first selection. He or she may pick a vacation in either period of the year for his/her first choice. Each officer following in seniority shall also pick a vacation in either period of the year. When each officer on a shift has made his/her first selection, the senior officer shall then make his/her second selection in the opposite period from which he/she made the first selection. He/she shall not double up on another officer's vacation, unless there is not ample vacation periods available for all officers on the shift. The option of double up on vacation shall be the privilege of the senior officer and as many following senior officers as is necessary so that all vacation periods will be filled. All officers will select their second vacation period from the opposite period as was their first. An officer may utilize a one shift vacation leave.

A vacation selection during the Christmas Eve/Christmas Day, New year's Eve/New Year's Day period shall not extend through both Christmas and New Years.

The exchange of days may be permitted within a shift. The abuse of this policy may result in discontinuance under the direction of the Chief of Police.

Upon separation from service, an officer shall be paid for his/her accrued vacation time. In the event of death of the officer, the officer's spouse, children or designated beneficiary shall be paid the vacation time.

The Township will cease the practice of issuing advanced paychecks for vacations.

An officer shall not take his/her vacation when another command officer within the same shift or bureau has taken his/her vacation unless approved by the Chief of Police.

#### Section 4. Funeral Leave

In the event of death in the immediate family of an officer or their spouse, the officer shall be entitled, when so required, to three days (3) leave with regular pay and benefits to arrange for and attend the funeral, burial or memorial services. Immediate family shall be deemed to be husband, wife, child, mother, father, sister, brother, grandparent, mother-in-law, father-in-law, brother-in-law, sister-in-law, stepfather, stepmother, and stepchild. If the funeral is held at a location which is more than two-hundred and fifty (250) miles from the Clinton Township Civic Center Offices, and the employee attends the funeral, the employee will be entitled to one additional day of leave with pay.

Officers shall be entitled to one (1) day leave with pay when so required in the event of death of aunt, uncle, niece, nephew and cousin of the officer or their spouse to attend funeral, burial or memorial services.

If an officer has a scheduled leave day, including furlough or personal business, when he/she is entitled to funeral leave, then the previously scheduled leave day will be re-scheduled for immediately after the funeral leave.

An officer may not work overtime on those days when a funeral leave day is scheduled.

**ARTICLE 10**  
**LEAVE OF ABSENCE**

Any officer desiring a leave of absence shall apply to the Police Chief or his designee whose recommendation shall be sent to the Board of Trustees for final approval or rejection. If approval is granted, seniority shall be frozen during the leave period. Once an employee's leave of absence commences, the Township shall not maintain or provide the employee with hospital, medical, life, dental or optical insurance for the leave period and the employee ceases to accrue pension service credit, vacation, personal days or sick leave.

Any leave or leaves of absence under this Article shall not exceed one (1) year during the officer's career.

If a leave is approved, the officer shall pay for and submit to a standard physical examination, as directed by the Employer, the results of which shall be available to the Employer.

At least thirty (30) days prior to the termination of leave, the officer must notify the Employer in writing of his/her desire to return and pass the standard physical examination, as directed by the Employer, which the Township shall pay for.

If there is no opening for the officer at the end of his/her leave in the position held before the leave, the officer may accept a lower classification if an opening exists. If no acceptable openings occur within eighteen (18) months of the termination of leave, the employment relationship shall cease.

**ARTICLE 11**  
**OUTSIDE EMPLOYMENT**

A member of the Association may be permitted part-time outside work subject to the fact that he/she engages in a nature of work not to downgrade his/her image as a law enforcement agent and that the work schedule of his/her outside employment be such that it does not interfere with his/her normal duties as a law enforcement officer, subject to approval of the Chief of Police, which approval shall not be unreasonably withheld.



**ARTICLE 12**  
**CIVIL LIABILITY INSURANCE AND LEGAL COUNSEL**

The Township shall provide insurance and legal counsel protecting the employee against civil liability because of alleged false arrest, detention, imprisonment, or malicious prosecution. Said policy shall be in an amount not less than the Township is presently carrying.

**ARTICLE 13**  
**USE OF PRIVATE AUTOMOBILE**

When an automobile is used by an employee in connection with the Departmental duties, and when no other Departmental transportation is available, he/she will be reimbursed in accord with the then current Township Resolution pertaining to reimbursement for private motor vehicle use, subject to the prior approval of the Chief of Police.

**ARTICLE 14**  
**SUBCONTRACTING OF WORK**

The Township will not, except in cases of emergency, assign work currently being performed by Officers covered under this Contract to outside agencies and/or departments. This provision shall not apply to the Gratiot Cruise.

**ARTICLE 15**  
**MINIMUM MANPOWER**

The Clinton Township Police Station will be manned by at least one (1) full-time Police Officer at all times. The word "Officer" in this Article does not pertain exclusively to Command Officers.

**ARTICLE 16**  
**RESERVE OFFICERS / CLINTON TOWNSHIP DISPATCHERS**

No Reserve Officer shall be assigned to any member of this bargaining unit without the member's consent and then only in the capacity of an observer or trainee. Reserves will not be considered as personnel in regard to Article 15, Minimum Manpower.

**ARTICLE 17**  
**TRADING DAYS**

The exchange of days may be permitted within the discretion of the Chief of Police, or the Captain or his or her designee of which it was requested.

**ARTICLE 18**  
**WORKING OUT OF CLASSIFICATION**

When a member of the bargaining unit is assigned to work in a higher classification for a period that exceeds four (4) hours, he/she shall receive the rate of pay equal to the base pay in the range of the higher classification. Claims for pay under this provision will not be made for a retroactive period greater than two weeks prior to the date the officer notifies his commanding officer that he/she is working out of classification.

**ARTICLE 19**  
**WORK ASSIGNMENTS**

All monthly work assignments and leave days shall be posted at least ten (10) days prior to the expiration of the current work month (28 days) and shall not be changed after this time without mutual agreement of the Association, member and Management, except in an emergency situation, at which time changes can be made providing the employee receives a minimum of forty-eight (48) hours notice of such change.

Off road positions for Sergeants shall be limited to four (4) years and for Lieutenants shall be limited to five (5) years. Sergeants shall be limited to not exceed eight (8) years off-road in totality per rank. Lieutenants shall be limited to not exceed ten (10) years off-road in totality per rank.

Vacancies for off-road positions shall be filled by the Chief of Police only after taking into consideration the following factors:

1. Seniority
2. Training
3. Education
4. Ability and skill to perform the position
5. Physical and mental health
6. Attendance
7. Work History
8. Any other factor considered to be relevant to the position being filled

The importance and weight given to a particular factor shall be at the sole discretion of the Chief.

A current position holder can re-apply for the same position. However, he/she will not be considered for the position unless:

1. No other candidate has applied
2. No other candidate is determined qualified by the Chief of Police.

The Chief of Police will have the authority to assign positions, provided he documents the reason(s) why other(s) were denied, with the individual(s) having the opportunity to grieve the denial.

## **ARTICLE 20** **DEDUCTIONS**

Other than those deductions previously mentioned in this contract, the Township will not be required to make any further deductions from an employee's paycheck unless it is required by law.

**ARTICLE 21**  
**RESIDENCY**

The Township agrees that it will not impose or attempt to impose any residency requirements upon any members of the Association bargaining unit during the life of this Contract.

**ARTICLE 22**  
**BILL OF RIGHTS**

No employee shall be ordered or coerced in any manner to submit to a polygraph examination, lie detector test, or similar test, or chemical such as sodium pentothal or truth serum tests, or similar tests by whatever name called for any reason unless such employee shall demand said examination in writing.

No employee shall be discharged, disciplined, or in any way discriminated against for refusing, or declining to submit to a polygraph examination, lie detector test, or similar test by whatever name called.

The Employer or agent shall not utilize any type of recording device or electronic surveillance device to record or transcribe any conversation between the Employer and employee unless such disclosure of such device is made to the employee prior to such conversation, or the Employer has received a proper Court Order.

Except when on duty, in uniform, or when acting in his official capacity, no employee shall be prohibited from engaging in political activity or be denied the right to refrain from engaging in political activity.

Employees shall have the right to bring civil suit against any person, group of persons, or any organizations or corporations, or the heads of such organizations or corporations, for damages suffered, either pecuniary or otherwise, or for abridgment of their civil rights arising out of the officer's performance of official duties.

Any employee shall have the right to examine any and all personnel files maintained by the Employer regarding the employee, with the exception of employment letters of recommendation,

upon written request during normal business hours construed to be 9:00 a.m. to 5:00 p.m., Monday through Friday, excepting holidays.

The employee's files shall not be made available to any person or organization other than the Employer and employee without the employee's expressed authorization, except pursuant to an appropriate Court or Civil Service Commission order or subpoena.

No employee shall be required or requested for purposes of assignment or other personnel action, to disclose any item of his property, income, assets, source of income, debts, or personal or domestic expenditures (including those of any member of his/her family or household), unless such information is obtained under proper legal procedures or tends to indicate a conflict of interest with respect to the performance of his/her official duties. This paragraph shall not prevent inquires made by authorized agents of a tax collecting agency in accordance with acceptable and legally established procedures.

Whenever any employee is under investigation or subjected to interrogation by the Employer or its designated representative for any reason which could lead to disciplinary action, demotion, dismissal or criminal charges, such investigation or interrogation shall be conducted under the following conditions:

- a. The interrogation shall be conducted at a reasonable hour, when possible, preferably at a time when the employee is on duty.
- b. Any employee, at his/her request, shall have the right to be represented by counsel and/or Association representatives prior to making any statements, written or verbal, concerning any act, incident, or occurrence from which disciplinary action, criminal prosecution or civil suit might result.
- c. The employee under investigation shall be informed of the rank, name and command of the officer in charge of the investigation, the interrogating officer, and all persons present during the interrogation if not already known to the employee.
- d. The employee under investigation shall be informed of the nature of the investigation prior to any interrogation and he shall be informed of the names of those complainants. Exception is made in those instances where the complainant must remain anonymous for security or confidentiality reasons, or is unknown to the investigating officer.
- e. Interrogating sessions shall be for reasonable periods and shall be timed to allow for

- such personal necessities as rest periods as are reasonably necessary.
- f. The employee under interrogation shall not be subjected to offensive language or threatened with transfer, dismissal or any disciplinary action. No promise or reward shall be made as an inducement to answering any questions.
  - g. Upon disclosure, the employee or employer will be permitted to record the complete interrogation including all recess periods. There shall be no unrecorded questions or statements.
  - h. If the employee under interrogation would have "Miranda" warnings available to him as a civilian or is likely to be placed under arrest as a result of the interrogation, he shall be completely informed of all his rights prior to the commencement of the interrogation.

Employees will not be deprived of liberty or property with due process of law or denied the equal protection of the law.

Any employee involved in a shooting shall not be bound as a condition of employment to make an oral or written statement, including a Preliminary Crime Report, until such time when the employee has been able to contact an Association Official or an Attorney and has had a reasonable time to discuss the incident with an Association lawyer. The lawyer shall then be able to counsel the Officer during his Preliminary Crime Report or any other oral or written statements that may be required.

No employee will be favored or discriminated against, nor disciplined, demoted, or transferred for exercising any of the above rights or any rights afforded him or her by this Contract.

### **ARTICLE 23** **DISCIPLINARY PROCEEDINGS**

When any complaint or charge shall be brought against an employee or disciplinary proceedings are contemplated against an employee under such circumstances that the misconduct being investigated, if substantiated, would constitute a crime under State or Federal Law, no statement shall be taken from the Officer nor shall he/she be interrogated, except in accordance with the following procedure:

The officer shall first be advised of the charge or charges against him/her, either by the Chief of Police or by a Command Officer of the Department.

The officer shall be advised of his/her right against self-incrimination and of his/her right to legal counsel. Legal counsel may appear with the officer in any subsequent proceedings if the officer so desires.

All employees shall have the right to be present and be represented by the Association President or member of the committee, and/or an Attorney at all disciplinary conferences or procedures. Notification within a reasonable time shall be given to the Association of any disciplinary action taken against any employee, which may result in an official entry being added to his personal work file.

The officer and his/her counsel, if any, shall be entitled to a written statement of the charges against the officer which are being investigated upon demand for same, provided the time is reasonable. Any such statement of charges may be amended or amplified subsequently, and any disciplinary action which may be taken shall in no way be limited to matters set forth in any statement, or amended or amplified statement of charges.

The officer may then be ordered to make a statement concerning the charges against him/her, and to submit to interrogation. The Officer may decline to do so, but any such refusal shall constitute grounds for disciplinary action.

If the officer chooses to make a statement and submit to interrogation, any such statement and any answers resulting from interrogation may be used as the basis for disciplinary action, and may also be used in any proceedings before the Civil Service Board or Arbitration in the event of appeal, of such disciplinary action. For any and all other purposes, any such statement or answers to interrogation shall be privilege and shall constitute a private record and shall not be made available without the signed consent of the officer to any person or agency, except pursuant to subpoena issued by any authority.

Any and all of the rights and privileges conferred herein upon members of the Association may be waived by the officer, but any such waiver shall be signed and in writing. Nothing herein is intended to contravene any other rights, duties, or privileges contained in Act 78.

**ARTICLE 24**  
**TERMINATION OF EMPLOYMENT**

Any employee who is unable to perform his regular job, is not on leave, and has used all of his or her sick days, vacation days, and personal days, shall not be considered to have any rights of employment and shall be terminated.

The provisions of this Section shall no way affect the compensation provisions under the worker's compensation section nor does it apply to leaves of absence where the leave is conditioned and the conditions have been fulfilled.

Benefits such as clothing allowance, holiday pay, weapon allowance and the like shall be paid and prorated to the date of termination.

All economic benefits as previously specified accruing from the effective date of this Agreement shall be retroactive from April 1, 2006 as they can be reasonably implemented. The parties agree that the attached letter of understanding marked "Appendix A" shall be construed and incorporated as part of this Contract where applicable.

**ARTICLE 25**  
**DEPARTMENT VEHICLES**

All members assigned to the investigative unit will be allowed to use a department vehicle for personal use as well as at work. The use of cars will be in accordance with the Department's take home car policy.

**ARTICLE 26**  
**HOSPITALS FOR EMERGENCY WORK RELATED INJURIES**

The parties agree that in the event of an on-duty injury the Township will use Henry Ford Macomb or McLaren-Macomb and each employee will in advance, notify the Township of their desire in order to have the information available in the event of an emergency.



**ARTICLE 27**  
**TRAINING SESSIONS**

The training sessions established by the Department are considered mandatory for all members, provided the notice of same is posted at least thirty (30) days, when possible, in advance of the session. If the member is not excused by the Police Chief or his designee, then the first training period missed may result in disciplinary action. If an Officer is excused from training, the training session will be made up at a later date. The Department will schedule the date for a makeup, at which time an Officer may be either on duty or off.

**ARTICLE 28**  
**WORK SCHEDULE**

For bargaining unit members assigned to a road patrol position, the work day shall consist of a twelve (12) hour tour or duty, with not more than thirty (30) minutes off duty for lunch. A tour of duty for road patrol personnel shall begin at 6:00 a.m. and 6:00 p.m. For bargaining unit members assigned non-road patrol positions, the work day shall consist of an eight (8) hour tour of duty, with not more than thirty (30) minutes off duty for lunch. A tour of duty for non-road patrol personnel shall be established by the necessity of the position.

For bargaining unit members assigned to a road patrol position, the work period shall consist of fourteen (14) consecutive days. Hours worked from eight-one (81) through eighty-four (84) during the fourteen day work period shall be compensated at the straight time rate as either regular pay or compensatory time to be used in accordance with Department policy. The employee shall designate which form of compensation he/she selects for hours eight-one (81) through eighty-four (84) at time of shift selection for the subsequent six month period.

**ARTICLE 29**  
**LEGALITY**

The parties hereto realize that certain Court decisions or change of legislation during the term of this Contract may make certain portions of this Agreement invalid and/or illegal. In that case, it is the intent of the parties hereto that only that provision that is not consistent with the law or legislation is invalid and the remaining portions of this Contract shall remain in full force and

effect.

**ARTICLE 30**  
**MAINTENANCE OF CONDITIONS**

The Charter Township of Clinton will make no unilateral changes in wages, hours and conditions of employment during the term of this Agreement, either contrary to the provisions of this Agreement or otherwise.

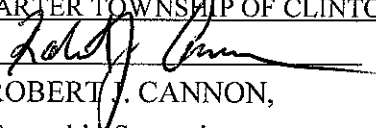
**ARTICLE 31**  
**TERM OF CONTRACT**


This contract shall be effective as of April 1, 2013 and remain in full force and effect until midnight March 31, 2018.

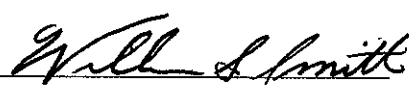
IN WITNESS WHEREOF, the Charter Township of Clinton, a Michigan Municipal Corporation, has caused the foregoing instrument to be duly certified, and executed by the Township Board of Supervisors, and the Clinton Township Police Command Officers Association has caused the foregoing Agreement to be executed by its duly constituted Officers.

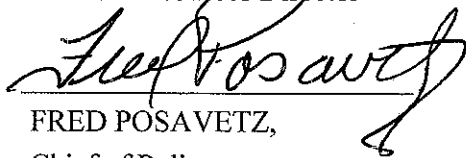
IN WITNESS WHEREOF, the parties hereto have set their hands and seals this 25<sup>th</sup> day of June, 2013.

FOR CHARTER TOWNSHIP OF CLINTON

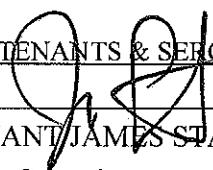
By:   
ROBERT J. CANNON,  
Township Supervisor

By:   
K. MELTZER,  
Township Clerk

By:   
WILLIAM S. SMITH,  
Human Resources Director

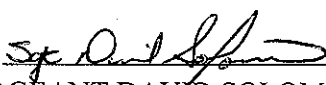
By:   
FRED POSAVETZ,  
Chief of Police

FOR LIEUTENANTS & SERGEANTS

By:   
LIEUTENANT JAMES STACHOWSKI,  
Bargaining Committee

By:   
LIEUTENANT DAVID DUNN,  
Bargaining Committee

By:   
SERGEANT MATT GERLING,  
Bargaining Committee

By:   
SERGEANT DAVID SOLOMON,  
Bargaining Committee

By:   
LIEUTENANT ANTHONY GREENE,  
Bargaining Committee

By:   
ROBERT FIGURSKI  
Labor Council Representative

**APPENDIX "A"**  
**PAY IN LIEU OF HEALTH INSURANCE COVERAGE**

The UNION and the EMPLOYER recognize that in some instances employees have duplicate health insurance coverage. In these cases the Township and another employer are both paying insurance premiums and the employee is receiving little or no additional benefits. In an effort to avoid this wasteful duplication, the parties have agreed upon the following program which allows employees to decline the Township provided hospital/medical insurance program and receive instead a contribution to their deferred compensation account.

**A. ELIGIBILITY**

All employees who are covered or eligible for coverage by the Employer's hospital/medical insurance programs are eligible for this option. They may take advantage of this option by:

- 1.) Providing written proof that they have current coverage under another health insurance plan and;
- 2.) Submitting the "Waiver of Medical Insurance" form which appears as Appendix B to this agreement.

**B. AMOUNT OF BENEFIT**

The Employer will compensate the employee in the amount of \$100 per pay period in addition to his/her normal pay.

**C. STIPULATIONS**

The parties agree to the following stipulations:

1. Employees may elect this option at open enrollment.
2. The supplemental pay will begin with the first pay date in the month that insurance coverage ceases. There will be no retroactive payments.

3. Employees may elect to reinstate their health insurance coverage and drop the supplemental pay plan at the annual health insurance open enrollment. If an employee wishes to reinstate their health insurance coverage at any other time, they may do so only if the reinstatement is due to loss of coverage as a result of the death of, divorce from, or loss of coverage due to the unemployment of the individual covering the employee under another plan.
4. Those persons who are eligible for hospital/medical insurance at the inception of this agreement but who have elected not to be insured by the Township plan because they are covered by another plan, will be eligible for this option.
5. In those cases where both a husband and wife work for the Township, one person may carry his/her spouse and dependents on the health insurance policy and the other person may elect the supplemental pay plan.
6. When an employee elects to drop his/her insurance coverage, he/she must drop it for him/her self and all dependents. (e.g. A parent cannot drop insurance for him/her self and retain coverage for his/her children).
7. The Provisions of this plan which pertain to adding or dropping insurance coverage are subject to the administrative rules of the insurance carriers for the Township and Section 125 of the Internal Revenue Code.

**APPENDIX "B"**  
**WAIVER OF MEDICAL INSURANCE**  
**AND**  
**ELECTION OF SUPPLEMENTAL PAY**  
**IN LIEU OF PARTICIPATION IN GROUP MEDICAL INSURANCE**

I hereby authorize the Charter Township of Clinton to cancel my group medical plan if I currently have group coverage and provide supplemental pay to me of \$100 per pay in lieu of participation in any Township group medical plan. I affirm that I am covered by the health plan coverage offered through:

\_\_\_\_\_\*

(Name of Company or Carrier)

I understand that by exercising the election to receive these payments, I will receive no benefits or payments as primary subscriber from any Township group medical plan.

I understand that except in the case of death, divorce from, or loss of coverage due to the unemployment of the individual covering me under another plan, I will not be eligible for enrollment in any of Clinton Township's group medical plans until the next open enrollment period.

I understand that if I wish to enroll in any if Clinton Township's group medical plans at a later date, I will be subject to that plan's enrollment rules.

\_\_\_\_\_  
Name (PLEASE PRINT)

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
DATE

\_\_\_\_\_  
DEPARTMENT NAME

\_\_\_\_\_  
SOCIAL SECURITY NUMBER

\*If covered elsewhere, you must provide written proof of other coverage.



**This is only a summary.** If you want more detail about your coverage and costs, you can get the complete terms in the policy or plan document by calling Human Resources at 1-586-723-8072

Important Questions	Answers	Why this Matters:
What is the overall <u>deductible</u> ?	<b>\$1,000</b> person / <b>\$2,000</b> family Doesn't apply to preventive care	You must pay all the costs up to the <u>deductible</u> amount before this plan begins to pay for covered services you use. Check your policy or plan document to see when the <u>deductible</u> starts over (usually, but not always, January 1st). See the chart starting on page 2 for how much you pay for covered services after you meet the <u>deductible</u> .
Are there other <u>deductibles</u> for specific services?	There are deductibles for services received by out-of-network providers. <b>\$2,000</b> person / <b>\$4,000</b> family	You must pay all of the costs for these services up to the specific <u>deductible</u> amount before this plan begins to pay for these services.
Is there an <u>out-of-pocket limit</u> on my expenses?	Yes. <b>\$3,000</b> person / <b>\$6,000</b> family for services received by in-network providers.	The <u>out-of-pocket limit</u> is the most you could pay during a coverage period (usually one year) for your share of the cost of covered services. This limit helps you plan for health care expenses. Higher out-of-pocket limits exist for services received by out-of-network providers.
What is not included in the <u>out-of-pocket limit</u> ?	Premiums, balance-billed charges, and health care this plan doesn't cover.	Even though you pay these expenses, they don't count toward the <u>out-of-pocket limit</u> .
Is there an overall annual limit on what the plan pays?	No.	The chart starting on page 2 describes any limits on what the plan will pay for <i>specific</i> covered services, such as office visits.
Does this plan use a <u>network of providers</u> ?	Yes. See <a href="http://www.bcbsm.com">www.bcbsm.com</a> for a list of participating providers.	If you use an in-network doctor or other health care <u>provider</u> , this plan will pay some or all of the costs of covered services. Be aware, your in-network doctor or hospital may use an out-of-network <u>provider</u> for some services. Plans use the term in-network, <u>preferred</u> , or participating for <u>providers</u> in their <u>network</u> . See the chart starting on page 2 for how this plan pays different kinds of <u>providers</u> .
Do I need a referral to see a <u>specialist</u> ?	No. You don't need a referral to see a specialist.	You can see the <u>specialist</u> you choose without permission from this plan.
Are there services this plan doesn't cover?	Yes.	Some of the services this plan doesn't cover are listed on page 4. See your policy or plan document for additional information about <u>excluded services</u> .

Questions: Call 1-586-723-8072

If you aren't clear about any of the underlined terms used in this form, see the Glossary. You can call 1-586-723-8072 to request a copy.



- **Copayments** are fixed dollar amounts (for example, \$10) you pay for covered health care, usually when you receive the service.
- **Coinsurance** is *your* share of the costs of a covered service, calculated as a percent of the **allowed amount** for the service. For example, if the plan's **allowed amount** for an overnight hospital stay is \$1,000, your **coinsurance** payment of 20% would be \$200. This may change if you haven't met your **deductible**.
- The amount the plan pays for covered services is based on the **allowed amount**. If an out-of-network **provider** charges more than the **allowed amount**, you may have to pay the difference. For example, if an out-of-network hospital charges \$1,500 for an overnight stay and the **allowed amount** is \$1,000, you may have to pay the \$500 difference. (This is called **balance billing**.)
- This plan may encourage you to use participating **providers** by charging you lower **deductibles**, **copayments** and **coinsurance** amounts.

Common Medical Event	Services You May Need	Your Cost If You Use a Participating Provider	Your Cost If You Use a Non-Participating Provider	Limitations & Exceptions
If you visit a health care <b>provider's</b> office or clinic	Primary care visit to treat an injury or illness	\$30 copay/visit	40% coinsurance	
	Specialist visit	\$30 copay/visit	40% coinsurance	
	Other practitioner office visit	\$30 copay/visit	40% coinsurance	
	Preventive care/screening/immunization	No charge	Not covered	Not covered for non-BCBSM
If you have a test	Diagnostic test (x-ray, blood work)	20% coinsurance	40% coinsurance	Payment increases for non-BCBSM
	Imaging (CT/PET scans, MRIs)	20% coinsurance	40% coinsurance	Payment increases for non-BCBSM
If you need drugs to treat your illness or condition  More information about <b>prescription drug coverage</b> is available at <a href="http://www.bcbsm.com">www.bcbsm.com</a>	Generic drugs	\$15 copay	\$15 copay + 25%	Covers up to a 30-day supply (retail prescription); 31-90 day supply (mail order prescription) 2x copay
	Preferred brand drugs	\$30 copay	\$30 copay + 25%	Covers up to a 30-day supply (retail prescription); 31-90 day supply (mail order prescription) 2x copay
	Non-preferred brand drugs	\$60 copay	\$60 copay + 25%	Covers up to a 30-day supply (retail prescription); 31-90 day supply (mail order prescription) 2x copay
	Specialty drugs	\$60 copay	Not covered	Covers up to a 30-day supply (retail prescription); 31-90 day supply (mail order prescription) 2x copay

**Questions:** Call 1-586-723-8072

If you aren't clear about any of the underlined terms used in this form, see the Glossary. You can call 1-586-723-8072 to request a copy.



# Blue Cross Blue Shield Michigan: Division 0049

Summary of Benefits and Coverage: What this Plan Covers & What it Costs

Coverage Period: 04/01/2013 – 03/31/2014

Coverage for: Covered Individuals | Plan Type: PPO

<b>If you have outpatient surgery</b>	Facility fee (e.g., ambulatory surgery center)	20% coinsurance	40% coinsurance	Payment increases for non-BCBSM
	Physician/surgeon fees	20% coinsurance	40% coinsurance	Payment increases for non-BCBSM
<b>If you need immediate medical attention</b>	Emergency room services	\$150 copay/visit	\$150 copay/visit	Waived if admitted to hospital
	Emergency medical transportation	20% coinsurance	40% coinsurance	Payment increases for non-BCBSM
	Urgent care	\$30 copay/visit	40% coinsurance	Payment increases for non-BCBSM
<b>If you have a hospital stay</b>	Facility fee (e.g., hospital room)	20% coinsurance	40% coinsurance	Payment increases for non-BCBSM
	Physician/surgeon fee	20% coinsurance	40% coinsurance	Payment increases for non-BCBSM
<b>If you have mental health, behavioral health, or substance abuse needs</b>	Mental/Behavioral health outpatient services	20% coinsurance	40% coinsurance	Payment increases for non-BCBSM
	Mental/Behavioral health inpatient services	20% coinsurance	40% coinsurance	Payment increases for non-BCBSM
	Substance use disorder outpatient services	20% coinsurance	40% coinsurance	Payment increases for non-BCBSM
	Substance use disorder inpatient services	20% coinsurance	40% coinsurance	Payment increases for non-BCBSM
<b>If you are pregnant</b>	Prenatal and postnatal care	100% covered	40% coinsurance	Payment increases for non-BCBSM
	Delivery and all inpatient services	20% coinsurance	40% coinsurance	Payment increases for non-BCBSM
<b>If you need help recovering or have other special health needs</b>	Home health care	20% coinsurance	20% coinsurance	Payment increases for non-BCBSM
	Rehabilitation services	20% coinsurance	40% coinsurance	60 visits per calendar year
	Habilitation services	20% coinsurance	40% coinsurance	Payment increases for non-BCBSM
	Skilled nursing care	20% coinsurance	20% coinsurance	120 days per calendar year
	Durable medical equipment	20% coinsurance	20% coinsurance	
	Hospice service	100% covered	100% covered	Four 90-day periods
<b>If your child needs dental or eye care</b>	Eye exam	Not covered	Not Covered	
	Glasses	Not covered	Not Covered	
	Dental check-up	Not covered	Not Covered	

**Questions:** Call 1-586-723-8072

If you aren't clear about any of the underlined terms used in this form, see the Glossary. You can call 1-586-723-8072 to request a copy.

## Excluded Services & Other Covered Services:

### Services Your Plan Does NOT Cover (This isn't a complete list. Check your policy or plan document for other excluded services.)

- Cosmetic surgery
- Long-term care
- Routine eye care (Adult)
- Certain Experimental Medicine
- Non-emergency care when traveling outside the U.S.
- Elective procedures that are not medically necessary

### Other Covered Services (This isn't a complete list. Check your policy or plan document for other covered services and your costs for these services.)

- Organ transplants
- Chiropractic care
- Voluntary sterilization

**Questions:** Call 1-586-723-8072

If you aren't clear about any of the underlined terms used in this form, see the Glossary. You can call 1-586-723-8072 to request a copy.

### Your Rights to Continue Coverage:

#### \*\* Individual health insurance sample –

Federal and State laws may provide protections that allow you to keep this health insurance coverage as long as you pay your **premium**. There are exceptions, however, such as if:

- You commit fraud
- The insurer stops offering services in the State
- You move outside the coverage area

For more information on your rights to continue coverage, contact the insurer at [contact number]. You may also contact your state insurance department at [insert applicable State Department of Insurance contact information].

#### \*\* Group health coverage sample –

If you lose coverage under the plan, then, depending upon the circumstances, Federal and State laws may provide protections that allow you to keep health coverage. Any such rights may be limited in duration and will require you to pay a **premium**, which may be significantly higher than the premium you pay while covered under the plan. Other limitations on your rights to continue coverage may also apply.

OR

For more information on your rights to continue coverage, contact the plan at [contact number]. You may also contact your state insurance department, the U.S. Department of Labor, Employee Benefits Security Administration at 1-866-444-3272 or [www.dol.gov/ebsa](http://www.dol.gov/ebsa), or the U.S. Department of Health and Human Services at 1-877-267-2323 x61565 or [www.cciio.cms.gov](http://www.cciio.cms.gov).

### Your Grievance and Appeals Rights:

If you have a complaint or are dissatisfied with a denial of coverage for claims under your plan, you may be able to appeal or file a grievance. For questions about your rights, this notice, or assistance, you can contact: [insert applicable contact information from instructions].

*To see examples of how this plan might cover costs for a sample medical situation, see the next page.*

**Questions:** Call 1-586-723-8072

If you aren't clear about any of the underlined terms used in this form, see the Glossary. You can call 1-586-723-8072 to request a copy.

### About these Coverage Examples:

These examples show how this plan might cover medical care in given situations. Use these examples to see, in general, how much financial protection a sample patient might get if they are covered under different plans.



**This is not a cost estimator.**

Don't use these examples to estimate your actual costs under this plan. The actual care you receive will be different from these examples, and the cost of that care will also be different.

See the next page for important information about these examples.

#### Having a baby (normal delivery)

- Amount owed to providers: \$7,540
- Plan pays \$4,935
- Patient pays \$2,605

##### Sample care costs:

Hospital charges (mother)	\$2,700
Routine obstetric care	\$2,100
Hospital charges (baby)	\$900
Anesthesia	\$900
Laboratory tests	\$500
Prescriptions	\$200
Radiology	\$200
Vaccines, other preventive	\$40
<b>Total</b>	<b>\$7,540</b>

##### Patient pays:

Deductibles	\$1,900
Copays	\$45
Coinsurance	\$660
Limits or exclusions	\$0
<b>Total</b>	<b>\$2,605</b>

#### Managing type 2 diabetes (routine maintenance of a well-controlled condition)

- Amount owed to providers: \$5,400
- Plan pays \$3,545
- Patient pays \$1,855

##### Sample care costs:

Prescriptions	\$2,900
Medical Equipment and Supplies	\$1,300
Office Visits and Procedures	\$700
Education	\$300
Laboratory tests	\$100
Vaccines, other preventive	\$100
<b>Total</b>	<b>\$5,400</b>

##### Patient pays:

Deductibles	\$1,000
Copays	\$775
Coinsurance	\$80
Limits or exclusions	\$0
<b>Total</b>	<b>\$1,855</b>

Note: These numbers assume the patient is filling scripts at a participating pharmacy.

**Questions:** Call 1-586-723-8072

If you aren't clear about any of the underlined terms used in this form, see the Glossary. You can call 1-586-723-8072 to request a copy.

## Questions and answers about the Coverage Examples:

### What are some of the assumptions behind the Coverage Examples?

- Costs don't include premiums.
- Sample care costs are based on national averages supplied by the U.S. Department of Health and Human Services, and aren't specific to a particular geographic area or health plan.
- The patient's condition was not an excluded or preexisting condition.
- All services and treatments started and ended in the same coverage period.
- There are no other medical expenses for any member covered under this plan.
- Out-of-pocket expenses are based only on treating the condition in the example.
- The patient received all care from in-network providers. If the patient had received care from out-of-network providers, costs would have been higher.

### What does a Coverage Example show?

For each treatment situation, the Coverage Example helps you see how deductibles, copayments, and coinsurance can add up. It also helps you see what expenses might be left up to you to pay because the service or treatment isn't covered or payment is limited.

### Does the Coverage Example predict my own care needs?

✗ **No.** Treatments shown are just examples. The care you would receive for this condition could be different based on your doctor's advice, your age, how serious your condition is, and many other factors.

### Does the Coverage Example predict my future expenses?

✗ **No.** Coverage Examples are not cost estimators. You can't use the examples to estimate costs for an actual condition. They are for comparative purposes only. Your own costs will be different depending on the care you receive, the prices your

providers charge, and the reimbursement your health plan allows.

### Can I use Coverage Examples to compare plans?

✓ **Yes.** When you look at the Summary of Benefits and Coverage for other plans, you'll find the same Coverage Examples. When you compare plans, check the "Patient Pays" box in each example. The smaller that number, the more coverage the plan provides.

### Are there other costs I should consider when comparing plans?

✓ **Yes.** An important cost is the premium you pay. Generally, the lower your premium, the more you'll pay in out-of-pocket costs, such as copayments, deductibles, and coinsurance. You should also consider contributions to accounts such as health savings accounts (HSAs), flexible spending arrangements (FSAs) or health reimbursement accounts (HRAs) that help you pay out-of-pocket expenses.

**Questions:** Call 1-586-723-8072

If you aren't clear about any of the underlined terms used in this form, see the Glossary. You can call 1-586-723-8072 to request a copy.



**This is only a summary.** If you want more detail about your coverage and costs, you can get the complete terms in the policy or plan document by calling Human Resources at 1-586-723-8072

Important Questions	Answers	Why this Matters:
What is the overall <u>deductible</u> ?	<b>\$500</b> person / <b>\$1,000</b> family Doesn't apply to preventive care	You must pay all the costs up to the <u>deductible</u> amount before this plan begins to pay for covered services you use. Check your policy or plan document to see when the <u>deductible</u> starts over (usually, but not always, January 1st). See the chart starting on page 2 for how much you pay for covered services after you meet the <u>deductible</u> .
Are there other <u>deductibles</u> for specific services?	There are deductibles for services received by out-of-network providers. <b>\$1,000</b> person / <b>\$2,000</b> family	You must pay all of the costs for these services up to the specific <u>deductible</u> amount before this plan begins to pay for these services.
Is there an <u>out-of-pocket limit</u> on my expenses?	Yes. <b>\$2,000</b> person / <b>\$4,000</b> family for services received by in-network providers.	The <u>out-of-pocket limit</u> is the most you could pay during a coverage period (usually one year) for your share of the cost of covered services. This limit helps you plan for health care expenses. Higher out-of-pocket limits exist for services received by out-of-network providers.
What is not included in the <u>out-of-pocket limit</u> ?	Premiums, balance-billed charges, and health care this plan doesn't cover.	Even though you pay these expenses, they don't count toward the <u>out-of-pocket limit</u> .
Is there an overall annual limit on what the plan pays?	No.	The chart starting on page 2 describes any limits on what the plan will pay for <i>specific</i> covered services, such as office visits.
Does this plan use a <u>network of providers</u> ?	Yes. See <a href="http://www.bcbsm.com">www.bcbsm.com</a> for a list of participating providers.	If you use an in-network doctor or other health care <u>provider</u> , this plan will pay some or all of the costs of covered services. Be aware, your in-network doctor or hospital may use an out-of-network <u>provider</u> for some services. Plans use the term in-network, <u>preferred</u> , or participating for <u>providers</u> in their <u>network</u> . See the chart starting on page 2 for how this plan pays different kinds of <u>providers</u> .
Do I need a referral to see a <u>specialist</u> ?	No. You don't need a referral to see a specialist.	You can see the <u>specialist</u> you choose without permission from this plan.
Are there services this plan doesn't cover?	Yes.	Some of the services this plan doesn't cover are listed on page 4. See your policy or plan document for additional information about <u>excluded services</u> .

Questions: Call 1-586-723-8072

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- **Copayments** are fixed dollar amounts (for example, \$10) you pay for covered health care, usually when you receive the service.
- **Coinsurance** is *your* share of the costs of a covered service, calculated as a percent of the **allowed amount** for the service. For example, if the plan's **allowed amount** for an overnight hospital stay is \$1,000, your **coinsurance** payment of 20% would be \$200. This may change if you haven't met your **deductible**.
- The amount the plan pays for covered services is based on the **allowed amount**. If an out-of-network **provider** charges more than the **allowed amount**, you may have to pay the difference. For example, if an out-of-network hospital charges \$1,500 for an overnight stay and the **allowed amount** is \$1,000, you may have to pay the \$500 difference. (This is called **balance billing**.)
- This plan may encourage you to use participating **providers** by charging you lower **deductibles**, **copayments** and **coinsurance** amounts.

Common Medical Event	Services You May Need	Your Cost If You Use a Participating Provider	Your Cost If You Use a Non-Participating Provider	Limitations & Exceptions
If you visit a health care <b>provider's</b> office or clinic	Primary care visit to treat an injury or illness	\$20 copay/visit	40% coinsurance	
	Specialist visit	\$20 copay/visit	40% coinsurance	
	Other practitioner office visit	\$20 copay/visit	40% coinsurance	
	Preventive care/screening/immunization	No charge	Not covered	Not covered for non-BCBSM
If you have a test	Diagnostic test (x-ray, blood work)	20% coinsurance	40% coinsurance	Payment increases for non-BCBSM
	Imaging (CT/PET scans, MRIs)	20% coinsurance	40% coinsurance	Payment increases for non-BCBSM
If you need drugs to treat your illness or condition  More information about <b>prescription drug coverage</b> is available at <a href="http://www.bcbsm.com">www.bcbsm.com</a>	Generic drugs	\$15 copay	\$15 copay + 25%	Covers up to a 30-day supply (retail prescription); 31-90 day supply (mail order prescription) 2x copay
	Preferred brand drugs	\$30 copay	\$30 copay + 25%	Covers up to a 30-day supply (retail prescription); 31-90 day supply (mail order prescription) 2x copay
	Non-preferred brand drugs	\$60 copay	\$60 copay + 25%	Covers up to a 30-day supply (retail prescription); 31-90 day supply (mail order prescription) 2x copay
	Specialty drugs	\$60 copay	Not covered	Covers up to a 30-day supply (retail prescription); 31-90 day supply (mail order prescription) 2x copay

**Questions:** Call 1-586-723-8072

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# Blue Cross Blue Shield Michigan: Division 0048

Summary of Benefits and Coverage: What this Plan Covers & What it Costs

Coverage Period: 04/01/2013 – 03/31/2014

Coverage for: Covered Individuals | Plan Type: PPO

<b>If you have outpatient surgery</b>	Facility fee (e.g., ambulatory surgery center)	20% coinsurance	40% coinsurance	Payment increases for non-BCBSM
	Physician/surgeon fees	20% coinsurance	40% coinsurance	Payment increases for non-BCBSM
<b>If you need immediate medical attention</b>	Emergency room services	\$100 copay/visit	\$100 copay/visit	Waived if admitted to hospital
	Emergency medical transportation	20% coinsurance	40% coinsurance	Payment increases for non-BCBSM
	Urgent care	\$20 copay/visit	40% coinsurance	Payment increases for non-BCBSM
<b>If you have a hospital stay</b>	Facility fee (e.g., hospital room)	20% coinsurance	40% coinsurance	Payment increases for non-BCBSM
	Physician/surgeon fee	20% coinsurance	40% coinsurance	Payment increases for non-BCBSM
<b>If you have mental health, behavioral health, or substance abuse needs</b>	Mental/Behavioral health outpatient services	20% coinsurance	40% coinsurance	Payment increases for non-BCBSM
	Mental/Behavioral health inpatient services	20% coinsurance	40% coinsurance	Payment increases for non-BCBSM
	Substance use disorder outpatient services	20% coinsurance	40% coinsurance	Payment increases for non-BCBSM
	Substance use disorder inpatient services	20% coinsurance	40% coinsurance	Payment increases for non-BCBSM
<b>If you are pregnant</b>	Prenatal and postnatal care	100% covered	40% coinsurance	Payment increases for non-BCBSM
	Delivery and all inpatient services	20% coinsurance	40% coinsurance	Payment increases for non-BCBSM
<b>If you need help recovering or have other special health needs</b>	Home health care	20% coinsurance	20% coinsurance	Payment increases for non-BCBSM
	Rehabilitation services	20% coinsurance	40% coinsurance	60 visits per calendar year
	Habilitation services	20% coinsurance	40% coinsurance	Payment increases for non-BCBSM
	Skilled nursing care	20% coinsurance	20% coinsurance	120 days per calendar year
	Durable medical equipment	20% coinsurance	20% coinsurance	
	Hospice service	100% covered	100% covered	Four 90-day periods
<b>If your child needs dental or eye care</b>	Eye exam	Not covered	Not Covered	
	Glasses	Not covered	Not Covered	
	Dental check-up	Not covered	Not Covered	

**Questions:** Call 1-586-723-8072

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## Excluded Services & Other Covered Services:

### Services Your Plan Does NOT Cover (This isn't a complete list. Check your policy or plan document for other excluded services.)

- Cosmetic surgery
- Long-term care
- Routine eye care (Adult)
- Certain Experimental Medicine
- Non-emergency care when traveling outside the U.S.
- Elective procedures that are not medically necessary

### Other Covered Services (This isn't a complete list. Check your policy or plan document for other covered services and your costs for these services.)

- Organ transplants
- Chiropractic care
- Voluntary sterilization

**Questions:** Call 1-586-723-8072

If you aren't clear about any of the underlined terms used in this form, see the Glossary. You can call 1-586-723-8072 to request a copy.

### Your Rights to Continue Coverage:

#### \*\* Individual health insurance sample –

Federal and State laws may provide protections that allow you to keep this health insurance coverage as long as you pay your **premium**. There are exceptions, however, such as if:

- You commit fraud
- The insurer stops offering services in the State
- You move outside the coverage area

For more information on your rights to continue coverage, contact the insurer at [contact number]. You may also contact your state insurance department at [insert applicable State Department of Insurance contact information].

#### \*\* Group health coverage sample –

If you lose coverage under the plan, then, depending upon the circumstances, Federal and State laws may provide protections that allow you to keep health coverage. Any such rights may be limited in duration and will require you to pay a **premium**, which may be significantly higher than the premium you pay while covered under the plan. Other limitations on your rights to continue coverage may also apply.

OR

For more information on your rights to continue coverage, contact the plan at [contact number]. You may also contact your state insurance department, the U.S. Department of Labor, Employee Benefits Security Administration at 1-866-444-3272 or [www.dol.gov/ebsa](http://www.dol.gov/ebsa), or the U.S. Department of Health and Human Services at 1-877-267-2323 x61565 or [www.cciio.cms.gov](http://www.cciio.cms.gov).

### Your Grievance and Appeals Rights:

If you have a complaint or are dissatisfied with a denial of coverage for claims under your plan, you may be able to **appeal** or file a **grievance**. For questions about your rights, this notice, or assistance, you can contact: [insert applicable contact information from instructions].

*To see examples of how this plan might cover costs for a sample medical situation, see the next page.*

**Questions:** Call 1-586-723-8072

If you aren't clear about any of the underlined terms used in this form, see the Glossary. You can call 1-586-723-8072 to request a copy.

### About these Coverage Examples:

These examples show how this plan might cover medical care in given situations. Use these examples to see, in general, how much financial protection a sample patient might get if they are covered under different plans.



**This is not a cost estimator.**

Don't use these examples to estimate your actual costs under this plan. The actual care you receive will be different from these examples, and the cost of that care will also be different.

See the next page for important information about these examples.

#### Having a baby (normal delivery)

- Amount owed to providers: \$7,540
- Plan pays \$6,550
- Patient pays \$1,845

##### Sample care costs:

Hospital charges (mother)	\$2,700
Routine obstetric care	\$2,100
Hospital charges (baby)	\$900
Anesthesia	\$900
Laboratory tests	\$500
Prescriptions	\$200
Radiology	\$200
Vaccines, other preventive	\$40
<b>Total</b>	<b>\$7,540</b>

##### Patient pays:

Deductibles	\$1,000
Copays	\$45
Coinsurance	\$800
Limits or exclusions	\$0
<b>Total</b>	<b>\$1,845</b>

#### Managing type 2 diabetes (routine maintenance of a well-controlled condition)

- Amount owed to providers: \$5,400
- Plan pays \$3,945
- Patient pays \$1,455

##### Sample care costs:

Prescriptions	\$2,900
Medical Equipment and Supplies	\$1,300
Office Visits and Procedures	\$700
Education	\$300
Laboratory tests	\$100
Vaccines, other preventive	\$100
<b>Total</b>	<b>\$5,400</b>

##### Patient pays:

Deductibles	\$500
Copays	\$775
Coinsurance	\$180
Limits or exclusions	\$0
<b>Total</b>	<b>\$1,455</b>

Note: These numbers assume the patient is filling scripts at a participating pharmacy.

**Questions:** Call 1-586-723-8072

If you aren't clear about any of the underlined terms used in this form, see the Glossary. You can call 1-586-723-8072 to request a copy.

## Questions and answers about the Coverage Examples:

### What are some of the assumptions behind the Coverage Examples?

- Costs don't include premiums.
- Sample care costs are based on national averages supplied by the U.S. Department of Health and Human Services, and aren't specific to a particular geographic area or health plan.
- The patient's condition was not an excluded or preexisting condition.
- All services and treatments started and ended in the same coverage period.
- There are no other medical expenses for any member covered under this plan.
- Out-of-pocket expenses are based only on treating the condition in the example.
- The patient received all care from in-network providers. If the patient had received care from out-of-network providers, costs would have been higher.

### What does a Coverage Example show?

For each treatment situation, the Coverage Example helps you see how deductibles, copayments, and coinsurance can add up. It also helps you see what expenses might be left up to you to pay because the service or treatment isn't covered or payment is limited.

### Does the Coverage Example predict my own care needs?

✗ **No.** Treatments shown are just examples. The care you would receive for this condition could be different based on your doctor's advice, your age, how serious your condition is, and many other factors.

### Does the Coverage Example predict my future expenses?

✗ **No.** Coverage Examples are not cost estimators. You can't use the examples to estimate costs for an actual condition. They are for comparative purposes only. Your own costs will be different depending on the care you receive, the prices your

providers charge, and the reimbursement your health plan allows.

### Can I use Coverage Examples to compare plans?

✓ **Yes.** When you look at the Summary of Benefits and Coverage for other plans, you'll find the same Coverage Examples. When you compare plans, check the "Patient Pays" box in each example. The smaller that number, the more coverage the plan provides.

### Are there other costs I should consider when comparing plans?

✓ **Yes.** An important cost is the premium you pay. Generally, the lower your premium, the more you'll pay in out-of-pocket costs, such as copayments, deductibles, and coinsurance. You should also consider contributions to accounts such as health savings accounts (HSAs), flexible spending arrangements (FSAs) or health reimbursement accounts (HRAs) that help you pay out-of-pocket expenses.

**Questions:** Call 1-586-723-8072

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**This is only a summary.** If you want more detail about your coverage and costs, you can get the complete terms in the policy or plan document by calling Human Resources at 1-586-723-8072

Important Questions	Answers	Why this Matters:
What is the overall <u>deductible</u> ?	<b>\$250</b> person / <b>\$500</b> family Doesn't apply to preventive care	You must pay all the costs up to the <u>deductible</u> amount before this plan begins to pay for covered services you use. Check your policy or plan document to see when the <u>deductible</u> starts over (usually, but not always, January 1st). See the chart starting on page 2 for how much you pay for covered services after you meet the <u>deductible</u> .
Are there other <u>deductibles</u> for specific services?	There are deductibles for services received by out-of-network providers. <b>\$500</b> person / <b>\$1,000</b> family	You must pay all of the costs for these services up to the specific <u>deductible</u> amount before this plan begins to pay for these services.
Is there an <u>out-of-pocket limit</u> on my expenses?	Yes. <b>\$750</b> person / <b>\$1,500</b> family for services received by in-network providers.	The <u>out-of-pocket limit</u> is the most you could pay during a coverage period (usually one year) for your share of the cost of covered services. This limit helps you plan for health care expenses. Higher out-of-pocket limits exist for services received by out-of-network providers.
What is not included in the <u>out-of-pocket limit</u> ?	Premiums, balance-billed charges, and health care this plan doesn't cover.	Even though you pay these expenses, they don't count toward the <u>out-of-pocket limit</u> .
Is there an overall annual limit on what the plan pays?	No.	The chart starting on page 2 describes any limits on what the plan will pay for <i>specific</i> covered services, such as office visits.
Does this plan use a <u>network of providers</u> ?	Yes. See <a href="http://www.bcbsm.com">www.bcbsm.com</a> for a list of participating providers.	If you use an in-network doctor or other health care <u>provider</u> , this plan will pay some or all of the costs of covered services. Be aware, your in-network doctor or hospital may use an out-of-network <u>provider</u> for some services. Plans use the term in-network, <u>preferred</u> , or participating for <u>providers</u> in their <u>network</u> . See the chart starting on page 2 for how this plan pays different kinds of <u>providers</u> .
Do I need a referral to see a <u>specialist</u> ?	No. You don't need a referral to see a specialist.	You can see the <u>specialist</u> you choose without permission from this plan.
Are there services this plan doesn't cover?	Yes.	Some of the services this plan doesn't cover are listed on page 4. See your policy or plan document for additional information about <u>excluded services</u> .

**Questions:** Call 1-586-723-8072

If you aren't clear about any of the underlined terms used in this form, see the Glossary. You can call 1-586-723-8072 to request a copy.



- **Copayments** are fixed dollar amounts (for example, \$10) you pay for covered health care, usually when you receive the service.
- **Coinsurance** is *your* share of the costs of a covered service, calculated as a percent of the **allowed amount** for the service. For example, if the plan's **allowed amount** for an overnight hospital stay is \$1,000, your **coinsurance** payment of 20% would be \$200. This may change if you haven't met your **deductible**.
- The amount the plan pays for covered services is based on the **allowed amount**. If an out-of-network **provider** charges more than the **allowed amount**, you may have to pay the difference. For example, if an out-of-network hospital charges \$1,500 for an overnight stay and the **allowed amount** is \$1,000, you may have to pay the \$500 difference. (This is called **balance billing**.)
- This plan may encourage you to use participating **providers** by charging you lower **deductibles**, **copayments** and **coinsurance** amounts.

Common Medical Event	Services You May Need	Your Cost If You Use a Participating Provider	Your Cost If You Use a Non-Participating Provider	Limitations & Exceptions
If you visit a health care <b>provider's</b> office or clinic	Primary care visit to treat an injury or illness	\$10 copay/visit	40% coinsurance	
	Specialist visit	\$10 copay/visit	40% coinsurance	
	Other practitioner office visit	\$10 copay/visit	40% coinsurance	
	Preventive care/screening/immunization	No charge	Not covered	Not covered for non-BCBSM
If you have a test	Diagnostic test (x-ray, blood work)	10% coinsurance	40% coinsurance	Payment increases for non-BCBSM
	Imaging (CT/PET scans, MRIs)	10% coinsurance	40% coinsurance	Payment increases for non-BCBSM
If you need drugs to treat your illness or condition  More information about <b>prescription drug coverage</b> is available at <a href="http://www.bcbsm.com">www.bcbsm.com</a>	Generic drugs	\$15 copay	\$15 copay + 25%	Covers up to a 30-day supply (retail prescription); 31-90 day supply (mail order prescription)
	Preferred brand drugs	\$30 copay	\$30 copay + 25%	Covers up to a 30-day supply (retail prescription); 31-90 day supply (mail order prescription)
	Non-preferred brand drugs	\$30 copay	\$30 copay + 25%	Covers up to a 30-day supply (retail prescription); 31-90 day supply (mail order prescription)
	Specialty drugs	\$30 copay	Not covered	Covers up to a 30-day supply (retail prescription); 31-90 day supply (mail order prescription)

**Questions:** Call 1-586-723-8072

If you aren't clear about any of the underlined terms used in this form, see the Glossary. You can call 1-586-723-8072 to request a copy.

# Blue Cross Blue Shield Michigan: Division 0019

Summary of Benefits and Coverage: What this Plan Covers & What it Costs

Coverage Period: 04/01/2013 – 03/31/2014

Coverage for: Covered Individuals | Plan Type: PPO

<b>If you have outpatient surgery</b>	Facility fee (e.g., ambulatory surgery center)	10% coinsurance	20% coinsurance	Payment increases for non-BCBSM
	Physician/surgeon fees	10% coinsurance	20% coinsurance	Payment increases for non-BCBSM
<b>If you need immediate medical attention</b>	Emergency room services	\$50 copay/visit	\$50 copay/visit	Waived if admitted to hospital
	Emergency medical transportation	10% coinsurance	40% coinsurance	Payment increases for non-BCBSM
	Urgent care	\$10 copay/visit	40% coinsurance	Payment increases for non-BCBSM
<b>If you have a hospital stay</b>	Facility fee (e.g., hospital room)	10% coinsurance	40% coinsurance	Payment increases for non-BCBSM
	Physician/surgeon fee	10% coinsurance	40% coinsurance	Payment increases for non-BCBSM
<b>If you have mental health, behavioral health, or substance abuse needs</b>	Mental/Behavioral health outpatient services	10% coinsurance	40% coinsurance	Payment increases for non-BCBSM
	Mental/Behavioral health inpatient services	10% coinsurance	40% coinsurance	Payment increases for non-BCBSM
	Substance use disorder outpatient services	10% coinsurance	40% coinsurance	Payment increases for non-BCBSM
	Substance use disorder inpatient services	10% coinsurance	40% coinsurance	Payment increases for non-BCBSM
<b>If you are pregnant</b>	Prenatal and postnatal care	100% covered	40% coinsurance	Payment increases for non-BCBSM
	Delivery and all inpatient services	10% coinsurance	40% coinsurance	Payment increases for non-BCBSM
<b>If you need help recovering or have other special health needs</b>	Home health care	10% coinsurance	10% coinsurance	Payment increases for non-BCBSM
	Rehabilitation services	10% coinsurance	40% coinsurance	60 visits per calendar year
	Habilitation services	10% coinsurance	40% coinsurance	Payment increases for non-BCBSM
	Skilled nursing care	10% coinsurance	10% coinsurance	120 days per calendar year
	Durable medical equipment	10% coinsurance	10% coinsurance	
	Hospice service	100% covered	100% covered	Four 90-day periods
<b>If your child needs dental or eye care</b>	Eye exam	Not covered	Not Covered	
	Glasses	Not covered	Not Covered	
	Dental check-up	Not covered	Not Covered	

**Questions:** Call 1-586-723-8072

If you aren't clear about any of the underlined terms used in this form, see the Glossary. You can call 1-586-723-8072 to request a copy.

## Excluded Services & Other Covered Services:

### Services Your Plan Does NOT Cover (This isn't a complete list. Check your policy or plan document for other excluded services.)

- Cosmetic surgery
- Long-term care
- Routine eye care (Adult)
- Certain Experimental Medicine
- Non-emergency care when traveling outside the U.S.
- Elective procedures that are not medically necessary

### Other Covered Services (This isn't a complete list. Check your policy or plan document for other covered services and your costs for these services.)

- Organ transplants
- Chiropractic care
- Voluntary sterilization

**Questions:** Call 1-586-723-8072

If you aren't clear about any of the underlined terms used in this form, see the Glossary. You can call 1-586-723-8072 to request a copy.



### Your Rights to Continue Coverage:

#### \*\* Individual health insurance sample –

Federal and State laws may provide protections that allow you to keep this health insurance coverage as long as you pay your **premium**. There are exceptions, however, such as if:

- You commit fraud
- The insurer stops offering services in the State
- You move outside the coverage area

For more information on your rights to continue coverage, contact the insurer at [contact number]. You may also contact your state insurance department at [insert applicable State Department of Insurance contact information].

#### \*\* Group health coverage sample –

If you lose coverage under the plan, then, depending upon the circumstances, Federal and State laws may provide protections that allow you to keep health coverage. Any such rights may be limited in duration and will require you to pay a **premium**, which may be significantly higher than the premium you pay while covered under the plan. Other limitations on your rights to continue coverage may also apply.

OR

For more information on your rights to continue coverage, contact the plan at [contact number]. You may also contact your state insurance department, the U.S. Department of Labor, Employee Benefits Security Administration at 1-866-444-3272 or [www.dol.gov/ebsa](http://www.dol.gov/ebsa), or the U.S. Department of Health and Human Services at 1-877-267-2323 x61565 or [www.cciio.cms.gov](http://www.cciio.cms.gov).

### Your Grievance and Appeals Rights:

If you have a complaint or are dissatisfied with a denial of coverage for claims under your plan, you may be able to appeal or file a grievance. For questions about your rights, this notice, or assistance, you can contact: [insert applicable contact information from instructions].

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*To see examples of how this plan might cover costs for a sample medical situation, see the next page.*

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**Questions:** Call 1-586-723-8072

If you aren't clear about any of the underlined terms used in this form, see the Glossary. You can call 1-586-723-8072 to request a copy.

### About these Coverage Examples:

These examples show how this plan might cover medical care in given situations. Use these examples to see, in general, how much financial protection a sample patient might get if they are covered under different plans.



**This is not a cost estimator.**

Don't use these examples to estimate your actual costs under this plan. The actual care you receive will be different from these examples, and the cost of that care will also be different.

See the next page for important information about these examples.

#### Having a baby (normal delivery)

- Amount owed to providers: \$7,540
- Plan pays \$6,550
- Patient pays \$990

##### Sample care costs:

Hospital charges (mother)	\$2,700
Routine obstetric care	\$2,100
Hospital charges (baby)	\$900
Anesthesia	\$900
Laboratory tests	\$500
Prescriptions	\$200
Radiology	\$200
Vaccines, other preventive	\$40
<b>Total</b>	<b>\$7,540</b>

##### Patient pays:

Deductibles	\$500
Copays	\$45
Coinsurance	\$445
Limits or exclusions	\$0
<b>Total</b>	<b>\$990</b>

#### Managing type 2 diabetes (routine maintenance of a well-controlled condition)

- Amount owed to providers: \$5,400
- Plan pays \$4,260
- Patient pays \$1,140

##### Sample care costs:

Prescriptions	\$2,900
Medical Equipment and Supplies	\$1,300
Office Visits and Procedures	\$700
Education	\$300
Laboratory tests	\$100
Vaccines, other preventive	\$100
<b>Total</b>	<b>\$5,400</b>

##### Patient pays:

Deductibles	\$250
Copays	\$775
Coinsurance	\$115
Limits or exclusions	\$0
<b>Total</b>	<b>\$1,140</b>

Note: These numbers assume the patient is filling scripts at a participating pharmacy.

**Questions:** Call 1-586-723-8072

If you aren't clear about any of the underlined terms used in this form, see the Glossary. You can call 1-586-723-8072 to request a copy.

## Questions and answers about the Coverage Examples:

### What are some of the assumptions behind the Coverage Examples?

- Costs don't include premiums.
- Sample care costs are based on national averages supplied by the U.S. Department of Health and Human Services, and aren't specific to a particular geographic area or health plan.
- The patient's condition was not an excluded or preexisting condition.
- All services and treatments started and ended in the same coverage period.
- There are no other medical expenses for any member covered under this plan.
- Out-of-pocket expenses are based only on treating the condition in the example.
- The patient received all care from in-network providers. If the patient had received care from out-of-network providers, costs would have been higher.

### What does a Coverage Example show?

For each treatment situation, the Coverage Example helps you see how deductibles, copayments, and coinsurance can add up. It also helps you see what expenses might be left up to you to pay because the service or treatment isn't covered or payment is limited.

### Does the Coverage Example predict my own care needs?

✗ **No.** Treatments shown are just examples. The care you would receive for this condition could be different based on your doctor's advice, your age, how serious your condition is, and many other factors.

### Does the Coverage Example predict my future expenses?

✗ **No.** Coverage Examples are not cost estimators. You can't use the examples to estimate costs for an actual condition. They are for comparative purposes only. Your own costs will be different depending on the care you receive, the prices your

providers charge, and the reimbursement your health plan allows.

### Can I use Coverage Examples to compare plans?

✓ **Yes.** When you look at the Summary of Benefits and Coverage for other plans, you'll find the same Coverage Examples. When you compare plans, check the "Patient Pays" box in each example. The smaller that number, the more coverage the plan provides.

### Are there other costs I should consider when comparing plans?

✓ **Yes.** An important cost is the premium you pay. Generally, the lower your premium, the more you'll pay in out-of-pocket costs, such as copayments, deductibles, and coinsurance. You should also consider contributions to accounts such as health savings accounts (HSAs), flexible spending arrangements (FSAs) or health reimbursement accounts (HRAs) that help you pay out-of-pocket expenses.

**Questions:** Call 1-586-723-8072

If you aren't clear about any of the underlined terms used in this form, see the Glossary. You can call 1-586-723-8072 to request a copy.



**This is only a summary.** If you want more detail about your coverage and costs, you can get the complete terms in the policy or plan document by calling Human Resources at 1-586-723-8072

Important Questions	Answers	Why this Matters:
What is the overall <u>deductible</u> ?	<b>\$250</b> person / <b>\$500</b> family Doesn't apply to preventive care	You must pay all the costs up to the <u>deductible</u> amount before this plan begins to pay for covered services you use. Check your policy or plan document to see when the <u>deductible</u> starts over (usually, but not always, January 1st). See the chart starting on page 2 for how much you pay for covered services after you meet the <u>deductible</u> .
Are there other <u>deductibles</u> for specific services?	There are deductibles for services received by out-of-network providers. <b>\$500</b> person / <b>\$1,000</b> family	You must pay all of the costs for these services up to the specific <u>deductible</u> amount before this plan begins to pay for these services.
Is there an <u>out-of-pocket limit</u> on my expenses?	Yes. <b>\$750</b> person / <b>\$1,500</b> family for services received by in-network providers.	The <u>out-of-pocket limit</u> is the most you could pay during a coverage period (usually one year) for your share of the cost of covered services. This limit helps you plan for health care expenses. Higher out-of-pocket limits exist for services received by out-of-network providers.
What is not included in the <u>out-of-pocket limit</u> ?	Premiums, balance-billed charges, and health care this plan doesn't cover.	Even though you pay these expenses, they don't count toward the <u>out-of-pocket limit</u> .
Is there an overall annual limit on what the plan pays?	No.	The chart starting on page 2 describes any limits on what the plan will pay for <i>specific</i> covered services, such as office visits.
Does this plan use a <u>network of providers</u> ?	Yes. See <a href="http://www.bcbsm.com">www.bcbsm.com</a> for a list of participating providers.	If you use an in-network doctor or other health care <u>provider</u> , this plan will pay some or all of the costs of covered services. Be aware, your in-network doctor or hospital may use an out-of-network <u>provider</u> for some services. Plans use the term in-network, <u>preferred</u> , or participating for <u>providers</u> in their <u>network</u> . See the chart starting on page 2 for how this plan pays different kinds of <u>providers</u> .
Do I need a referral to see a <u>specialist</u> ?	No. You don't need a referral to see a specialist.	You can see the <u>specialist</u> you choose without permission from this plan.
Are there services this plan doesn't cover?	Yes.	Some of the services this plan doesn't cover are listed on page 4. See your policy or plan document for additional information about <u>excluded services</u> .

**Questions:** Call 1-586-723-8072

If you aren't clear about any of the underlined terms used in this form, see the Glossary. You can call 1-586-723-8072 to request a copy.



- **Copayments** are fixed dollar amounts (for example, \$10) you pay for covered health care, usually when you receive the service.
- **Coinsurance** is *your* share of the costs of a covered service, calculated as a percent of the **allowed amount** for the service. For example, if the plan's **allowed amount** for an overnight hospital stay is \$1,000, your **coinsurance** payment of 20% would be \$200. This may change if you haven't met your **deductible**.
- The amount the plan pays for covered services is based on the **allowed amount**. If an out-of-network **provider** charges more than the **allowed amount**, you may have to pay the difference. For example, if an out-of-network hospital charges \$1,500 for an overnight stay and the **allowed amount** is \$1,000, you may have to pay the \$500 difference. (This is called **balance billing**.)
- This plan may encourage you to use participating **providers** by charging you lower **deductibles**, **copayments** and **coinsurance** amounts.

Common Medical Event	Services You May Need	Your Cost If You Use a Participating Provider	Your Cost If You Use a Non-Participating Provider	Limitations & Exceptions
If you visit a health care <b>provider's</b> office or clinic	Primary care visit to treat an injury or illness	\$20 copay/visit	40% coinsurance	
	Specialist visit	\$20 copay/visit	40% coinsurance	
	Other practitioner office visit	\$20 copay/visit	40% coinsurance	
	Preventive care/screening/immunization	No charge	Not covered	Not covered for non-BCBSM
If you have a test	Diagnostic test (x-ray, blood work)	10% coinsurance	40% coinsurance	Payment increases for non-BCBSM
	Imaging (CT/PET scans, MRIs)	10% coinsurance	40% coinsurance	Payment increases for non-BCBSM
If you need drugs to treat your illness or condition  More information about <b>prescription drug coverage</b> is available at <a href="http://www.bcbsm.com">www.bcbsm.com</a>	Generic drugs	\$7 copay	\$7 copay + 25%	Covers up to a 30-day supply (retail prescription); 2x copay for 31-90 day supply (mail order prescription)
	Preferred brand drugs	\$35 copay	\$35 copay + 25%	Covers up to a 30-day supply (retail prescription); 2x copay for 31-90 day supply (mail order prescription)
	Non-preferred brand drugs	\$70 copay	\$70 copay + 25%	Covers up to a 30-day supply (retail prescription); 2x copay for 31-90 day supply (mail order prescription)
	Specialty drugs	\$70 copay	Not covered	Covers up to a 30-day supply (retail prescription); 2x copay for 31-90 day supply (mail order prescription)

**Questions:** Call 1-586-723-8072

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# Blue Cross Blue Shield Michigan: Division 0050

Summary of Benefits and Coverage: What this Plan Covers & What it Costs

Coverage Period: 04/01/2013 – 03/31/2014

Coverage for: Covered Individuals | Plan Type: PPO

<b>If you have outpatient surgery</b>	Facility fee (e.g., ambulatory surgery center)	10% coinsurance	40% coinsurance	Payment increases for non-BCBSM
	Physician/surgeon fees	10% coinsurance	40% coinsurance	Payment increases for non-BCBSM
<b>If you need immediate medical attention</b>	Emergency room services	\$50 copay/visit	\$50 copay/visit	Waived if admitted to hospital
	Emergency medical transportation	10% coinsurance	40% coinsurance	Payment increases for non-BCBSM
	Urgent care	\$10 copay/visit	40% coinsurance	Payment increases for non-BCBSM
<b>If you have a hospital stay</b>	Facility fee (e.g., hospital room)	10% coinsurance	40% coinsurance	Payment increases for non-BCBSM
	Physician/surgeon fee	10% coinsurance	40% coinsurance	Payment increases for non-BCBSM
<b>If you have mental health, behavioral health, or substance abuse needs</b>	Mental/Behavioral health outpatient services	10% coinsurance	40% coinsurance	Payment increases for non-BCBSM
	Mental/Behavioral health inpatient services	10% coinsurance	40% coinsurance	Payment increases for non-BCBSM
	Substance use disorder outpatient services	10% coinsurance	40% coinsurance	Payment increases for non-BCBSM
	Substance use disorder inpatient services	10% coinsurance	40% coinsurance	Payment increases for non-BCBSM
<b>If you are pregnant</b>	Prenatal and postnatal care	100% covered	40% coinsurance	Payment increases for non-BCBSM
	Delivery and all inpatient services	10% coinsurance	40% coinsurance	Payment increases for non-BCBSM
<b>If you need help recovering or have other special health needs</b>	Home health care	10% coinsurance	10% coinsurance	Payment increases for non-BCBSM
	Rehabilitation services	10% coinsurance	40% coinsurance	60 visits per calendar year
	Habilitation services	10% coinsurance	40% coinsurance	Payment increases for non-BCBSM
	Skilled nursing care	10% coinsurance	10% coinsurance	120 days per calendar year
	Durable medical equipment	10% coinsurance	10% coinsurance	
	Hospice service	100% covered	100% covered	Four 90-day periods
<b>If your child needs dental or eye care</b>	Eye exam	Not covered	Not Covered	
	Glasses	Not covered	Not Covered	
	Dental check-up	Not covered	Not Covered	

**Questions:** Call 1-586-723-8072

If you aren't clear about any of the underlined terms used in this form, see the Glossary. You can call 1-586-723-8072 to request a copy.

## Excluded Services & Other Covered Services:

### Services Your Plan Does NOT Cover (This isn't a complete list. Check your policy or plan document for other excluded services.)

- Cosmetic surgery
- Long-term care
- Routine eye care (Adult)
- Certain Experimental Medicine
- Non-emergency care when traveling outside the U.S.
- Elective procedures that are not medically necessary

### Other Covered Services (This isn't a complete list. Check your policy or plan document for other covered services and your costs for these services.)

- Organ transplants
- Chiropractic care
- Voluntary sterilization

**Questions:** Call 1-586-723-8072

If you aren't clear about any of the underlined terms used in this form, see the Glossary. You can call 1-586-723-8072 to request a copy.

### Your Rights to Continue Coverage:

#### \*\* Individual health insurance sample –

Federal and State laws may provide protections that allow you to keep this health insurance coverage as long as you pay your **premium**. There are exceptions, however, such as if:

- You commit fraud
- The insurer stops offering services in the State
- You move outside the coverage area

For more information on your rights to continue coverage, contact the insurer at [contact number]. You may also contact your state insurance department at [insert applicable State Department of Insurance contact information].

#### \*\* Group health coverage sample –

If you lose coverage under the plan, then, depending upon the circumstances, Federal and State laws may provide protections that allow you to keep health coverage. Any such rights may be limited in duration and will require you to pay a **premium**, which may be significantly higher than the premium you pay while covered under the plan. Other limitations on your rights to continue coverage may also apply.

OR

For more information on your rights to continue coverage, contact the plan at [contact number]. You may also contact your state insurance department, the U.S. Department of Labor, Employee Benefits Security Administration at 1-866-444-3272 or [www.dol.gov/ebsa](http://www.dol.gov/ebsa), or the U.S. Department of Health and Human Services at 1-877-267-2323 x61565 or [www.cciio.cms.gov](http://www.cciio.cms.gov).

### Your Grievance and Appeals Rights:

If you have a complaint or are dissatisfied with a denial of coverage for claims under your plan, you may be able to **appeal** or file a **grievance**. For questions about your rights, this notice, or assistance, you can contact: [insert applicable contact information from instructions].

*To see examples of how this plan might cover costs for a sample medical situation, see the next page.*

**Questions:** Call 1-586-723-8072

If you aren't clear about any of the underlined terms used in this form, see the Glossary. You can call 1-586-723-8072 to request a copy.



### About these Coverage Examples:

These examples show how this plan might cover medical care in given situations. Use these examples to see, in general, how much financial protection a sample patient might get if they are covered under different plans.



**This is not a cost estimator.**

Don't use these examples to estimate your actual costs under this plan. The actual care you receive will be different from these examples, and the cost of that care will also be different.

See the next page for important information about these examples.

#### Having a baby (normal delivery)

- Amount owed to providers: \$7,540
- Plan pays \$6,374
- Patient pays \$1,166

##### Sample care costs:

Hospital charges (mother)	\$2,700
Routine obstetric care	\$2,100
Hospital charges (baby)	\$900
Anesthesia	\$900
Laboratory tests	\$500
Prescriptions	\$200
Radiology	\$200
Vaccines, other preventive	\$40
<b>Total</b>	<b>\$7,540</b>

##### Patient pays:

Deductibles	\$500
Copays	\$21
Coinsurance	\$645
Limits or exclusions	\$0
<b>Total</b>	<b>\$1,166</b>

#### Managing type 2 diabetes (routine maintenance of a well-controlled condition)

- Amount owed to providers: \$5,400
- Plan pays \$4,300
- Patient pays \$1,100

##### Sample care costs:

Prescriptions	\$2,900
Medical Equipment and Supplies	\$1,300
Office Visits and Procedures	\$700
Education	\$300
Laboratory tests	\$100
Vaccines, other preventive	\$100
<b>Total</b>	<b>\$5,400</b>

##### Patient pays:

Deductibles	\$250
Copays	\$735
Coinsurance	\$115
Limits or exclusions	\$0
<b>Total</b>	<b>\$1,100</b>

Note: These numbers assume the patient is filling scripts at a participating pharmacy.

**Questions:** Call 1-586-723-8072

If you aren't clear about any of the underlined terms used in this form, see the Glossary. You can call 1-586-723-8072 to request a copy.

## Questions and answers about the Coverage Examples:

### What are some of the assumptions behind the Coverage Examples?

- Costs don't include premiums.
- Sample care costs are based on national averages supplied by the U.S. Department of Health and Human Services, and aren't specific to a particular geographic area or health plan.
- The patient's condition was not an excluded or preexisting condition.
- All services and treatments started and ended in the same coverage period.
- There are no other medical expenses for any member covered under this plan.
- Out-of-pocket expenses are based only on treating the condition in the example.
- The patient received all care from in-network providers. If the patient had received care from out-of-network providers, costs would have been higher.

### What does a Coverage Example show?

For each treatment situation, the Coverage Example helps you see how deductibles, copayments, and coinsurance can add up. It also helps you see what expenses might be left up to you to pay because the service or treatment isn't covered or payment is limited.

### Does the Coverage Example predict my own care needs?

✗ **No.** Treatments shown are just examples. The care you would receive for this condition could be different based on your doctor's advice, your age, how serious your condition is, and many other factors.

### Does the Coverage Example predict my future expenses?

✗ **No.** Coverage Examples are not cost estimators. You can't use the examples to estimate costs for an actual condition. They are for comparative purposes only. Your own costs will be different depending on the care you receive, the prices your

providers charge, and the reimbursement your health plan allows.

### Can I use Coverage Examples to compare plans?

✓ **Yes.** When you look at the Summary of Benefits and Coverage for other plans, you'll find the same Coverage Examples. When you compare plans, check the "Patient Pays" box in each example. The smaller that number, the more coverage the plan provides.

### Are there other costs I should consider when comparing plans?

✓ **Yes.** An important cost is the premium you pay. Generally, the lower your premium, the more you'll pay in out-of-pocket costs, such as copayments, deductibles, and coinsurance. You should also consider contributions to accounts such as health savings accounts (HSAs), flexible spending arrangements (FSAs) or health reimbursement accounts (HRAs) that help you pay out-of-pocket expenses.

**Questions:** Call 1-586-723-8072

If you aren't clear about any of the underlined terms used in this form, see the Glossary. You can call 1-586-723-8072 to request a copy.

## Delta Dental PPO (Point-of-Service) Summary of Dental Plan Benefits For Group# 7280-0016 Township of Clinton

This Summary of Dental Plan Benefits should be read in conjunction with your Dental Care Certificate. Your Dental Care Certificate will provide you with additional information about your Delta Dental plan, including information about plan exclusions and limitations. The percentages below will be applied to the lesser of the dentist's submitted fee and Delta Dental's allowance for each service. Delta Dental's allowance may vary by the dentist's network participation. PLEASE NOTE - If you choose a Nonparticipating Dentist, you will be responsible for any difference between the amount Delta Dental allows and the amount the Nonparticipating Dentist charges, in addition to any Copayment or Deductible.

**Control Plan** – Delta Dental of Michigan

**Benefit Year** – April 1 through March 31

**Covered Services -**

	PPO Dentist	Premier Dentist	Non-participating Dentist
	Plan Pays	Plan Pays	Plan Pays*
<b>Diagnostic &amp; Preventive</b>			
<b>Diagnostic and Preventive Services</b> - includes exams, cleanings, fluoride, and space maintainers	100%	65%	65%
<b>Emergency Palliative Treatment</b> - to temporarily relieve pain	100%	65%	65%
<b>Brush Biopsy</b> - to detect oral cancer	100%	65%	65%
<b>Radiographs</b> - X-rays	100%	65%	65%
<b>Basic Services</b>			
<b>Minor Restorative Services</b> - fillings and crown repair	80%	65%	65%
<b>Endodontic Services</b> - root canals	80%	65%	65%
<b>Periodontic Services</b> - to treat gum disease	80%	65%	65%
<b>Oral Surgery Services</b> - extractions and dental surgery	80%	65%	65%
<b>Other Basic Services</b> - misc. services	80%	65%	65%
<b>Relines and Repairs</b> - to bridges and dentures	80%	65%	65%
<b>Major Restorative Services</b> - crowns	75%	60%	60%
<b>Major Services</b>			
<b>Prosthodontic Services</b> - includes bridges, implants, and dentures	60%	60%	60%
<b>Orthodontic Services</b>			
<b>Orthodontic Services</b> - includes braces	60%	60%	60%
<b>Orthodontic Age Limit</b> -	Up to age 19	Up to age 19	Up to age 19

\* When you receive services from a Nonparticipating Dentist, the percentages in this column indicate the portion of Delta Dental's Nonparticipating Dentist Fee that will be paid for those services. This Nonparticipating Dentist Fee may be less than what your dentist charges, which means that you will be responsible for the difference.

- Oral exams (including evaluations by a specialist) are payable twice in any period of 12 consecutive months.
- Prophylaxes (cleanings) are payable twice in any period of 12 consecutive months.
- Fluoride treatments are payable twice in any period of 12 consecutive months for people up to age 19.
- Bitewing X-rays are payable once in any period of 12 consecutive months and full mouth X-rays (which include bitewing X-rays) are payable once in any five-year period.
- Composite resin (white) restorations are optional treatment on posterior teeth.

- Porcelain crowns are optional treatment on posterior teeth.
- Implants and implant related services are payable once per tooth in any five-year period.
- People with certain high-risk medical conditions may be eligible for additional prophylaxes (cleanings) or fluoride treatment. The patient should talk with his or her dentist about treatment.

Having Delta Dental coverage makes it easy for our enrollees to get dental care almost everywhere in the world! You can now receive expert dental care when you are outside of the United States through our Passport Dental program. This program gives you access to a worldwide network of dentists and dental clinics. English-speaking operators are available around the clock to answer questions and help you schedule care. For more information, check our Web site or contact your benefits representative to get a copy of our Passport Dental information sheet.

**Maximum Payment** – \$1,500 per person total per benefit year on all services except orthodontics. \$1,500 per person total per lifetime on orthodontic services.

**Deductible** – None.

**Waiting Period** – Employees who are eligible for dental benefits are covered on the first of the month following the date of hire.

**Eligible People** – All Mid-Management and UAW Technical Office Professionals, DPW employees, Professional Water Workers, Supervisory Personnel and Non-Union employees, Property Appraisers, Building Inspectors and Dispatchers of the Contractor and COBRA (Consolidated Omnibus Budget Reconciliation Act of 1985) enrollees, if applicable. The Contractor pays the full cost of this plan.

Also eligible are your legal spouse and your children under age 26, including your children who are married, who no longer live with you, who are not your dependents for Federal income tax purposes, and/or who are not permanently disabled.

If you and your spouse are both eligible under this Contract, you may be enrolled as both a Subscriber on your own application card and as a dependent on your spouse's application card. Your dependent children may be enrolled on both application cards as well. Delta Dental will coordinate benefits.

Benefits will cease on the last day of the month in which the employee is terminated.