

AGREEMENT BETWEEN

**THE CHARTER TOWNSHIP OF WATERFORD
5200 CIVIC CENTER DRIVE
WATERFORD, MICHIGAN 48329**

AND THE

**WATERFORD PROFESSIONAL
FIREFIGHTERS ASSOCIATION
LOCAL 1335 OF THE
INTERNATIONAL ASSOCIATION
OF FIREFIGHTERS**

JANUARY 1, 2022 to DECEMBER 31, 2025

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COLLECTIVE BARGAINING AGREEMENT

This agreement entered into between the CHARTER TOWNSHIP OF WATERFORD, MICHIGAN, a Michigan Charter Township, hereinafter called the "Township" and LOCAL NO. 1335 of the INTERNATIONAL ASSOCIATION OF FIREFIGHTERS, hereinafter called the "Union".

WITNESSETH

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

ARTICLE 1 - PURPOSE AND DEFINITIONS

SECTION 1 - PURPOSE

The parties hereto have entered into this Agreement pursuant to the authority of Act 379 of the Public Acts of 1965, as amended, to incorporate understandings previously reached and other matters into a formal contract; to promote harmonious relations between the Township and the Union, in the best interest of the community; to improve the public firefighting services; and to provide an orderly and equitable means of resolving future difference between the parties.

SECTION 2 - DEFINITIONS

"Township" shall mean the Charter Township of Waterford, Michigan. "Union" shall mean Local No. 1335 of the International Association of Firefighters and its affiliates.

"Employees" shall mean the uniformed employees of the Fire Department except for the Chief and Deputy Chief.

"Kelly Day" shall mean the 24 consecutive hour time off duty in each six day period, or effective 1/1/02 "Kelly Days" shall mean the middle 48 hours of the 96 hour off duty in each nine day period of engaging in firefighting or being subject to the hazards thereof as required by Act 125, Public Acts of 1925, as amended, to reduce the average work week to 53 hours.

"Kelly" shall refer to the 96 consecutive hours off, of his/her 9-day work cycle.

Whenever the singular is used, it shall include the plural.

ARTICLE II - COVERAGE

This Agreement shall be applicable to the employees of the Fire Department of the Township except the Chief and the Deputy Chief.

ARTICLE III - RECOGNITION

The Township of Waterford recognized Local 1335 Waterford Township Professional Firefighters, affiliated with the AFL-CIO through the International Association of Firefighters and affiliated with the Michigan State Firefighters Union, as the sole representatives of its members, covered by this agreement for the purpose of collective bargaining with respect to wages, hours, working conditions, and other conditions of employment. It shall be the joint concern of the Township and the Union that no discrimination will be exercised against any Fire Department employee because of individual bias, race, creed, organizational activity, or membership in any specific group. The provisions of this working agreement shall apply to Fire Department employees.

ARTICLE IV - DUES AND DEDUCTIONS

SECTION 1 - GENERAL

The Township shall deduct, as dues, from the pay of each employee from whom it receives an authorization to do so, the required amount for the payment of union dues, fees, and assessments. Such sums, accompanied by a list of employees from whom no deductions were made and the reasons therefore shall be forwarded to the Union Treasurer within thirty (30) days after such collections have been made.

SECTION 2 - AUTHORIZATION TO DEDUCT DUES

Deductions shall be made only when the Township has received an authorization for check off of union dues, fees, and assessments properly executed by the employee.

SECTION 3 - UNAUTHORIZED DEDUCTIONS/DUPLICATE PAYMENTS

In cases where a deduction is made that duplicates a payment that an employee has already made to the Union or when a deduction is not in conformity with the provisions of the Union constitution and by-laws, a refund to the employee will be made by the Local Union.

SECTION 4 - EMPLOYER LIABILITY

The employer shall not be liable to the Union for reason of the requirements of this Agreement for the remittance or payment of any sum other than that constituting actual deductions made from wages earned by Employees. The Union will protect and save harmless the Employer from any and all claims, demands, suits, and other forms of liability by reason of action taken, or not taken, by the Employer for the purpose of complying with Article IV of this Agreement.

ARTICLE V - UNION ACTIVITIES

SECTION 1 - GENERAL

A. Employees and their Union Representatives shall have the right to join the Union, to engage in lawful concerted activities for the purpose of collective negotiation or bargaining or other mutual aid and protection, to express or communicate any view, grievance, complaint, or opinion related to the conditions or compensation of public employment or their betterment, all free from any and all restraint, interference, coercion, discrimination, or reprisal.

B. It shall be a continuing condition of employment that all employees who are members of the Union shall pay the Union's uniform dues, fees and assessments. It shall be a continuing condition of employment that all employees who are not members of the Union and who do not become and remain members of the Union and pay its' uniform dues, fees and assessments, shall, as an alternative, pay a bargaining service fee in an amount equivalent to such uniform dues fees and assessments. Employees who fail to comply with this requirement within thirty days shall be discharged by the employer.

C. The Union shall hold the Township harmless and pay to the Township 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.

SECTION 2 - RELEASE TIME

Officers and other representatives of the Union shall be afforded reasonable time during regular working hours without loss of pay to fulfill their Union responsibilities, including negotiations with the Township, processing of grievances, and administration and enforcement of this Agreement. The Union President or Secretary shall have time off without loss of pay to attend Civil Service Meetings excluding meetings which do not affect the Fire Department. If either Union Officer is off duty and available, he shall make every effort to attend the meetings.

SECTION 3 - UNION ACTIVITIES

- A. The Union Members shall be allowed no more than forty-eight (48) hours per calendar year of paid time to attend a state or international function of the Union, such as conventions or educational conferences, provided no more than two (2) employees are off at any one time.
- B. In addition to the above, in the year of the biannual state convention of the Union, any two (2) members elected to attend said state convention shall be allowed time off for a period not to exceed three (3) consecutive days without loss of time or pay for their regularly scheduled work day and/or work days to attend said convention.
- C. Employees requesting time off under this article must submit written notice to the Fire Chief fifteen (15) days in advance.

SECTION 4 - BULLETIN BOARDS

The Union shall be provided suitable bulletin space, including at least one (1) at each fire station, for the posting of Union notices or other materials. Such boards shall be identified with the name of the Union. The Union may designate persons responsible therefore. The bulletin boards shall not be used by the Union or its members for disseminating propaganda and among other things, shall not be used for posting or distributing pamphlets or other matters dealing with political matters.

SECTION 5 - MEETINGS

The Union may schedule meetings on Fire Department property, insofar as such meetings are not disruptive of the duties for the employees or the efficient operation of the Fire Department.

SECTION 6 - EMPLOYEE REPRESENTATION

An employee shall be given the opportunity to have an authorized representative of the Union present at any time the employee feels that such representation is necessary. The Union shall furnish a list to the Chief and the Director of Fiscal & Human Resources, the names of all Union Officers and Union representatives for grievance procedures and contract negotiations.

ARTICLE VI - OTHER AGREEMENTS AND ORGANIZATIONS

SECTION 1 - OTHER AGREEMENTS

The Township shall not enter into any agreements with its employees individually or collectively which in any way conflicts with the provisions hereof. The Township shall not enter into any agreements with any other organization which in any way conflicts with the provisions hereof.

SECTION 2 - OTHER ORGANIZATIONS

Employees may belong to other organizations, but such other organizations shall not represent any employee with respect to wages, hours, or conditions of employment or in derogation of the exclusive bargaining agency of this Union.

SECTION 3 - MUTUAL AID, CONSOLIDATION, MERGER OR AUTOMATIC AID

The Township will not enter into any mutual aid agreement with any other governmental unit for fire protection without written notice to the Union that such mutual aid is to be considered and an opportunity for representative of the Union to be heard by the Township Board before such agreement is approved. Any future Consolidation, Merger or Automatic Mutual Aid pact, or agreement will be negotiated with Waterford Professional Firefighters Association Local 1335 prior to implementation. In the event the parties fail to reach an agreement on the terms and conditions of a Consolidation, Merger or Automatic Mutual Aid pact, or agreement, the Union and the Township agree to submit the issue to binding arbitration pursuant to P.A. 312 of 1969 as amended.

SECTION 4 - PROBATION

- A. New hire employees shall serve a 1 year probationary period from date of hire. For any period of time that the new hire is unable for any reason to work for 30 or more consecutive calendar days, his/her probationary period will be extended for any equal period of time.
- B. Employees promoted to a higher rank shall serve a six-month probationary period from the date of promotion.

ARTICLE VII - WAGES

SECTION 1 - BASE WAGES

- A. Effective January 1, 2022 a 3% across-the-board wage increase for all positions/classifications. Full retro to 1/1/22 to be issued as soon as possible, No later than October 31, 2022.
- B. Effective January 1, 2023 a 2% across-the-board wage increase for all positions/classifications.
- C. Effective January 1, 2024 a 2% Across-the-board wage increase for all positions/classifications.
- D. Effective January 1, 2025 a 2% across-the-board wage increase for all positions/classifications.
- E. Active SAFER grant employees will be included in the retro payments.
- F. Promotional Pay shall be 50% of rank differential at promotion, full at 90 days.

The salary schedule is attached as Appendix A hereto.

SECTION 2 - LONGEVITY PAY

- A. In addition to the salary set forth in the salary schedule attached hereto as Exhibit "A", employees hired prior to January 1, 1983 shall receive ten percent (10%) of base pay as longevity pay.
- B. The longevity pay shall be paid proportionately over the regular twenty-six (26) pay periods.
- C. Those employees hired after January 1, 1983 will not be eligible for longevity pay.
- D. The Township and the Union further agree that longevity pay will never be a subject of bargaining in future negotiations.
- E. Employees hired between 1/1/83 and 12/31/89 shall receive a one-time payment of \$500. This payment shall be made within three pay periods of the date the contract is ratified by the Township Board. This paragraph shall be removed from the contract on 12/31/03.

SECTION 3 - ANNIVERSARY DATE

The anniversary date, for purposes of the Article, shall be measured by reference to the original date of appointment to the Township.

SECTION 4 - OVERTIME

Overtime is authorized time worked in excess of 22.7 hours, (eight (8) hours for forty (40) hour per week employees) beginning with the starting time of the employee's shift, except in cases where a routine and previously assigned shift change occurs and time in excess of fifty-three (53) hours per week for fifty-three (53) hour per week employees, and forty (40) hours for forty (40) hour per week employees. Authorized vacation, sick leave, and holidays shall be considered as time

worked. Employees shall work overtime when necessary and overtime on any job shall be allocated as evenly as possible among all employees qualified to do the work.

SECTION 5 - CALL BACK TIME

Employees called back outside of their hours shall be paid for the total time worked with a minimum of three (3) hours. Such pay shall be discontinued at the beginning of a regular work day. Where possible, call back time shall be evenly distributed among the employees of the department.

SECTION 6 - OVERTIME AND CALL BACK PAY

Overtime and call back pay shall be compensated at the rate of time and one-half of the employee's hourly rate of pay based on his annual salary.

SECTION 7 - POSTING OVERTIME SHEETS

Between the first and tenth of each month, the Township shall post at each fire station a departmental summary of all overtime hours worked during the preceding month by all employees. Each monthly summary of overtime hours shall be cumulative.

SECTION 8 - COMPENSATORY TIME

- A. An employee may elect to accumulate compensatory time, in lieu of monetary payment for overtime worked and shall be entitled to one and one half (1 ½) hours off with regular pay for each one (1) hour of overtime accumulated, provided however, that an employee may earn not more than one hundred forty-four (144) hours of compensatory time annually. In the final pay period in December of each year, the employee shall be paid for all unused compensatory time, except the employee may opt to carry over into the next calendar year up to a maximum of ninety-six (96) hours of unused compensatory time. Should a member choose to carry over unused compensatory time into the next calendar year, this shall not limit their ability to earn up to one hundred forty-four (144) hours of compensatory time in the next calendar year.
- B. An employee who desires to utilize the compensatory time to which he is entitled, shall make request therefore to his immediate supervisor, and said request shall be honored subject to availability of request dates as determined by department manpower needs. Due regard shall be given to seniority.
- C. In the event of death, retirement or termination, an employee's accumulated compensatory time shall be paid in case to the employee or his beneficiary.
- D. Employees shall earn compensatory time or overtime for required training that is not available or cannot be scheduled in house.

SECTION 9 - FOOD ALLOWANCE

Each bargaining unit employee will be paid \$1,800.00 food allowance annually to be effective 2022.

ARTICLE VIII - HOURS OF EMPLOYMENT

SECTION 1 - WORK SCHEDULE

- A. The standard work week of a twenty-four (24) hour employee shall be fifty-six (56) hours per week as permitted by Act No. 115 of the Public Acts of 1965 as amended. All scheduled work hours above the average fifty-three (53) hours per week will be paid as overtime.
- B. The Township has the right to modify the work schedule to include a three-platoon system of 24-hour workdays, on the following schedule; (to be agreed upon by the Union and the Chief.)
- C. The standard workweek of those in the Fire Prevention Division and those training shall be forty (40) hours per week. Forty (40) hour per week employees shall be scheduled and on duty for a full consecutive eight (8) hour block workday using the standard Township work schedule.

- D. Those employees with less than two (2) years seniority, and other employees who request training and/or educational courses approved by the Chief may be assigned to a forty (40) hour work week until the completion of the courses.

SECTION 2 - TRADING OF DAYS

Subject to department manpower requirements and the following rules, employees shall be permitted to voluntarily trade work or leave days as follows:

1. Twenty-four (24) hours notice should be given by each member who desires to trade a full day's time and said trading must be approved by the Officer in Charge in advance. The "Officer in Charge", for the purpose of granting approval under this section, shall be the Chief, Deputy Chief, or Senior Officer on duty.
2. Time due shall be paid back on demand of the member having time coming. Forty-eight (48) hours notice shall be given to the member owing time.
3. The member working in, whether for a twenty-four (24) hour period or short duration change, shall report for duty in uniform and in a condition so as to be able to perform the duties as prescribed by the Officer in Charge.
4. All changes shall be recorded in the day book at the respective station and Station One notified that the change is made by the Officer in Charge. The change shall be recorded on a ledger at Station One.
5. All changes shall be requested on a Trade Day Form supplied by the Township and then submitted to the Officer in Charge for approval.
6. If, in the judgement of the Chief or Deputy Chief, any change of time, whether full time or short duration, works as detriment to the Fire Department, they may refuse to grant permission for the change. Approval for trading of a single day or less shall not be unreasonably withheld by the Officer in Charge.
7. Five work-days will be all that any member may owe at any one time. In unusual situations, an increase in the number of trade days owed may be allowed by agreement between the Chief and the Union President.
8. No buying of time shall be permitted.

SECTION 3 - OVERTIME RULES

The following rules have been set up to govern the working of overtime by members of the Fire Department. Any discrepancies should be brought to the attention of the Chief or the Deputy Chief by the Local Union President or by his/her duly authorized representative.

1. The employee with the least amount of overtime in their Kelly/Shift Group will be called first. If he refuses, he will be charged with a refusal and the next man with the least amount of time will be called, and so on to the third man.
2. Under the 3-Platoon system, the call back procedure shall be as follows with respect to each shift;
 - A. The employee with the least amount of overtime on the overtime list who is on the 2nd or 3rd day of their 4 day Kelly shall be called first.
 - B. Next, the person that is lowest on the O/T list that is on the last day of their 4-day Kelly will be called.
 - C. Next, the person that is lowest and is the 1st day of their 4-day Kelly will be called.
 - D. If no one in the Kelly group is available, it will be allowed to the first person available.
3. No one will be called to work their Kelly Day on either end of his vacation unless the other employees in their Kelly

Group have first been called. If he/she refuses, they will not be charged with a refusal.

4. No one will be called to work a Kelly Day falling between vacation days.
5. A man working a trade day, if called, will not be charged with refusing an overtime day.
6. Partial overtime days worked will be recorded separately, by the number of hours worked. Each time an employee's overtime totals twenty-four (24) hours, he will be charged with one overtime day on the overtime list.
7. Fire Prevention Division Personnel will be allowed to work overtime in the Firefighting Division only after all available possibilities have been exhausted within the Firefighting Division.
8. The overtime schedule will run continuously.

SECTION 4 - COURT APPEARANCES

Employees subpoenaed to appear in court because of job related court cases during non-working hours will be paid time and one-half for such time spent in court. Any fees received by the employee will be turned over to the Township. Employees called back for court appearances shall be paid a minimum of three (3) hours provided:

- 1) Documentation is presented to the Chief of the court appearance with a punched-out time from the court.
- 2) The employee released by the court prior to three (3) hours shall complete the three (3) hour in a station assignment.

SECTION 5 - SENIOR DRIVER/ENGINEER AS OFFICER IN CHARGE

If the Senior Driver/Engineer at a fire station is placed in the position of "Officer in Charge of a Station" for equal to or more than eight (8) consecutive hours, except FS-4 (Fire Station 4), for each shift that he/she will be compensated with out of class pay at a rate of \$40 for each such shift. SAFER grant employees are not eligible to work as "Officer in Charge of a Station" and not eligible to receive out of class pay.

ARTICLE IX - HOLIDAYS

SECTION 1 - HOLIDAYS DEFINED

The following calendar days, or calendar days customarily celebrated in lieu thereof, shall be deemed holidays for the purposes of this Agreement:

- New Year's Day
- Washington's Birthday
- Martin Luther King's Birthday (24-hour personnel only)
- Good Friday
- Memorial Day
- Independence Day
- Labor Day
- Columbus Day (40-hour personnel only)
- Veteran's Day
- Thanksgiving Day
- Friday after Thanksgiving
- Day before Christmas
- Christmas Day
- Day before New Years

SECTION 2 - HOLIDAY PAY

- A. Each twenty-four (24) hour employee shall receive thirteen (13) days holiday pay based on his base salary divided by 115 with the dividend multiplied by six and one-half (6.5). The holiday day shall be added to the base salary on the first day of each year. If an employee's base salary changes during the year, his holiday pay shall be figured again using the above procedure and his new base salary.
- B. Forty (40) hour per week employees will have the above designated holidays off and will be paid his/her normal biweekly-weekly base salary for those holidays not worked. Any forty (40) hour employee in training at the time of the holiday, and such training requires their attendance on a designated holiday, shall make arrangements with the Fire Chief to take off work for an eight (8) hour period at some other mutually agreeable time.

ARTICLE X - VACATIONS

SECTION 1 - ELIGIBILITY AND AMOUNT

Seniority employees shall be eligible for annual vacation with pay on the following basis:

A. FIREFIGHTING DIVISION

1 year of service	Six and one-half (6 ½)
through 5 years	twenty-four (24) hour work days per year plus Kelly Days
Over 5 years of service	Nine and one-half (9 ½)
through 10 years of service	twenty-four (24) hour work days per year plus Kelly Days
Over 10 years of service	Twelve and one-half (12 ½) twenty-four (24) hour work days per year plus Kelly Days

B. FIRE PREVENTION DIVISION

1 year of service through 5 years	Thirteen (13) eight (8) hour work days per year
Over 5 years of service and through 10 years	Nineteen (19) eight (8) hour work days per year
Over 10 years of service and through 15 years	Twenty-five (25) eight (8) hour work days per year
Over 15 years of service	Twenty-nine (29) eight (8) hour work days per year

SECTION 2 - FIVE EMPLOYEES OFF

- A. Five (5) employees may be off on vacation at the same time, four (4) of which may be officers, provided that no more than two (2) command staff (Battalion Chief and Captain) shall be off on vacation at the same time. An approved vacation cannot be canceled.
- B. Additional employees off on vacation may be granted, with a standby man, at the Chief's or his designees' discretion.
- C. Probationary Employees shall not be allowed to make 1st and 2nd choice vacations

- D. A maximum of one (1) year of earned vacation may be carried over provided that at least one-half (1/2) of each year's earned vacation is used each year, and that vacation time carried over will not be entitled to seniority preference.
- E. Employees shall be allowed unlimited splitting of vacation days provided at least (1) hour at a time is taken.
- F. "Short time" vacation shall not be approved more than fifteen (15) days in advance. "Short time" vacation is defined as less than twenty-four (24) hours.
- G. An employee may turn in a request for "short time" vacation at any time, but it will not be approved until fifteen (15) days prior to the date requested. Once an employee has been approved for "short time" vacation, he/she shall not have the approval revoked. If a shift change occurs, any previously approved vacation time will be kept, for the entire period of the original approved vacation request, regardless of the number of personnel scheduled off.
- H. "Short time" vacation may be scheduled more than fifteen (15) days in advance, however, "short time" vacation is subject to being "bumped" by a twenty-four (24) hour vacation. Once a "short time" vacation has been approved after the fifteen (15) day deadline, the "short time" vacation is not subject to "bumping" by a twenty-four (24) hour vacation. An employee that has previously turned in a request for "short time" and is subsequently subject to being "bumped" by a twenty-four (24) hour vacation shall have the Right of First Refusal (ROFR) and may elect to change their "short time" vacation to a twenty-four (24) hour vacation day. An employee who "bumps" another employee or an employee that elects to use the ROFR must use the full twenty-four (24) hour period and shall not return early. Either employee retains the right to cancel the vacation day, provided the cancellation occurs at least twenty-four (24) hours in advance of the scheduled day off. An employee "bumped" under this provision shall be notified of the availability of the vacation day due to the cancellation.
- I. A waiting list shall be kept for all denied vacation requests. If a cancellation occurs, the Officer of the day shall check if the cancellation opens a vacation slot not previously available. If so, the Officer shall notify an employee previously denied the time off of the availability.

SECTION 3 - VACATION DRAW

Annual vacation will be granted to employees at the convenience of the township and must be approved in advance. Employee first and second choice vacation shall be approved and posted by the shift Battalion Chief no later than January 15th each year.

- A. Vacation Draw shall take place as follows.
 - 1) Vacation Draw for March - December picks: First and Second choice picks shall be done between January 1 and January 15. Third Choice picks may be submitted on January 16 at 0800 hours, and will be approved in order of submission.
 - 2) Vacation Drawn for January - February picks: First and Second choice picks shall be done between December 1 and December 15. Third Choice picks may be submitted on December 16 at 0800 hours, and will be approved in order of submission.
 - 3) Employees are eligible for only one (1) First Choice Vacation and one (1) Second Choice Vacation per calendar year.
- B. Employees shall pick in order of departmental seniority.
- C. First Choice shall be picked starting with the highest seniority employee and continue through to the lowest seniority employee.
- D. Second choice vacation shall be picked starting with the highest seniority employee and continue through to the lowest seniority employee.
- E. No more than six vacation days can be selected for first choice and no more than six vacation days can be selected for second choice.

- F. Written notification shall be posted by December 15th each year as to when the vacation draw dates will be.
- G. A running calendar will be kept at each station and each pick will be noted on the calendar so other employees know what days are available.
- H. Each shift shall select independently of the other. Additional vacations shall be scheduled on a first come first serve basis but shall not in any way interfere with any employee's first or second choice.

SECTION 4 - TERMINATION OF EMPLOYMENT

In the event employment is terminated prior to the anniversary date, an employee shall be deemed to have earned vacation pay in the ratio that the number of weeks from the last anniversary date bears to 52, payable forthwith, at this then prevailing daily rate, based on the whole years of completed service.

SECTION 5 - ANNIVERSARY DATE

Refer to Article VII, Section 3

SECTION 6 - DEATH

In the event of the employee's death, any unused earned vacation will be paid to the beneficiary.

SECTION 7 - VACATION PAYOUT

Between December 1 and December 15 of each year, an Employee may opt to have the Township pay for up to 48 hours of unused vacation; Payment to be made by the Township no later than December 31.

ARTICLE XI - SENIORITY

SECTION 1 - GENERAL

- A. Seniority and its application shall be governed by the provisions of Act 78, Public Acts of 1935, or Section 3 of this Article.
- B. Seniority shall be adjusted for all non-paid leaves and a single disciplinary action of five (5) days or more for twenty-four (24) hour employees, or ten (10) days or more for forty (40) hour employees.

SECTION 2 - SENIORITY LIST

The Fire Department shall establish a seniority list and it shall be brought up to date on January 1 of each year and immediately posted thereafter on the Main Fire Station bulletin board, for a period not less than 30 days and a copy of same mailed to the Secretary of the Union. Any objections to the seniority list as posted shall be handled through civil service channels and not through the grievance procedure.

SECTION 3 - APPLICATION OF SENIORITY

- A. Station assignment to be based on seniority for other than probationary employees except at the discretion of the Chief for good cause.
- B. A change in shift shall be made for good cause only.
- C. In cases of temporary changes of station assignments, the least senior employee, except those in probationary status, will be transferred before employees with great seniority.
- D. Senior employees of rank affected by an assignment shall have preference over a junior employee of the same rank, all circumstances being equal.

- E. Once every two (2) years, all Driver Engineers and Driver Engineer Paramedics shall be given the opportunity to choose their station, within their Kelly group and shift, based on their seniority. Such choices shall be subject to the Chief's final approval.

ARTICLE XII - SICK LEAVE, SHORT AND LONG TERM DISABILITY

SECTION 1 - GENERAL

Effective September 1, 2017, each employee shall accrue paid sick time, and be paid for unused sick time annually as follows:

- A. 40 Hour Employees - Initial bank of 48 hours on September 1, 2017, plus ~~three (3)~~ 3.62 hours every biweekly pay period ending after September 1, 2017. Annual payout for unused sick hours in excess of 200 hours as of September 30th, 2022 and every September 30th thereafter; payout to be applied to the last pay of October 2022 and every October thereafter.
- B. 24 Hour Employees - Initial bank of 120 hours on September 1, 2017, plus ~~4.62~~ 6.47 hours every biweekly pay period ending after September 1, 2017. Annual payout for unused sick hours in excess of 360 hours as of September 30th, 2022 and every September 30th thereafter; payout to be applied to the last pay of October 2022 and every October thereafter.
- C. Upon separation, employees will be paid for all unused hours earned as of the date of separation.
- D. Sick leave shall be defined to mean illness or incapacity to perform his/her duties.

SECTION 2 - OTHER EMPLOYEES BENEFITS

An employee on sick leave shall be deemed to be on continued employment for purposes of computing all benefits. Sick days shall be construed as days worked.

SECTION 3 - VERIFICATION

After three (3) consecutive days of absence or upon indication of sick time abuse, the employer may request reasonable verification of illness. Upon five (5) consecutive days of absence, the employee may be required to be examined by a Township selected physician at the Township's expense.

SECTION 4 - FAMILY MEDICAL LEAVE

All Family Medical Leave time must be taken as paid leave if available. Sick time shall be used if the employee has a serious health condition. In addition to the time off allowed under section one (1) above, other paid time-off including vacation, compensatory time and personal leave shall be taken to care for a family member, or because of a birth of a child, or the placement of a child with the employee for adoption or foster care. Family Medical Leave shall be based on the calendar year. Subject to the foregoing, the Township may take any action in compliance with the FMLA.

SECTION 5 - ADDITIONAL VACATION TIME

An employee who does not use sick leave in a calendar quarter will be credited with one-fourth (1/4) day (6 hours for 53 hour personnel, 2 hours for 40 hour personnel) additional vacation time for a maximum of one (1) day per year. The first calendar quarter will be January, February, March; the second April, May, June; the third July August, September, and the fourth October, November, and December.

SECTION 6 - PERSONAL LEAVE

- A. Twenty-four (24) hour employees may use up to twenty-four (24) hours personal leave time per year. Forty (40) hour employees may use up to sixteen (16) hours personal leave time per year. Personal days will not accumulate from year to year and must be requested in advance except in an emergency which must be specified.
- B. The personal leave request will not be denied provided no other employee is on personal leave at the same time. The personal leave time can be split no more than one time, with a minimum increment of four hours.

SECTION 7 - LIGHT DUTY ASSIGNMENTS

It is understood that an employee does not have the "right" to be assigned work in a light duty capacity and assignment of an employee to light duty remains at the discretion of the Employer.

Effective 01/31/08 an employee required by the Employer to work in a light duty capacity shall have the option to work his/her normal twenty-four hour shift schedule if the employee received authorization from his/her treating physician.

If an employee requests to be placed on light duty, the Employer may assign the employee to either an eight-hour or twenty-four hours work schedule if the employee received authorization from his/her treating physician.

SECTION 8 - SHORT TERM DISABILITY

The Township shall provide all employees with a Short-Term Disability insurance plan having the following features.

- A. Benefit commencing on the 1st calendar day of disability for accident, or for illness resulting in overnight hospitalization; otherwise commencing the 8th calendar day of the disability.
- B. Providing a benefit of 80% of the employee's normal base wage for the first sixty (60) calendar day; employees may choose to supplement the benefit to 100% pay by utilizing a pro rate amount of accrued paid time off to do so, or choose not to supplement; whether the employee chooses to supplement or not, the employee will continue to accrue additional sick and vacation time for the first 66 days of disability.
- C. Thereafter providing a benefit of 60% of the employee's normal wage from the 61st calendar day through the 180th calendar day; employees may choose to supplement the benefit to 100% pay utilizing a pro rate amount of accrued paid time off to do so, or may choose not to supplement; the employee may choose to supplement even if he/she chose not to supplement while previously receiving the 80% short-term disability benefit. If the employee chooses not to supplement the 60% short-term disability benefit at all, the employee will not accrue additional sick and vacation time after the first 66 days of disability. If the employee does choose to supplement the 60% short-term disability benefit, the employee will accrue additional sick and vacation time for the period supplemented.
- D. When the employee does supplement the 60% and/or the 80% short-term disability benefit, the employee is entitled to choose what accrued banks shall be utilized and where the member opts to use multiple accrued time banks to supplement, in what order those banks will be utilized. The "IAFF Short-Term Disability Supplementation Form" attached as Appendix * shall be utilized for purposes of supplementing the 60% and/or the 80% short-term disability benefit.
- E. Regardless of whether the employee chooses to supplement or not, periods during which the employee receives 80% short-term disability benefit, and periods during which the employee receives 60% short-term disability benefit, are not "non-paid leaves" so as to cause any adjustment of seniority under Article XI, Section 1.

ARTICLE XIII - LONG TERM DISABILITY

SECTION 1 - ELIGIBILITY AND BENEFITS

The Township shall provide all employees with a Long-Term Disability insurance plan covering disabilities commencing the 181st calendar day through normal social security age, at 60% of covered monthly earnings (maximum benefit \$5,000/month), and coordinating with other income benefits as set forth in the LTD insurance policy. Paid leave time cannot be used to supplement the Long-Term Disability benefit. Periods during which an employee receives the Long-Term Disability benefit is not a "non-paid leave" so as to cause any adjustment in seniority under Article XI, Section 1.

SECTION 2 - LIMITATION AND EXCLUSIONS

- A. No benefits shall be paid for any sickness or injury for which the employee is entitled to benefits under any worker compensation or occupational disease law.
- B. Benefit payment will be reduced by an amount received by the employee from any other employer paid sick and accident insurance policy, disability retirement program, regular retirement program, or social security payments.
- C. No sick or disability benefits shall be provided while an employee is laid off, discharged, retired or receiving a pension from the Township.
- D. No sick or disability benefits shall be provided for any loss caused by war or any act of war, whether declared or undeclared, or while in the service of the National Guard, or any military or naval services of any country.

SECTION 3 - OTHER BENEFITS

An employee shall continue to gain seniority while receiving benefits and also receive family medical, dental, optical and life insurance for a period of twelve (12) months from the original day of illness, injury or disability.

ARTICLE XIV - RETURN TO WORK FROM SICK LEAVE OR LIGHT DUTY

SECTION 1 - GENERAL

- A. Employees returning to work without restrictions from Sick Leave under Article XII or Long Term Disability under Article XIII shall be considered recovered from their illness or injury. Any future paid time for sick leave shall be considered a new and separate illness or injury.
- B. Clearance to return to work without restrictions shall be determined by the Township.
- C. Should the Employee dispute the Township's clearance, the employee's treating physician and the Township's designated physician shall select a 3rd Dr. who specializes in the employee's particular illness or injury to determine if the employee is fit to return to work without restrictions.
- D. Employees may dispute the Township's determination to return or not return to work without restrictions.
- E. If the 3rd Dr. determines the employee fit for duty without restrictions, contrary to the Township's physician, the employee shall be paid as if the employee worked back to the date the employee was determined fit for duty by the employees treating physician.
- F. If the 3rd Dr. determines the employee it for duty without restrictions, contrary to the employee's physician, the employee shall not be entitled to paid sick leave or long-term disability from the date the employee was determined for duty by the Township. Any time off back to the date the Township determined the employee fit for duty shall be charged to the employee's paid leave banks.
- G. An employee on Long Term Disability may supplement their benefits by using accumulated vacation, compensatory time and personal days so as to not to exceed one hundred percent (100%) of their regular weekly gross income based on the normal fifty-six (56) or forty (40) hour workweek.
- H. If the Township's physician clears an employee for light duty work, the Township may require the employee to perform bargaining unit work within the restrictions established by the Township's Physician. An employee on light duty shall be paid full pay for hours worked.
- I. Should the employee's Dr. disagree with any light duty restrictions the dispute would be resolved using the 3rd physician as described above.

- J. Any dispute concerning what constitutes "light duty bargaining unit work" shall be resolved through a special conference between the Union and the Fire Chief. Should the issue not be resolved in this conference the dispute may be grieved and resolved through arbitration under Article XXIV of the Bargaining agreement between the parties.
- K. Should an employee on light duty return to sick leave or long term disability based on the same illness or injury the employee shall be eligible for only those benefits defined by contract for "each illness or injury". The return to paid leave shall not be considered a new illness or injury.
- L. An employee who is returned to work on light duty shall have the remainder of the 60 calendar day sick leave balance frozen so that if they return to sick leave they will receive the balance of the 60 days allowed.
- M. Should a light duty employee suffer a separate illness or injury they would be eligible for sick leave for up to 60 calendar days. Any dispute as to the illness or injury being separate from the original illness would be resolved through the 3rd physician process.
- N. The Township shall pay the fee for the 3rd physician any time a 3rd physician is used in this process.

ARTICLE XV - OTHER LEAVE

SECTION 1 - LEAVE POLICIES

Leave policies are based on the assumption that the privilege of all types of leave will be extended to an employee only if he has properly carried out work assigned and has been on the job a reasonable amount of time during the year.

SECTION 2 - MILITARY LEAVE

Leave with full pay may be granted for training in one of the recognized military reserve organizations for a period not to exceed fifteen (15) consecutive calendar days per year.

SECTION 3 - JURY DUTY

Leave with full pay shall be granted for jury duty; all fees received for the aforesaid leave period shall be paid to the Township forthwith upon receipts by an employee.

SECTION 4 - FUNERAL LEAVE

Two (2) days leave may be granted an employee because of death in his immediate family. Generally any person domiciled with an employee shall be considered as a member of his immediate family. In addition, a mother, father, brother, sister, son, daughter, grandparent, aunt, uncle, grandchild, brother-in-law, sister-in-law, mother-in-law, father-in-law, or comparable relative shall be considered a member of the employee's immediate family.

SECTION 5 - PENSION BOARD MEETING ATTENDANCE

The Township will allow a member of the Union who is a member of the Waterford Township Police and Fire Pension Board to attend the annual MAPERS meetings and receive regular pay for those days of the meeting which would be regular work days.

ARTICLE XVI - EXAMINATIONS

SECTION 1 - GENERAL

The Township may, in its sole discretion and at its expense, require each employee or all employees to take an annual physical examination, including but not limited to a chest x-ray and electrocardiogram.

SECTION 2 - MEDICAL AND PSYCHOLOGICAL EXAMS

The Township, may, upon reasonable basis, require that employees submit to a psychological and medical test and examinations by a Township-appointed doctor provided, however, that the Township will pay the costs of such tests and examinations. The test and/or examination must be requested by a command officer. A "Command Officer shall be deemed to be an officer of the rank of lieutenant or higher, or a supervisor acting in the capacity of command officer in the absence of a command officer. "Reasonable Basis" is defined to mean objective, articulable, and specific facts which would support a reasonable individualized suspicion that the employee to be tested may be in need of counseling or may be impaired in his or her ability to safely and effectively perform his or her duty. Where "Reasonable Basis" is based on personal observation by a command officer, the objective facts must be articulable, and may include the person's appearance and behavior.

SECTION 3 - PROVISIONS

The Township, if possible, may but shall not be required to provide other employment for employees found unfit for fire service as a result of his physical examination. The other employment shall be, if reasonably possible, in the Fire Department in order to enable the employee to qualify for retirement under Article XXI of this Agreement.

ARTICLE XVII - INSURANCE

SECTION 1 - LIFE AND ACCIDENT

- A. The Township shall provide \$10,000.00 accidental job incurred life insurance to all seniority employees.
- B. The Township shall provide \$50,000.00 term life insurance including double indemnity and family plan as offered by the Lincoln National Life Insurance Company to all seniority employees.

SECTION 2 - MEDICAL AND HOSPITAL

- A. Health coverage shall be as follows: Eligible employees may choose, during the Township's open enrollment period, one of the following insurance plans.

Option 1: BCBS PPO 4 with \$500/\$1,000 deductible, 20% Coinsurance, \$30 Office/Urgent/Chiro, \$150 ER Copay, \$1,500 \$3,000 embedded co-insurance max \$6,600/\$13,200 annual out of pocket maximum, 10/40/80 Rx, Mail Order 2 Copays 90 days (Appendix B).

This plan is the base plan for all retirements after July 31, 2018 until Medicare coverage, at which time the Medicare supplemental plan applies (Article XVII Section 3)

Option 2: BCBS High Deductible HSA plan with \$1,350/\$2,700 deductible, no coinsurance, no copays other than Rx, \$2,250/\$4,500 annual out of pocket maximum, 10/40/80 Rx, Mail Order 2 Copays 90 days (Appendix C)

Option 3: Blue Care Network HMO with \$100/\$200 deductible, 20% Coinsurance, \$10 Office Visit Copay, \$150 ER Copay, \$35 Urgent Care Copay, \$2,000/\$4,000 annual out of pocket maximum, 10/40 Rx, Mail Order 2 Copays 90 days (Appendix D)

The coverages set forth above shall be for the eligible employees and his/her spouse and dependent children as defined by the carrier.

Benefits shall be provided by the Township for all bargaining unit employees and probationary employees. Coverage shall be effective thirty (30) days following date of hire that is closest to the 1st of the month.

- B. Active Members of the Bargaining Unit shall be required to pay all medical benefit plan costs as provided for in the health insurance rates supplied by the Township's health insurance provider, which are in excess of the annual hard cap limitations as established by the Michigan Department of Treasury. These costs shall be assessed to active members of the bargaining unit based upon the medical benefit plan cost of providing; single-person coverage, two-person coverage or family coverage to a member. These costs

shall be deducted from employees payroll check on a bi-weekly basis.

- C. Employees who have health insurance provided to them through a spouse or by other means may elect to waive coverage and received a \$2,080.00 payment. The payment shall be paid at \$80.00 per biweekly pay. Should the employee lose his/her coverage, they may rejoin the Township plan at any time. The employee may elect, at the annual open enrollment period, to receive the hospitalization coverage options or the payment in lieu of coverage.

SECTION 3 - RETIRE COVERAGE

- A. Retirees who retire under the employee's retirement plan shall have the same coverage choices as active employees, with the exception that the Base Plan shall be defined as the Traditional Blue Cross/Blue Shield MMC4 Plan.

All eligible employees retiring after December 31, 2017, will receive the base PPO healthcare benefit set forth in Article XVII Section 2 in effect at the time of their retirement subject to: Should prescription benefits change for active employees, the Township, at its discretion, may provide the same benefits to eligible retirees that are provided to active employees.

The coverage so provided will continue until such retired employee becomes eligible for Blue Cross/Blue Shield M-65 coverage or age sixty-five (65), whichever first occurs. M-65 coverage will be furnished to all retired employees who have reached age sixty-five (65) and are covered by Medicare. All such coverage will not be provided by the Township if available from another source.

- B. Employees shall be eligible for the foregoing insurance based upon length of service (including purchased Military Time), on the following basis;

Minimum of twenty-five (25) years of service - the Township shall pay 100% of the premium.

Minimum of twenty (20) years of service - the Township shall pay seventy-five (75%) of the premium.

Minimum of fifteen (15) years of service - the Township shall pay fifty (50%) of the premium.

The service requirement shall not apply to disability retirements, or retirements at, or above the age of sixty (60), except deferred retirement of voluntary separation.

SECTION 4 - WORKER'S COMPENSATION

- A. An employee who suffers injury or illness during the course of employment shall be entitled to Worker's Compensation benefits in accordance with the laws of the State of Michigan. In the event of a dispute over whether or not the injury or illness is compensable under the law, the initial determination shall be the Township's subject to the employee's right to file a petition for benefits.

During the pendency of such petition, the employee shall receive sick leave payment or other paid leave for which the employee is eligible, until such time as the dispute is resolved.

- B. For a maximum period of one (1) year from date of injury, illness, the Township shall supplement the worker's compensation payments so that the employee will receive 100% of the employee's normal net take home pay, (including mandatory overtime for 24-hour employees). The supplementary payment shall be determined by calculation of the non-taxable status of worker's compensation payments and the employee's normal Federal and State tax withholding, and FICA payments, and shall not include any other deductions.
- C. If an employee has been receiving sick pay or other paid leave benefits prior to the determination of worker's compensation eligibility, upon determination of and payment of retroactive compensation benefits, the employee shall reimburse the Township for the difference between the pay received and the pay the employee should have received under the provisions of paragraph B, above.

- D. If the disability continues beyond one (1) year and the employee is not on disability retirement, such injured or ill employee may use accumulated vacation and sick leave pay to continue the supplement the employee would have received under the provisions of paragraph B, above.
- E. During such period of job-related disability and while receiving full pay as set forth in this section, the employee shall continue to receive all other benefits the employee otherwise would be entitled to had the employee been working.

SECTION 5 - ALTERNATIVE HEALTH INSURANCE

Insurance plans may be obtained to obtain less costly insurance as long as the benefits are similar. In the event of a dispute over whether such less costly insurance provides similar benefits, the parties shall agree on a neutral third party to make such determination and that determination will be binding on the parties.

SECTION 6 - DENTAL PLAN

Effective six (6) months following their date of hire, the Township shall provide each employee, eligible spouse and children, with dental insurance providing basic services, preventative services, restorative services, oral surgery services, endodontic services, periodontic services and prosthodontics services as described in appendix E.

Retirees shall be provided with the dental insurance providing basic services, preventative services, restorative services, oral surgery services, endodontic services, periodontic services and prosthodontics services plan as described in Appendix F.

Effective 01/31/08 eligibility for retiree dental coverage shall be based on the same length of service criteria as retiree health insurance coverage established in Section 3(B) above.

SECTION 7 - HEALTH INSURANCE/DISABILITY RETIREE

The Township shall provide personnel, who have taken a job related disability retirement, and dependents, with Blue Cross/Blue Shield coverage presently provided bargaining unit members, until the job related disability retiree reaches age 55, at which time a normal retirement shall be taken, provided if the retiree obtains other employment which provides the insurance coverage or becomes eligible for other coverage, such Blue Cross/Blue Shield coverage provided by the Township shall cease. In the event this other coverage is discontinued, the Township shall re-instate its retiree coverage.

SECTION 8 - HEALTH INSURANCE/SURVING DEPENDENTS

- A. Surviving dependents of future deceased employees and surviving dependents of future retirees shall be provided with comparable medical insurance, with the exception of the dental and optical, at levels and same conditions provided active members of the Association.
- B. If the surviving dependent(s) has medical insurance available from another source, no such insurance will be provided by the Township. This benefit shall cease when the surviving spouse becomes eligible for Medicare or Medicaid, remarries, or becomes eligible to obtain coverage from another source.
- C. The spouse must provide the Township with an affidavit annually, attesting to his/her ineligibility of other medical coverage for the spouse and dependents.

SECTION 9 - FLEXABLE SPENDING ACCOUNTS/HEALTH REIMBURSEMENT ARRANGEMENT

The Township shall establish Flexible Spending Accounts (FSA's) and Health Savings Accounts (HAS's) as governed by IRS regulations. The FSA and HSA program year shall be from August 1 through July 31. For FSA's, upon completion of the program year, all funds remaining in either the medical or dependent FSA accounts shall revert to the Township to cover program costs as specified under IRS regulations, provided however that Employees shall be allowed to carry over unspent FSA funds into the next program year up to the maximum permitted by the IRS.

SECTION 10 - LIABILITY AND PROPERTY DAMAGE INSURANCE

- A. The Township of Waterford does further agree to provide false arrest, liability and property damage insurance covering all claims or suits, costs, losses and expenses arising out of the actions and conduct of Fire Fighters, during the course of or in the performance of their duties as Fire Fighters, in such amounts and from such insurance carriers or sources of equal coverage as the Township Board may from time to time determine. The choices of carriers and amounts of coverage are exclusively reserved to the Township and shall not be subject to the grievance procedure.

SECTION 11 - LANGUAGE FOR HEALTH CARE REFORM

- A. The Township will comply with all of the provisions of the Patients Protection and Affordable Care Act [Public Law 111-148 of the 111th Congress, 42 U.S.C. 18001] or any actions taken in repealing or modifying the statute. As such, Health Insurance Plans may be subject to change in order to remain in compliance with same and avoid penalties.
- B. The Township or the Union may reopen the Collective Bargaining Agreement to address repeal of the Patient Protection and Affordable Care Act, changes in federal healthcare law or actions taken by the State legislature regarding retiree healthcare issues; provided, however, that neither party shall propose changes in insurance plans that would take effect prior to the end of the then-current insurance contract year.

SECTION 12 - GROUP LTD INSURANCE POLICY

All members shall continue to be covered by the Standard Insurance Company Group Long Term Disability Insurance Policy No. 154370-A, or a replacement policy providing equal or greater benefits.

SECTION 13 - VISION INSURANCE

Effective no later than September 1, 2022, the Township shall provide to the bargaining unit employees the same vision insurance benefit that is provided to other Township employees.

ARTICLE XVIII - UNIFORM ALLOWANCE

SECTION 1 - FIREFIGHTING EQUIPMENT

The Township shall provide all firefighting equipment required for employees.

SECTION 2 - WORK UNIFORMS

The Township shall provide each employee with work uniforms.

These uniforms shall be replaced as needed at Township expense.

ARTICLE XIX - TUITION REIMBURSEMENT

The Township shall reimburse a seniority employee for costs of tuition and books under the following terms and conditions:

1. All courses must be approved in advance by the Chief
2. An employee must be enrolled in an educational program leading to an appropriate degree or to improve professional competence in the fire service.
3. An employee must satisfactorily complete the course with a "C" average or better (or the equivalent of a "C" average if a numerical grading system is used).

4. Reimbursement will be made upon submission of evidence of satisfactory completion of each course to the Township.
5. Attendance at classes shall not at any time interfere with the normal work shift of an employee.
6. All future jobs, schools, or special positions (i.e. arson investigation, paramedic training) will be posted and all local members interested, be allowed to apply for the position. Those members with the most seniority being considered first.
7. Tuition and book reimbursement is limited to a Bachelor's Degree level of work.
8. Probationary employees are eligible for reimbursement only when required by the Twp. to take such studies.
9. The employee shall repay the Township for any tuition reimbursement received from the Township if the employee's employment with the Township is voluntarily terminated or is terminated as a result of employee discipline. Reimbursement shall be in accordance with the following schedule:

TERMINATION PRIOR TO END OF YEAR

REIMBURSEMENT

1	100%
2	75%
3	50%
4	25%

ARTICLE XX - MAINTENANCE OF CONDITIONS

SECTION 1 - GENERAL

Customary and usual wages, hours, and conditions of employment in effect, subject to Article XXV, Section 1, at the execution of this Agreement shall, except as revised herein, be maintained during the term of this Agreement.

SECTION 2 - UNILATERAL CHANGES PROHIBITED

Neither the Township nor the Union will make any unilateral changes in wages, hours, or conditions of employment during the term of this Agreement, either contrary to the provisions of this Agreement or otherwise.

SECTION 3 - SUPERSESION AUTHORITY

This Agreement shall supersede any rules and regulations inconsistent herewith, except Public Act 78 of 1035 or any other laws of the State of Michigan. Insofar as any provision of the Agreement shall conflict with any ordinance or resolution of the Township, appropriate Township amendatory, or other action shall be taken to render such ordinance or resolution compatible with this Agreement.

ARTLE XXI - WORKING RULES

SECTION 1 - GENERAL

The governing body of the Fire Department shall adopt rules for the operation of the department and the conduct of its employees, provided such rules do not conflict with any of the provisions of this Agreement and are not contrary to existing law, or the best interest of the people of Waterford.

SECTION 2 - DISCIPLINE AND DISCHARGE

Disciplinary matters shall be subject to grievance and arbitration procedures contained in this Agreement, and as provided in State Civil Service, Public Act 78 of 1935.

SECTION 3 - HOUSE DUTIES

An employee shall not be required to perform duties of a heavy maintenance nature or duties which would normally require the service of a carpenter, plumber, electrician, or painter. An employee shall not be required to wash walls more than once per calendar year. An employee shall not be required to shovel snow from driveways.

SECTION 4 - DISCIPLINARY ACTION FOR HOUSE RULES

Disciplinary action for violation of house duties shall be as follows:

- | | |
|---------------------|---|
| ...First Offense - | Verbal Warning |
| ...Second Offense - | Written Warning to the employee with a copy to the Union |
| ...Third Offense - | Disciplinary action in accordance with grievance procedure contained in the Agreement and as is provided in State Civil Service Act being Public Act 78 or 1935 as amended. |

ARTICLE XXII - ABSENTEEISM

Injustice and in fairness to the Township and the taxpayers, all employees shall be required to report to work on time, shall not leave the job early, shall be prompt in reporting to their assigned duties and shall faithfully perform their duties.

ARTICLE XXIII - RETIREMENT

SECTION 1 - GENERAL

A pension plan for all firefighters in the unit will be provided under the terms of Act 345 of Public Acts of 1937 as amended by the parties.

SECTION 2 - ANNUITY WITHDRAWAL

Effective January 1, 1987 firefighters in the bargaining unit shall have available to them, in addition to the retirement options already in place, an annuity withdrawal option as follows:

- A. Definitions: The annuity withdrawal is the option that allows members to withdraw their accumulated contributions, (with interest), at retirement and thereby forfeit the portion of their retirement allowance which was financed by their contributions.
- B. Application: A member wishing to elect this option must make written application to the Act 345 Pension Board no later than one hundred twenty (120) days prior to the effective date of his retirement.
- C. Waiver of Notice: The Pension Board shall issue the members annuity payment within thirty (30) days of the date of the member's retirement. The one hundred twenty (120) day notice may be waived at the sole discretion of the Pension board, however; under no circumstances can it be increased.
- D. Computation of annuity: The parties agree that the Bloomberg Barclay's Government/Credit Index will be used for the purpose of computing the annuity withdrawal option. The most current index prior to the member's retirement date shall be used. This option is only available for normal service retirement. A member who elects the annuity withdrawal option shall have his annual pension reduced accordingly as determined by the Pension Board Actuaries.
- E. Upon retirement, an employee electing annuity withdrawal, may delay actual withdrawal for a period of one (1) year after retirement; provided, however, the election to withdraw shall be made at the time of retirement as required above and no interest shall accrue on amounts not withdrawn at the time of retirement, and the benefit level shall be determined and paid as though the annuity portion had been withdrawn at the time of retirement. The Township shall have no liability in respect to any taxes imposed on employee for such withdrawal.

SECTION 3 - FINAL AVERAGE COMPENSATION

For purposes of computing retirement benefits, Final Average Compensation shall be determined based on either of the following two options at the employee's election:

1. The last three (3) consecutive years of employment from the date of retirement, or
2. Any three (3) of the last ten (10) calendar years of employment prior to retirement.

Final Average Compensation shall include base wages, longevity pay, holiday pay and overtime pay. For purposes of calculation of annual compensation, any retroactive payments shall be considered part of the compensation in the year earned, and not necessarily in the year paid.

SECTION 4 - 2.5 MULTIPLIER

All employees in the bargaining unit, the pension multiplier used to compute the annual pension shall be 2.5% for all years of service up to a maximum of seventy-five (75%) percent times Final Average Compensation (FAG). The pension benefit shall not be re-computed when the employee receives Social Security payments, and the multiplier shall remain 2.50 percent of FAG.

SECTION 5 - SURVIVOR BENEFITS

Survivor benefits eligibility shall be vested at (10) years of service.

SECTION 6 - MILITARY SERVICE CREDIT

When computing a member's service credit, the member shall be given service credit for not more than five (5) years active military service to the United States Government. Payment to the retirement system shall be fifty percent (50%) of the actuarial determined township contribution rate for the year in which the purchase is elected. Service shall not be creditable if it is or would be creditable under any other Federal, State or locally publicly supported retirement system. This restriction shall not apply to those persons who have or will have required retirement eligibility under the Federal Government for service in the Reserves, such as a member with two (2) years of military service for the American armed forces may purchase up to two (2) years of credit. Assuming the member purchases the two (2) years military credit, the member will only have to work twenty-three (23) years to satisfy the twenty-five (25) year service requirement for normal or voluntary retirement. Any military service time purchased shall not be subject to annuity withdrawal.

SECTION 7 - TWENTY-FIVE (25) AND OUT

A member who has twenty-five (25) or more years of service, may leave the service and receive the full retirement benefits payable throughout their life as provided from their straight life (regular) pension amount.

SECTION 8 - PENSION BENEFITS/EMPLOYEES HIRED AFTER FEBRUARY 12, 2007

Employees hired after February 12, 2007 shall have pension benefits calculated based on the following formula:

2.3% multiplier for 25 years

1.5% multiplier for service beyond 25 years

Normal Retirement eligibility at age 55 with 25 years of service or thirty years of service regardless of age or age 60 with 10 years of service

FAC based on best 3 of last 5 years

FAC includes Base + Holiday + Overtime

Pension benefit is capped at 34 years (71% of FAC)

Employees hired on or after January 1, 2012 shall not be covered by the existing Defined Benefit, Act 345, pension plan (hereinafter referred to as DB). New employees shall not be covered by the existing retiree health benefit, but shall be covered instead by the Defined Contribution pension plan (hereinafter referred to as DC) and the Retiree Health Savings Account plan (hereinafter referred to as RHSA), which shall, in combination, be funded by a Township contribution totaling 18% of the employee's base wage

1. 15% to DC and 3% to RHSA

The Township Contribution to the DC plan shall increase as follows

Effective August 1, 2022 - 16% to DC

Effective January 1, 2023 - 17% to DC

Effective January 1, 2024 - 18% to DC

A Mandatory Employee contribution of 5% on base wage to the DC plan shall be effective August 1, 2022.

Employees hired prior to ratification of the 2022-25 CBA shall continue to be immediately vested in both the DC and the RHSA plans. Employees hired after the ratification of the 2022-25 CBA shall be subject to a three (3) year vesting schedule as follows.

After 1 Year of Service: 1/3 Vested in DC and RHSA

After 2 Years of Service: 2/3 Vested in DC and RHSA

After 3 Years of Service: Fully Vested in DC and RHSA

All employees covered by the DC and RHSA shall be allowed to make such additional contributions to the DC and/or RHSA up to IRS limits. All employees covered by the DC and RHSA, if disabled for duty-related reasons, shall be entitled to Township-paid continuation of pay and benefits for up to twelve (12) consecutive months, less any worker's compensation benefits that is received by the employee, in accordance with Article XVI, Section 4. In addition, all employees covered by the DC and the RHSA are entitled to Duty Disability benefits as set forth in section 10 of Article XXIII.

SECTION 9 - DEFERRED RETIREMENT OPTION PLAN (DROP)

A. OVERVIEW

Effective July 1, 2006, any Employee who is a member of the Waterford Township Fire Department may at any time voluntarily elect to participate in the Waterford Township Police and Fire Retirement System Deferred Retirement Option Plan (hereinafter "DROP") after attaining the minimum requirements for a normal service retirement pension. Upon commencement of DROP participation, the participant's DROP Benefit shall be the dollar amount of the Employee's monthly pension benefit computed by using the contractual guidelines and formula(s) that are in effect on the DROP Date. During participation in the DROP, the participant continues with full employment status, receives all future promotions and benefit wage increases, and is considered an employee of the Township, not a retiree. The Participant's DROP Benefit shall be credited monthly to the Participant's DROP Account which shall be established within the Waterford Township Police and Fire Retirement System (the "Police and Fire Retirement System"). The Participant's DROP Account shall be maintained and managed by the Board of Trustees of the Police and Fire Retirement System (the "Retirement Board"). Upon termination of employment, the retiree shall begin to receive payment(s) from his/her individual DROP Account as described herein. The DROP payment(s) are in addition to all other contractual pension benefits. The Participant is solely responsible for analyzing the tax consequences of participation in the DROP.

B. ELIGIBILITY

Effective July 1, 2006 any member of the bargaining unit may voluntarily elect to participate in the DROP at any time after attaining the minimum requirements for a normal service retirement pension.

C. PARTICIPATION PERIOD

The maximum period for participation in the DROP is five (5) years (the "Participation Period"). There is no minimum time period for participation. An Employee shall cease DROP Participation with five (5) years from the date of their entering the DROP. Notwithstanding said five (5) year maximum participation period, it is expressly understood that DROP Participation shall be terminated no later than the first of the month following the DROP Participant's completion of his or her 33rd year of employment.

Upon expiration of the DROP Participation Period, the Participant's monthly pension benefit otherwise payable to their DROP Account shall be discontinued until termination of employment and they will accrue no additional retirement benefits in the Police and Fire Retirement System. Interest on the DROP Account however, will continue to accrue during such forfeiture period. Upon termination of employment, the retiree shall receive the monthly retirement benefit previously credited to their DROP Account and shall be eligible for distribution of their DROP Account Balance in accordance with Section I herein.

D. ELECTION TO PARTICIPATE

Once commenced, participation in the DROP program is IRREVOCABLE (except as specifically provided in Subsection L herein). An Employee who wishes to participate in the DROP shall complete and sign such application form or forms as shall be required by the Retirement Board. The Retirement Board shall review the application within a reasonable time period and make a determination as to the Employee's eligibility for participation in the DROP. On the Employee's effective DROP Date, he or she shall become a DROP Participant and shall cease to accrue additional retirement benefits otherwise credited to active members of the Police and Fire Retirement System. The amount of credited service, multiplier and average final compensation shall be fixed as of the Participant's DROP Date. Increases in compensation and accrual of additional service during DROP Participation will NOT be factored into the pension benefits of active or former DROP Participants (except as specifically provided by Subsection L). Except with regard to the retirement benefits expressly provided herein, DROP Participant's will continue with full employment status with all rights and privileges afforded to employees of the Fire Department and this bargaining unit, including, but not limited to, future promotions, benefit/wage increases, union membership and representation, as well as, retirement system membership and Board representation.

E. DROP BENEFIT

The Participant's DROP Benefit shall be the regular monthly retirement benefit to which the Employee would have been entitled if the Employee had actually terminated employment and retired on the DROP Date (less the annuity withdrawal reduction as set forth in Subsection F and/or actuarial reductions as a result of the Employee electing an Optional form of benefit under the Plan, if applicable). The Participant's DROP Benefit shall be credited monthly to the Participant's individual DROP Account. A DROP Participant may at the time of DROP Election elect to receive his or her benefit in the form of the Plan's Option I or Option II Benefit and nominate a named beneficiary in accordance with the Police and Fire Retirement System provisions.

The term "spouse" for purposes of benefit qualification of DROP Participants, shall mean: (1) the person to whom the Participant was legally married to on the Participant's date of death if such death occurs during DROP participation; or (2) the person to whom the retiree was legally married on both the effective date of termination of DROP Participation and the retiree's date of death provided such death occurs after termination of DROP Participation. The definition of "spouse" herein may be amended pursuant to an Eligible Domestic Relations Order entered pursuant to Michigan Public Act 46 of 1991, as amended (MCL§38.1701 et seq.).

F. ANNUITY WITHDRAWAL

An Employee who elects to participate in the DROP (and correspondingly, cease to accrue additional retirement benefits otherwise credited to active member of the Police and Fire Retirement System) may elect the Annuity Withdrawal Option provided by the Police and Fire Retirement System at the time of electing DROP participation. The Annuity Withdrawal Option and all other retirement options under the Police and Fire Retirement System which are available to Retirement System Members shall only be available to the DROP Participant at such time as he or she elects DROP Participation.

The Annuity Withdrawal Option election shall be made commensurate with the participant's DROP election, but not thereafter, and the Annuity Withdrawal amount at time of DROP will be utilized to compute the actuarial reduction of the Participant's DROP Benefit, as well as the Employee's monthly retirement benefit from the Police and Fire Retirement System after termination of employment. The Annuity Withdrawal amount (accumulated contributions) shall be withdrawn from the Police and Fire Retirement System at the time of termination of employment and shall not be subject to withdrawal by a DROP Participant at the time of DROP Election.

DROP Participants who do not elect the Annuity Withdrawal Option shall have their full unreduced benefit credited to their DROP Account.

At the time of the Annuity withdrawal Option election, if an Employee is electing a straight life form of benefit with no qualifying spouse, the annuity withdrawal reduction computation is based in-part upon the actuarial life expectancy of the Employee (rather than the life expectancies of both the Employee and qualified spouse). There shall be no adjustment to the benefits payable to the DROP Participant/Retiree upon the subsequent marriage of a qualifying spouse. In the event such spouse (i.e. qualified after calculation of the annuity withdrawal election), subsequently qualifies for benefits payable by the Police and Fire Retirement System, said benefits shall not be adjusted based upon the Employees' Annuity Withdrawal Option election.

G. DROP ACCOUNTS

For each DROP Participant, an individual DROP Account shall be created in which shall be accumulated at DROP Interest, The Participant's DROP Benefits. All individual DROP Accounts shall be maintained for the benefit of each DROP Participant and will be managed by the Retirement Board in the same manner as the primary pension fund. DROP Interest for each DROP Participant shall be based upon the prior calendar year's market rate of investment return on the total assets in the Police and Fire Retirement System portfolio but in no event shall DROP Interest be great than 4.0% or less than 0% per annum compounded monthly. If the Retirement System earns between 0% and 4.0%, then the DROP Interest will be the actual market rate of investment return. If the Retirement System earns less 0% then DROP Interest will be 0%. DROP Interest will be credited on the first day of each month on the prior month's principal and interest balance. [By way of example, the following illustration is provided: The Retirement System's market rate of investment return for calendar year 2006 is 8.5%. The DROP Interest rate for calendar year 2007 will be 4.0% per annum compounded monthly (e.g. .3333% monthly). A member's DROP Account Balance on February 1, 2007 is \$12,500 (including principal and interest). On March 1, 2007, the member's DROP Account will be credited with \$41.66 in interest.]

The Retirement Board shall provide each participant with an annual statement of their account activity. The reference to individual DROP Accounts shall be interpreted to refer to the accounting records of the Police and Fire Retirement System and not to the actual segregation of moneys in the funds of the Police and Fire Retirement System.

H. CONTRIBUTIONS

The employee's contributions to the Police and Fire Retirement System shall continue during DROP Participation for each employee entering the DROP irrespective as to whether the Annuity Withdrawal Option is elected at the time of DROP. These employee contributions shall be in the same amount and shall be credited with interest in the same manner as non-DROP members of the Police and Fire Retirement System.

For those DROP Participant's that elected the Annuity Withdrawal Option at the time of DROP, their total accumulated contributions (including employee contributions and interest paid during DROP Participation) shall be paid to the employee upon termination of employment. There shall be no further Annuity Withdrawal reduction applicable to the employee contributions and interest earning thereon made during DROP Participation.

For those DROP Participant's that did not elect the Annuity Withdrawal Option at the time of DROP Participation, the employee contributions and interest earnings thereon shall be paid to the employee upon termination of employment without any reduction in benefits.

The payroll of DROP Participants will be included in the covered compensation upon which regular Township employer contributions to the Police and Fire Retirement System are based. Employer contributions shall be credited to the Retirement System and not to any individual's Drop Account.

I. DISTRIBUTION OF DROP FUNDS

Upon termination of employment, the former DROP Participant must choose one, or a consistent combination of, the following distribution methods to received payment(s) from his or her individual DROP Account:

- 1) A total lump sum distribution to the recipient.

- 2) A partial lump sum distribution to the recipient.
- 3) A lump sum direct rollover to another qualified plan to the extent allowed by federal law and in accordance with the Retirement Board's rollover procedures.
- 4) An annuity payable for the life of the recipient.
- 5) An optional form of annuity as established by Public Act 345 of 1937, as amended.
- 6) No distribution, in which case the accumulated balance shall remain in the Plan to the extent allowed by federal law.

A former Participant may change their distribution method as may be applicable no more than once per annum prior to June 30th of each year in accordance with such procedures and time guidelines as adopted by the Retirement Board. A former Participant may elect a total lump sum distribution of any remaining balance in their DROP Account at any time after termination of employment which will be paid within 90 days after receiving the member's request. All benefit payments under the Plan shall be made (or commence in the case of an annuity) as soon as practical after entitlement thereto, but in no event later than the April 1 following the later of:

- 1) The calendar year in which the Member attains age 70%, or
- 2) The calendar year in which the Participant's employment terminated.

If the Accumulated Balance in any former Participant's account becomes less than \$5,000 (or such other amount as provided in Internal Revenue Code Section 411(a)(11)(A)), then the Retirement Board, in its sole discretion, shall have the option of distributing the former Participant's entire account, in the form of a lump sum, to the Former Participant.

Any and all distributions from Participant's DROP Account shall not be subject to offset by any workers compensation wage loss payments received by the Participant, including any redemption amounts.

J. DEATH DURING DROP PARTICIPATION

Except as otherwise provided in Subsection L, if an Employee participating in the DROP dies either: (i) before full retirement (i.e., Before termination of service); or (ii) during full retirement (i.e., after termination of service) but before the DROP account balance has been fully paid out, the Participant's designated beneficiary(ies) shall receive the remaining balance in the Participant's DROP Account in the manner in which they elect from the previously mentioned distribution methods (Subsection I). In the event the Participant has failed to name a beneficiary, the account balance shall be payable to the Participant's beneficiary of benefits from the Police and Fire Retirement System. If there is no such beneficiary, the account balance shall be paid in a lump sum to the Participant's estate. Benefits payable from the Police and Fire Retirement System shall be determined as though the DROP Participant had separated from service on the day prior to the Participant's date of death.

K. DISABILITY DURING DROP PARTICIPATION

Except as otherwise provided in Subsection L, in the event a DROP Participant becomes totally and permanently disabled from further performance of duty as a fire fighter in accordance with the provisions of the Police and Fire Retirement System, the Participant's participation in the DROP shall cease and the member shall receive such benefits as if the member had retired and terminated employment during the Participation Period. Application and determination of disability shall be conducted in accordance with the Police and Fire Retirement System provisions; however, the Participant shall not be eligible for disability benefits from the Police and Fire Retirement System except as specifically provided in Subsection L.

L. SPECIAL PROVISION FOR DUTY DISABILITY AND DUTY DEATH

A DROP Participant who is found by the Retirement Board, in accordance with Retirement System provisions, to be totally and permanently incapacitated for duty by reason of a personal injury or disease occurring as the natural and proximate result of causes arising out of and in the course of the Employee's employment with the Township, may retroactively revoke the Participant's DROP election if the revocation occurs before the payment of a distribution to the Employee from the Participant's DROP account or payment of disability or retirement benefits to the Employee from the Retirement System. If a DROP Participant dies in the line of duty while in the employ of the Township, the DROP Participant's eligible survivors (i.e., survivors qualified under Section 9(2) of Public Act 345 of 1937, as amended, and the Participant's applicable collective bargaining agreement) and the participant's eligible DROP beneficiary(ies) may, by unanimous agreement, retroactively revoke the Participant's DROP election if the revocation occurs before payment of a distribution from the Participant's DROP

account or payment of benefits from the Police and Fire Retirement System. If a DROP election revocation is made as prescribed by this Subsection, the Participant's DROP Account is not distributed, and the Participant or the Participant's beneficiary(ies), as applicable, is entitled to all benefits provided by the Police and Fire Retirement System as if a DROP election had not been made. In the event of revocation of DROP participation as provided herein, there shall be no requirement for retroactive payment of employee contributions which would otherwise have been paid by the Employee to the Retirement System and the employee shall receive service credit for all service rendered during DROP participation or as otherwise provided in the applicable collective bargaining agreement.

M. PROMOTION

In the event a member of the Firefighters Association is promoted to a position out of the bargaining unit, DROP Eligibility Participation in the Police and Fire Retirement System shall no longer be made available through this collective bargaining agreement. Eligibility for retirement benefits including the DROP benefit shall be governed under Public Act 345 of 1937, the Township Retirement Ordinance and the Police and Fire Civil Service Management Employee Policy. Employees in the DROP promoted out of the unit shall continue in the DROP in accordance with their original DROP commitment.

N. RE-EMPLOYMENT

In the event a former DROP participant is re-employed by the Township in the capacity of a sworn police officer or firefighter, they shall not be eligible for membership in the Police and Fire Retirement System or participation in the DROP. Retirement benefits payable from the Police and Fire Retirement System shall continue during such period of re-employment. The Township may extend participation in an alternative retirement plan (e.g., Defined Contribution Plan) during such period of re-employment.

O. DROP COST

The Township and those applicable collective bargaining associations who agree to adopt the DROP Program intend for the DROP program to be essentially cost neutral (i.e., $\pm .2\%$ of covered payroll). The parties recognize the complexity in estimating the actuarial cost impact of the DROP in the Police and Fire Retirement System. Accordingly, after a 10 year period from the establishment of the DROP, the Retirement Board will direct that the Retirement System's Actuary conduct an evaluation as to the cost impact of the DROP on the Retirement System. In the event that the actuary determines that the DROP has had a positive cost to the Retirement System (i.e. $> .2\%$ of covered payroll), the DROP shall be amended in such manner, as recommended by the Actuary and approved by the parties, to result in an essentially cost neutral program.

P. I.R.C. COMPLIANCE

The DROP is intended to operate in accordance with Section 415 and other applicable laws and regulations contained within the Internal Revenue Code of the United States. Any provision of the DROP, or portion thereof, that is found by the Retirement Board to be in conflict with an applicable provision of the Internal Revenue Code of the United States is hereby declared null and void.

The Waterford Township Police and Fire Retirement System consists of a defined benefit plan. The DROP Account shall be established as part of the defined benefit plan of the Retirement System or such other plan as the Retirement Board and the union's shall agree upon (i.e., I.R.C. section 415(m) benefit plan) after consultation with appropriate legal counsel.

SECTION 10 DUTY DISABILITY

A duty disability pension shall be as provided in 6(2)(B) of Public Act 345 of 1937, except the disability benefit to age 55 shall be based on 62.5%. At age 55 pension shall be converted to a regular service pension consistent with Public Act 345 of 1937, with applicable multipliers as provided in this agreement, and with pension service credit as provided under Public Act 345 of 1937.

A Duty Disability Pension provision is provided for defined Contribution Plan members as follows:

- a. Upon the application of a member or the member's department head, a member who becomes totally incapacitated for duty by reason of a personal injury or disease occurring as the natural and proximate result of causes arising out

of and in the course of the member's employment by the municipality shall be retired by the retirement board consistent with Public Act 345 of 1937.

The Township's liability for the disability benefit shall be offset by the lifetime annuity value of the employee's 401(a) defined contribution retirement account, determined as of the effective date of the employee's disability-related separation from service.

- b. Upon the employee's disability-related separation from service, the employee will elect whether to draw on the balance in the DC account to supplement the employee's net disability pay. (Note: It is understood and agreed by the parties that the above is agreed to notwithstanding the parties' Pension Moratorium agreement dated 1/6/12, but does not otherwise operate as a waiver of or otherwise vitiate the Pension Moratorium agreement dated 1/6/12, which shall be attached to the successor 2016-2018 collective bargaining agreement).

ARTICLE XXIV - STRIKE PROHIBITION

This Union agrees there shall be no strikes, slowdowns, stoppage of work, or any interference with the efficient management of the Fire Department. It is agreed by the parties hereto that nothing contained in this section or any part of the Agreement shall be construed or used in any manner to form the basis for an allegation of violation of this Agreement for the purpose of supporting any legal or court action unless and until the parties to the complaint or contention shall have been allowed a reasonable opportunity to correct the same and shall have refused to do so.

ARTICLE XXV - GRIEVANCE PROCEDURES AND ARBITRATION

SECTION 1 - DEFINITIONS AND STEPS

A. Definition of Grievance

A grievance is a disagreement or dispute, which may arise between members of the Union and the Township, and/or Department Administration concerning the meaning, application, or interpretation concerning the provision of this Agreement.

B. Definition of Discipline

Disciplinary action is any action taken by the Township against an employee for misconduct, including, but not limited to, violations of Department or Township rules and regulations or violations of provisions of this contract, which discipline results in loss of wages, fringe benefits, seniority or demotion, except where such demotion is a result of a reduction in force. No employee shall be disciplined for violation of township rules and regulations that are in conflict with job duties. No employee shall be disciplined except for just cause.

C. Grievance Steps

It is mutually agreed that all grievances that may arise shall be settled in accordance with the procedure herein provided:

Step I

By conference, requested in writing by the aggrieved employee, between the Employee, the Steward, and the Fire Chief within twenty (20) days of the knowledge of the grievance. In disciplinary cases, management shall notify the Union within twenty (20) days of disciplinary action or notify of possible disciplinary action.

Step II

If unresolved through the above conference, the Union will reduce the grievance to writing, setting forth the nature of the grievance, and/or specifying the provisions of this Agreement allegedly violated and submit it to the Fire Chief within seven (7) calendar days of the above conference. The Fire Chief shall give written answer to the grievance within seven (7) calendar days after its receipt.

Step III

If the Union is dissatisfied with the written answer in Step II, they shall, within five (5) calendar days, request in writing a meeting with the Township Supervisor. A copy of the written grievance shall accompany the Union's request of a meeting. The Township Supervisor or his designees shall establish a meeting with ten (10) calendar days of receipt of the written request for a meeting. The Township Supervisor and/or his designee shall meet with the Grievance Committee in an attempt to resolve the grievance. The Township Supervisor and/or his designee shall give a written answer within five (5) calendar days after such meeting.

Step IV

In the event Step III answer fails to settle the grievance, the Union shall, within ten (10) calendar days of the Township's written answer, notify the Township in writing of its intent to go to arbitration. Within twenty (20) calendar days of the Union's intent to arbitrate, the Union shall make a Demand for Arbitration with the Michigan Employment Relations Commission, Labor Arbitration Service.

C. Arbitration

The decision of the Arbitrator shall be rendered without undue delay and shall be final and binding on both parties. The Arbitrator shall have no power to add to, subtract from, or modify any position of this Agreement or supplemental agreements between the parties. Payment of the expenses, costs, and fees of the Arbitrator shall be borne equally by the Township and the Union.

D. Election of Remedies

Where an employee is disciplined and elects to contest the measurers, he shall elect to submit his protest to the Act 78 procedure or the grievance procedure. He shall not have the benefit of both; Use of one shall bar the use of the other.

E. Policy Grievance

Any grievance involving two or more employees or the Union may be filed directly as Step II as a Policy Grievance". Such policy grievance must be filed within thirty (30) days of knowledge of the grievance.

F. Time Limits

In the event that the Township refuses or fails to answer a grievance within the time limits set forth in this Article, the grievance shall advance automatically to the next higher step of the grievance procedure. Time limits may be extended by mutual agreement between the parties.

G. Oral or Written Reprimands

In cases of Oral or Written Reprimand, the employee shall have a right to place a statement of the employee's position regarding the allegation in the employee's personnel file but shall not be entitled to resort to the grievance procedure set forth herein. However, if in a subsequent disciplinary action by the Township, the Oral or Written Reprimand is used to justify progressive discipline resulting in time off, loss of pay or other benefits, and the employee grieves the subsequent disciplinary action, the employee shall have the right to fully contest the allegations on the Oral or Written Reprimand.

SECTION 2 - INVESTIGATING GRIEVANCES

When it becomes necessary for the Grievance Committee to investigate grievances referred to them by a Steward, a member of the grievance committee shall be given reasonable time off the job, with pay, to investigate the alleged grievance fully. Each grievance committee member shall inform his supervisor sufficiently in advance as to allow a relief employee to fill his job.

SECTION 3 - TIME OFF FOR GRIEVANCE COMMITTEE

The members of the Grievance Committee shall be relieved from their duties with the Township upon reasonable notice to their immediate department head to enable them to negotiate or appear before the departmental head, Township Board, or Fire Civil Service Commission on all grievances that have been referred for settlement or hearing thereon. The Township shall pay all members of the Grievance Committee or Negotiation Committee when they are conducting negotiations or

appearing before any person or body in the hearing of a grievance at their regular rate of pay for all time consumed during their regular working day.

SECTION 4 - TIME OFF FOR WITNESSES

When the Grievance Committee, the Township Supervisor, or Township Board deem it necessary for witnesses to be called, said witnesses shall be relieved from their regular duties upon due advance notice to their departmental head and shall be compensated at their regular rate of pay for all time consumed during their regular working day.

ARTICLE XXVI- GENERAL

SECTION 1 - SEPARABILITY

This Agreement is subject to the laws of the State of Michigan with respect to the powers, rights, duties, and obligations of the Township, the Union, and the employees in the bargaining unit. In the event that any provision of this Agreement shall at any time be held to the contrary to law by a court of competent jurisdiction from whose final judgment or decree and no appeal has been taken within the time provided therefore, such provision shall be void and inoperative; however, all other provisions of this Agreement shall, insofar as possible, continue in full force and effect.

SECTION 2 - DISTRIBUTION OF AGREEMENT

A copy of this Agreement shall be distributed by the Township to all Employees.

ARTICLE XXVII - NEW HIRE AND PROMOTIONS

SECTION 1 - NEW HIRE PROCESS

The Township may, in the exercise of its discretion, establish an entry-level position eligibility list of less than two years duration notwithstanding the provisions of Section 11.(2) of Act. No. 78 MCLA 38-511. Upon expiration of such list, the Township may obtain a new eligibility list or extend the list's expiration date, provided the new expiration date is no later than two years after the list's establishment.

SECTION 2 - PROMOTIONAL SYSTEM

Promotions shall be determined by, the Township's Police and Fire Civil Service Commission procedures. Employees promoted shall within one year of promotion, pass the following Course, or received the appropriate certification based on rank and title:

<u>PROMOTION TO</u>	<u>COURSE</u>
Line Lieutenant	Fire Officer 1
Line Captain	Fire Officer 2
Battalion Chief	Fire Officer 2
Fire Inspector Lieutenant	State Certified Fire Inspector
Fire Inspector Captain	State Certified Fire Inspector
Fire Marshal	State Certified Fire Inspector

The Township shall pay fees and allow for necessary time off and earned overtime for employees attending classes required for certification. Scheduling of classes shall be at the discretion of the Chief. Employees not certified within the year due to unavailable classes shall have the time for certification extended in order to attend the classes.

Effective January 31, 2008, candidates eligible to test for the rank of Fire Chief and Deputy Fire Chief shall include all ranks of Captain or higher in both the fire prevention and fire suppression branches.

ARTICLE XXVIII - DURATION

SECTION 1 - GENERAL

This Agreement shall be effective the first day of January, 2022 and shall remain in force to and include the thirty-first day of December, 2025.

SECTION 2 - FUTURE NEGOTIATIONS

The parties agree that commencing not later than August 31, 2025, they will undertake negotiations for a new agreement for succeeding years.

SECTION 3 - EXTENSION OF AGREEMENT

In the event that negotiations extend beyond said expiration of the Agreement, the terms and conditions of this Agreement shall remain in full force and effect pending agreement upon a new contract.

ARTICLE XXIV - EMS LICENSURE

Employee's must maintain EMS Licensure as a condition of employment, subject to the following.

1. In the event an employee's EMS license is not renewed because of a testing issue or administrative matter, the Township will provide the employee a reasonable amount of time to restore licensure status.
2. Up to and until the time Oakland Control Medical Authority or the State of Michigan issue a final determination resulting in the suspension or loss of the employee's EMS license, the employee will continue actively working notwithstanding pending proceedings or a provisional order. In the event the employee's EMS license is suspended or lost due to final determination made by the Oakland Control Medical Authority or the State of Michigan, the employee shall be placed on an unpaid leave of absence, but with health insurance, seniority, and other benefits continuing. In the event that the employee appeals the final determination the County or the State under which the employee's license was suspended or lost, the employee will remain on the above-described unpaid leave of absence during such time that he/she is not in possession of a license. This provision does not prevent the Township from issuing discipline to the employee, subject to the terms of this agreement.

ARTICLE XXX - MANAGEMENT RIGHTS

- A. It is understood and agreed that the Employer has all the customary and usual rights, powers, functions, and authority of management except as those rights, powers, functions, and authority specifically abridged or modified by this Agreement.
- B. The Union recognized the Employer's right to manage its affairs and direct its work force within the existing framework of the Statues of the State of Michigan to maintain the Township of Waterford in the County of Oakland as efficiently and at the lowest possible cost consistent with fair labor standards.

IN WITNESS WHEREOF, the parties have executed this Agreement by their authorized representatives the day and year first above written.

Waterford Township

BY: Ray Well

BY: Mark R. Davis

BY: Matthew J. Gory

WATERFORD PROFESSIONAL FIREFIGHTERS

ASSOCIATION, LOCAL 1335 OF THE INTERNATIONAL
ASSOCIATION OF FIREFIGHTERS, AFL-CIO

BY: [Signature]

BY: [Signature]

**MEMORANDUM OF UNDERSTANDING
REGARDING ALCOHOL AND DRUG POLICY**

I. PURPOSE

- A. To establish and maintain a safe, healthy working environment for all employees.
- B. To insure the reputation of the Waterford Township Fire Department and its fire fighters as good, responsible citizens worthy of public trust.
- C. To reduce the incidents of accidental injury to persons or property.
- D. To provide assistance toward rehabilitation for any employee who seeks the Fire Department's help in overcoming any addiction to, dependence upon or problem with alcohol or drugs.

II. BENEFITS: INCONVENIENCE: COOPERATION:

Those employees with drug and alcohol abuse problems make up only a small fraction of the work force, and the Fire Department regrets any inconvenience that may be caused the many non-abusers by the problems of the few. It is believed, however, that the benefits to be derived from the reduction in numbers of accidents, the greater safety of all employees, and the rehabilitation or suspension or termination of those, who because of alcohol or drugs, are a burden upon all other employees, will more than make up for any inconvenience or loss the rest of us must be subjected to. The Fire Department earnestly solicits the understanding and cooperation of all employee organization in implementing the policies set forth herein.

III. DEFINITIONS:

- A. Alcohol or Alcoholic Beverage- means any beverage that has an alcoholic content, excluding, "other medicines" taken in compliance with Section V.
- B. Drug- means any substance prescribed for the individual consuming it by a licensed medical practitioner.
- C. Prescribed Drug- means any substance prescribed for the individual consuming it by a licensed medical practitioner.
- D. Illegal Drug- means any drug or controlled substance, the sale or consumption of which is illegal.
- E. Supervisor/Command Officer- means the Officer, Acting Officer or individual who is the member's immediate superior in the chain of command.
- F. Shift Commander- means the Shift Officer who is on duty at #1 Station.
- G. Impairment- to injure by weakening, diminishing or decreasing strength and value, physical or mental.
- H. Use- to avail oneself of, put to one's own purpose. To consume or expend by using.
- I. Employee Assistance Program- means Employee Assistance Program provided by the Department of Human & Fiscal Resources, Waterford Township.

IV. EMPLOYEE ASSISTANCE PROGRAM OF THE DEPT. OF FISCAL & HUMAN RESOURCES.

- A. Any employee who feels that he/she has developed an addiction to, dependence upon or problem with alcohol or drugs, legal or illegal, is encouraged to seek assistance. Entrance into the Employee Assistance Program can occur by self-referral, recommendation or referral by a supervisor. No employee will be disciplined on account of any request for assistance under this section, nor will any employee be disciplined as a result of any information disclosed by the employee during his/her efforts to enter or participate in the Employee Assistance Program.

- B. Request for assistance through "recommendation" or "supervisor referral" will be treated as confidential. "Self referral" confidentiality will be maintained between the individual seeking help and Employee Assistance Program personnel.
- C. Rehabilitation itself is the responsibility of the employee. For employees enrolled in a formal treatment program, the Fire Department will grant rehabilitation leave at full pay up to accumulated sick leave. Employees who have exhausted their accumulated sick leave will be allowed to use vacation time, personal leave days, etc. The cost of rehabilitation will be borne by the employer. The rehabilitation program used will be agreed to by the Township and Union.
- D. To be eligible for continuation in employment on a rehabilitation pay basis, the employee must have been employed at least one year; must maintain at least weekly contact with the Fire Chiefs office; and must provide verification that he or she is continuously enrolled in a treatment program and actively participating in that program.
- E. Upon successful completion of treatment, the employee will be returned to active status without reduction of pay or seniority.

V. PRESCRIPTION DRUGS:

- A. Employees who are obliged to take (a) prescription drug(s) under the direction of a licensed medical practitioner shall advise their superior upon reporting to duty that they are under the influence of, or are required to take prescription drugs or internal medicine that may affect their work performance. When an employee is required to take prescription drugs or other medicine, a physician's statement may be required indicating whether or not the employee can perform his/her regularly assigned duties.
- B. No prescription drug shall be brought upon Fire Department premises by any person other than the person for whom the drug is prescribed, by a licensed medical practitioner, and shall be used only in the manner, combination and quantity prescribed.
- C. No employee who complies with (a) and (b), above, with respect to a particular prescription drug or other medicine can be disciplined or required to attend employee assistance on account of that particular prescription drug or other medicine.

VI. PROCEDURES FOR TESTING:

A. DEMAND FOR TESTING

The Township may require departmental personnel to submit to a test for illegal drugs, prescription drugs or alcohol under the following circumstances:

1. The employee is, based on "reasonable basis", requested/ordered to submit to testing by a command officer.

B. Standards for Determining Reasonable Basis

1. The test must be requested by a command officer. A "command officer" shall be deemed to be an officer of the rank of lieutenant or higher, or a supervisor acting in the capacity of command officer in the absence of a command officer.
2. "Reasonable Basis" is defined to mean objective, articulable and specific facts which would support a reasonable individualized suspicion that the employee to be tested is using or has used substances which impair his or her ability to safely and effectively perform his or her duty.
3. Where the "reasonable basis" is based on personal observation by a command officer, the objective facts must be articulable and may include the person's appearance and behavior.

C. Preparation of Report

If the command officer, based upon the criteria set forth above, determines that a test should be requested, he/she shall comply with the following procedure. First the firefighter shall be relieved from duty. If the firefighter is at the scene of an emergency, he/she may be directed to return, or be taken when impairment is suspected, to a station to complete this testing procedure. Once the firefighter is relieved from duty, a command officer shall prepare a signed dated, timed, and contemporaneous report reducing the objective facts and reasonable inferences drawn from those facts to writing and shall immediately furnish a copy to the employee. The employee shall, at the same time, be given the opportunity to explain his/her behavior, action or appearance. Upon request, the employee shall have the right to Union representation. Failure of the command officer to prepare the report in accordance with the procedure outlined in this section shall render any subsequent test and discipline based upon that test void.

D. Review of Report

If, following the employee's explanation, the command officer determines that a test is still required, he/she shall submit a copy of his/her report to the shift commander. The shift commander shall evaluate the report and explanation of the reason for testing, and shall hear to employee's explanation for his/her behavior (if any) and the shift commander shall then determine if there is reasonable suspicion for the test. Any test given without the evaluation of the shift commander, and any discipline based upon that test, shall be void.

E. Demand for Testing

If the shift commander has determined that a test shall be ordered, the order will be given by a command officer. At the time that the order is given, the employee shall be advised that refusal to submit to the test shall be cause for discipline, up to and including discharge. Should an employee's tour of duty expire or he/she otherwise be in an off-duty status during the order for testing process, the employee will be compensated precisely as if that employee were on active duty status, until the process of obtaining a specimen is completed.

F. Identification of Employee

The employee's identity shall be checked and verified, by the requesting supervisor/command officer at the time of the testing request/order.

G. Drug Testing Procedure

The procedure followed in giving the drug test, including but not limited to the collection of the sample, chain of custody, storage of the sample, the type of initial and confirmatory tests used, and the amount of drug or drug metabolite to be regarded as a positive drug test, will be in conformance with Federal Regulations (Federal Register, Volume 53, No. 69, Pg. 11979-11989)

H. Alcohol Testing Procedure

Testing for alcohol will be performed by means of a blood test at the same facility utilized for drug testing. The "chain of custody" will be documented and preserved in the same manner as for a drug test.

VII. EMPLOYEE ASSISTANCE AND DISCIPLINE:

- A. An employee who tests positive for illegal, controlled or prescription substances, or alcohol, shall be required to participate in the Employee Assistance Program. Employees who successfully complete the program to the satisfaction of the program's director or supervising physician shall not be disciplined for their drug use.
- B. Employees who fail to complete the Employee Assistance Program as specified in (A) above, may be disciplined for their employment-related drug use.
- C. Employees whose drug use, or alcohol or prescription drug abuse, is discovered by the Township in some manner other than by the drug test outlined in this policy/article shall be treated as if he/she had tested positive under this policy/article.

- D. Notwithstanding any other provision of this policy/article, where an employee engages in conduct which, given proof of his/her on-duty, intoxicated state, creates an unreasonable risk of harm to any person; that employee may be disciplined appropriately in addition to being referred to the Employee Assistance Program. It is agreed that discipline under this section shall include discharge of the employee only in the most severe case.
- E. Notwithstanding any other provision of this agreement, where an intoxicated employee violates the Rules and Regulations of the Department or any provision of the Collective Bargaining Agreement, that employee may be disciplined appropriately in addition to being referred to the Employee Assistance Program. "Appropriate discipline" is defined as discipline of precisely the same severity that the employee would have received for his/her conduct while not intoxicated.
- F. The Township shall have the option to conduct as many as four (4) random drug tests on an employee who has completed the Employee Assistance Program in order to guarantee that the Program has been completed successfully. No such random test may be given more than one (1) year following the date of the employee's completion of the program. A positive test result under this provision shall have the same effect, as a positive test result under Section VI, or Section VII c.
- G. An employee shall have the right to avail him/herself of the Employee Assistance Program no more than twice in any five year period, or three times during the employee's career in the Fire Department. An employee who tests positive after his/her right to utilize the Employee Assistance Program has expired under this subsection may be disciplined under the "just cause" provision of the Collective Bargaining Agreement. The Township in its sole discretion, may permit an employee to avail him/herself of the Employee Assistance Program more frequently than provided in this subsection.

VIII. GRIEVANCE PROCEDURE:

All actions and decisions made pursuant to this Alcohol and Drug Policy shall further be subjected to a "just cause" standard, and to the parties' grievance and arbitration procedure.

IX. EFFECTIVE DATE - NOTICE TO EMPLOYEES - OTHER LAWS:

- A. The policies set forth in this policy guide are effective immediately upon notice to employees. Each present employee will be furnished a copy of this policy and will sign a receipt for same. Employees hired in future will be furnished a copy before being hired.
- B. These policies will be implemented in a manner that will comply with all applicable federal and state laws.

X. UNION HELD HARMLESS:

This drug testing program is solely initiated at the behest of the Township. The Township shall be solely liable for any legal obligations, costs, and attorneys' fees arising out of the provisions and/or application of this Agreement relating to drug testing. The Union and its members shall be held harmless for the violation of any laws, regulations, or worker rights arising from the creation, implementation, or administration of this drug testing program. Said indemnification shall take the form of defense and payment of any judgments, settlements, costs, or attorneys' fees.

DEFINED BENEFIT PENSION MORATORIUM LETTER OF AGREEMENT

WHEREAS, the Charter Township of Waterford (hereinafter "Township") and the Waterford Township Fire Fighters Ass'n, IAFF Local 1335 (hereinafter "Union") have agreed that the employees hired on or after January 1, 2012 shall be covered by a Defined Contribution retirement plan, and not be participants in the Act 345 Defined Benefit (hereinafter "DB") pension system; and

WHEREAS, it is recognized by the Township and the Union that this has rendered the Act 345 DB pension system a closed plan, with ever-decreasing bargaining unit members represented by the Union being covered by that plan;

IT IS HEREBY AGREED BY THE TOWNSHIP AND UNION AS FOLLOWS:

1) The Act 345 DB pension plan and benefits as they currently exist by statute and by the terms of the parties' 2007-2012 collective bargaining agreement shall in all respects be maintained, without change of any kind, until the last bargaining unit member covered by said DB pension plan has retired or otherwise terminated employment, with the sole exception of composition of the pension plan's retirement board.

2) Neither the Township nor the Union shall make any proposals to modify in any way the Act 345 DB pension plan and benefits as they currently exist by statute and by the terms of the parties' 2007-2012 collective bargaining agreement in negotiations, mediation, or Act 312 arbitration, with the sole exception of composition of the pension plan's retirement board.

3) Neither the Township nor the Union shall challenge the enforceability of this Letter of Agreement, and the Township and the Union further agree that this Letter of Agreement is enforceable in all forums, including but not limited to grievance arbitration, Act 312 arbitration, MERC, and the Courts.

4) This Letter of Agreement shall remain in full force and effect until the last bargaining unit member covered by said DB pension plan has retired or otherwise terminated employment with the Township of Waterford.

5) This Letter of Agreement shall be annexed to each and every collective bargaining agreement between the parties from the date of its execution until the last bargaining unit member covered by said DB pension plan has retired or otherwise terminated employment with the Township of Waterford.

FOR THE TOWNSHIP:

Carl W. Solder

Dated:

Louis W. Feurino
LOUIS W. FEURINO

Ronald R. Spear
RONALD R. SPEAR
FIRE CHIEF

FOR THE UNION:

[Signature]

Dated: 11/6/12

James P. [Signature]
JOE [Signature]

LETTER OF UNDERSTANDING

The Charter Township of Waterford and the Waterford Fire Fighters Association, IAFF Local 1335, recognize the importance of maintaining good employee morale within the Waterford Fire Department hereby agree to the following which shall become effective immediately upon the execution of this Letter of Understanding:


- 1.) All former Pontiac Fire Department employees who were hired into the Waterford Township Fire Department in February of 2012 shall have their entire length of service in the Pontiac Fire Department (from date of hire to termination) included and added to their accrued Waterford Fire Department seniority credit for promotion purposes only in the Waterford Fire Department. Seniority for promotions is the sum of their prior service in the Pontiac Fire Department and their accrued Waterford Fire Department and their Waterford Fire Department service.
- 2.) This Letter of Agreement shall apply to promotions for positions contained in the bargaining unit, as well as the **Deputy Fire Chief** and **Fire Chief** positions.
- 3.) This Letter of Understanding shall supersede the previous agreements governing this topic and shall be an appendix to the collective bargaining agreement between the Charter Township of Waterford and the IAFF Local 1335, and shall be enforceable under the grievance/arbitration provisions of said agreements.
- 4.) This Letter of Agreement shall remain in force and effect until such time as the Township and the Union mutually agree on modifying the terms of this Letter of Understanding, or the terms of the this Letter of Understanding are modified by way of an Act 312 arbitration award.

FOR THE TOWNSHIP:


Mark R. Simla

Date: 3-21-23

FOR IAFF LOCAL 1335:


Nicholas Presutti

Date: 03/21/23

WORKSHEET TO CALC FIRE RATES
01/01/2023 - (2% over 2022 rates)

POSITION =====	NEW BASE =====	HOLIDAY PAY =====	REGULAR HOURLY RATE =====	O.T. HOURLY RATE =====
DE START	44,638.00	2,523.02	17.12	16.20
DE 1 YR	50,815.00	2,872.15	19.49	18.44
DE 2 YR	56,993.00	3,221.34	21.85	20.68
DE 3 YR	63,717.00	3,601.40	24.43	23.12
DE 4YR	69,350.00	3,919.78	26.59	25.17
(DRIVER ENGR PARA MED = DEP)				
DEP START	48,593.00	2,746.56	18.63	17.64
DEP 1 YR	54,766.00	3,095.47	21.00	19.88
DEP 2 YR	60,945.00	3,444.72	23.37	22.12
DEP 3 YR	67,124.00	3,793.97	25.74	24.36
DEP 4YR	73,979.00	4,181.42	28.37	26.85
(LIEUT BASE AT PROMO-90 DAYS TO FULL)				
	71,680.00			
(LIEUT BELOW FULL ONLY)				
LT	74,008.00	4,183.06	28.38	26.86
(LIEUT-PARA BASE AT PROMO-90 DAYS TO FULL)				
	75,634.00			
(LIEUT PARA BELOW FULL ONLY)				
LT PARA	78,634.00	4,444.53	30.15	28.54
(CAPT BASE AT PROMO-90 DAYS TO FULL)				
	76,884.00			
(CAPT BELOW FULL ONLY)				
CAPT	78,986.00	4,464.43	30.28	28.66
(CAPT-PARA BASE AT PROMO-90 DAYS TO FULL)				
	80,453.00			
(CAPT PARA BELOW FULL ONLY)				
CPT PARA	83,612.00	4,725.90	32.06	30.34
(BATTALION CHIEF BASE AT PROMO-90 DAYS TO FULL)				
*	84,435.00			
(BATTALION CHIEF FULL ONLY)				
BATTALION CHIEF	87,239.00	4,930.90	33.45	31.66
(INSPCTR BASE AT PROMO-90 DAYS TO FULL)				
	86,058.00			
(INSPCTR FULL ONLY)				
INSPCT	89,631.00	0.00	43.10	43.10

WORKSHEET TO CALC FIRE RATES
01/01/2023 - (2% over 2022 rates)

POSITION	NEW BASE	HOLIDAY PAY	REGULAR HOURLY RATE	O.T. HOURLY RATE
=====	=====	=====	=====	=====
(CAPTAIN FIRE INSPECTOR AT PROMO-90 DAYS TO FULL)				
*	92,199.00			
(CAPTAIN INSPECTOR FULL ONLY)				
CAP INSPCT	95,317.00	0.00	45.83	45.83
(FIRE MARSHAL BASE AT PROMO-90 DAYS TO FULL)				
*	95,864.00			
(FIRE MARSHAL FULL ONLY)				
FR MRSH	98,943.00	0.00	47.57	47.57

Note: Promotional pay shall be 50% of rank differential at promotion, full at 90 days.
When Transferring between the prevention and suppression branch, the wages
holiday pay and mandatory overtime shall be used to calculate the promotional differential.

WORKSHEET TO CALC FIRE RATES
01/01/2024 - (2% over 2023 rates)

POSITION =====	NEW BASE =====	HOLIDAY PAY =====	REGULAR HOURLY RATE =====	O.T. HOURLY RATE =====
DE START	45,531.00	2,573.49	17.46	16.53
DE 1 YR	51,831.00	2,929.58	19.87	18.81
DE 2 YR	58,133.00	3,285.78	22.29	21.10
DE 3 YR	64,434.00	3,641.92	24.71	23.38
DE 4YR	70,737.00	3,998.18	27.12	25.67
(DRIVER ENGR PARA MED = DEP)				
DEP START	49,565.00	2,801.50	19.01	17.99
DEP 1 YR	55,862.00	3,157.42	21.42	20.27
DEP 2 YR	62,164.00	3,513.62	23.84	22.56
DEP 3 YR	68,467.00	3,869.87	26.25	24.85
DEP 4YR	75,458.00	4,265.02	28.93	27.38
(LIEUT BASE AT PROMO-90 DAYS TO FULL)				
	73,114.00			
(LIEUT BELOW FULL ONLY)				
LT	75,489.00	4,266.77	28.94	27.40
(LIEUT-PARA BASE AT PROMO-90 DAYS TO FULL)				
	77,146.00			
(LIEUT PARA BELOW FULL ONLY)				
LT PARA	80,207.00	4,533.44	30.75	29.11
(CAPT BASE AT PROMO-90 DAYS TO FULL)				
	78,422.00			
(CAPT BELOW FULL ONLY)				
CAPT	80,566.00	4,553.73	30.89	29.24
(CAPT-PARA BASE AT PROMO-90 DAYS TO FULL)				
	82,062.00			
(CAPT PARA BELOW FULL ONLY)				
CPT PARA	85,284.00	4,820.40	32.70	30.95
(BATTALION CHIEF BASE AT PROMO-90 DAYS TO FULL)				
*	86,124.00			
(BATTALION CHIEF FULL ONLY)				
BATTALION CHIEF	89,983.00	5,086.00	34.50	32.65
(INSPCTR BASE AT PROMO-90 DAYS TO FULL)				
	87,779.00			
(INSPCTR FULL ONLY)				
INSPCT	91,424.00	0.00	43.96	43.96

WORKSHEET TO CALC FIRE RATES
01/01/2024 - (2% over 2023 rates)

POSITION =====	NEW BASE =====	HOLIDAY PAY =====	REGULAR HOURLY RATE =====	O.T. HOURLY RATE =====
(CAPTAIN FIRE INSPECTOR AT PROMO-90 DAYS TO FULL)				
*	94,043.00			
(CAPTAIN INSPECTOR FULL ONLY)				
CAP INSPCT	97,224.00	0.00	46.75	46.75
(FIRE MARSHAL BASE AT PROMO-90 DAYS TO FULL)				
*	97,781.00			
(FIRE MARSHAL FULL ONLY)				
FR MRSH	100,922.00	0.00	48.53	48.53

Note: Promotional pay shall be 50% of rank differential at promotion, full at 90 days.
When Transferring between the prevention and suppression branch, the wages
holiday pay and mandatory overtime shall be used to calculate the promotional differential.

WORKSHEET TO CALC FIRE RATES
01/01/2025 - (2% over 2024 rates)

POSITION =====	NEW BASE =====	HOLIDAY PAY =====	REGULAR HOURLY RATE =====	O.T. HOURLY RATE =====
DE START	46,442.00	2,624.98	17.81	16.86
DE 1 YR	52,868.00	2,988.19	20.27	19.19
DE 2 YR	59,295.00	3,351.46	22.74	21.52
DE 3 YR	65,723.00	3,714.78	25.20	23.85
DE 4YR	72,152.00	4,078.16	27.66	26.18
(DRIVER ENGR PARA MED = DEP)				
DEP START	50,556.00	2,857.51	19.39	18.35
DEP 1 YR	56,979.00	3,220.55	21.85	20.68
DEP 2 YR	63,408.00	3,583.93	24.31	23.01
DEP 3 YR	69,836.00	3,947.25	26.78	25.34
DEP 4YR	76,968.00	4,350.37	29.51	27.93
(LIEUT BASE AT PROMO-90 DAYS TO FULL)				
	74,576.00			
(LIEUT BELOW FULL ONLY)				
LT	76,998.00	4,352.06	29.52	27.94
(LIEUT-PARA BASE AT PROMO-90 DAYS TO FULL)				
	78,689.00			
(LIEUT PARA BELOW FULL ONLY)				
LT PARA	81,811.00	4,624.10	31.37	29.69
(CAPT BASE AT PROMO-90 DAYS TO FULL)				
	79,990.00			
(CAPT BELOW FULL ONLY)				
CAPT	82,177.00	4,644.79	31.51	29.82
(CAPT-PARA BASE AT PROMO-90 DAYS TO FULL)				
	83,703.00			
(CAPT PARA BELOW FULL ONLY)				
CPT PARA	86,990.00	4,916.83	33.35	31.57
(BATTALION CHIEF BASE AT PROMO-90 DAYS TO FULL)				
*	87,846.00			
(BATTALION CHIEF FULL ONLY)				
BATTALION CHIEF	90,763.00	5,130.08	34.80	32.94
(INSPCTR BASE AT PROMO-90 DAYS TO FULL)				
	89,535.00			
(INSPCTR FULL ONLY)				
INSPCT	93,252.00	0.00	44.84	44.84

WORKSHEET TO CALC FIRE RATES
01/01/2025 – (2% over 2024 rates)

POSITION	NEW BASE	HOLIDAY PAY	REGULAR HOURLY RATE	O.T. HOURLY RATE
(CAPTAIN FIRE INSPECTOR AT PROMO-90 DAYS TO FULL)				
*	95,924.00			
(CAPTAIN INSPECTOR FULL ONLY)				
CAP INSPCT	99,168.00	0.00	47.68	47.68
(FIRE MARSHAL BASE AT PROMO-90 DAYS TO FULL)				
*	99,737.00			
(FIRE MARSHAL FULL ONLY)				
FR MRSH	102,940.00	0.00	49.50	49.50

Note: Promotional pay shall be 50% of rank differential at promotion, full at 90 days.
 When Transferring between the prevention and suppression branch, the wages
 holiday pay and mandatory overtime shall be used to calculate the promotional differential.



Current BCBS CB4 (2)



A nonprofit corporation and independent licensee
of the Blue Cross and Blue Shield Association

TOWNSHIP OF WATERFORD

A0LUB3

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0070115330044

Community Blue PPOSM ASC

Effective Date: On or after August 2016

Benefits-at-a-glance

This is intended as an easy-to-read summary and provides only a general overview of your benefits. It is not a contract. Additional limitations and exclusions may apply. Payment amounts are based on BCBSM's approved amount, less any applicable deductible and/or copay/coinsurance. For a complete description of benefits please see the applicable BCBSM certificates and riders, if your group is underwritten or any other plan documents your group uses, if your group is self-funded. If there is a discrepancy between this Benefits-at-a-Glance and any applicable plan document, the plan document will control.

Preauthorization for Select Services - Services listed in this BAAG are covered when provided in accordance with Certificate requirements and, when required, are preauthorized or approved by BCBSM except in an emergency.

Note: A list of services that require approval before they are provided is available online at bcbsm.com/importantinfo. Select *Approving covered services*.

Pricing information for various procedures by in-network providers can be obtained by calling the customer service number listed on the back of your BCBSM ID card and providing the procedure code. Your provider can also provide this information upon request.

Preauthorization for Specialty Pharmaceuticals - BCBSM will pay for FDA-approved specialty pharmaceuticals that meet BCBSM's medical policy criteria for treatment of the condition. The prescribing physician must contact BCBSM to request preauthorization of the drugs. If preauthorization is not sought, BCBSM will deny the claim and all charges will be the member's responsibility.

Specialty pharmaceuticals are biotech drugs including high cost infused, injectable, oral and other drugs related to specialty disease categories or other categories. BCBSM determines which specific drugs are payable. This may include medications to treat asthma, rheumatoid arthritis, multiple sclerosis, and many other diseases as well as chemotherapy drugs used in the treatment of cancer, but excludes injectable insulin.

BCBSM provides administrative claims services only. Your employer is financially responsible for claims.

Blue Cross Blue Shield of Michigan is a nonprofit corporation and independent licensee of the Blue Cross and Blue Shield Association. Services from a provider for which there is no Michigan PPO network and services from an out-of-network provider in a geographic area of Michigan deemed a "low access area" by BCBSM for that particular provider specialty are covered at the in-network benefit level. Cost-sharing may differ when you obtain covered services outside of Michigan. If you receive care from a nonparticipating provider, even when referred, you may be billed for the difference between our approved amount and the provider's charge.

Member's responsibility (deductibles, copays, coinsurance and dollar maximums)

Benefits	In-network	Out-of-network
Deductible	<p>\$500 for one member \$1,000 for the family (when two or more members are covered under your contract) each calendar year</p> <p>Note: Deductible may be waived for covered services performed in an in-network physician's office and for covered mental health and substance abuse services that are equivalent to an office visit and performed in an in-network physician's office.</p>	<p>\$1,000 for one member \$2,000 for the family (when two or more members are covered under your contract) each calendar year</p> <p>Note: Out-of-network deductible amounts also count toward the in-network deductible.</p>
Flat-dollar copays	<ul style="list-style-type: none"> \$30 copay for office visits and office consultations \$30 copay for chiropractic and osteopathic manipulative therapy \$150 copay for emergency room visits 	<ul style="list-style-type: none"> \$150 copay for emergency room visits
Coinsurance amounts (percent copays)	<ul style="list-style-type: none"> 50% of approved amount for private duty nursing care 20% of approved amount for mental health care and substance abuse treatment 20% of approved amount for most other covered services (coinsurance waived for covered services performed in an in-network physician's office) 	<ul style="list-style-type: none"> 50% of approved amount for private duty nursing care 40% of approved amount for mental health care and substance abuse treatment 40% of approved amount for most other covered services
Note: Coinsurance amounts apply once the deductible has been met.		
Annual coinsurance maximums - applies to coinsurance amounts for all covered services - but <u>does not</u> apply to deductibles, flat-dollar copays, private duty nursing care coinsurance amounts and prescription drug cost-sharing amounts	<p>\$1,500 for one member \$3,000 for the family (when two or more members are covered under your contract) each calendar year</p>	<p>\$3,000 for one member \$6,000 for the family (when two or more members are covered under your contract) each calendar year</p> <p>Note: Out-of-network coinsurance amounts also count toward the in-network coinsurance maximum.</p>
Annual out-of-pocket maximums - applies to deductibles, flat dollar copays and coinsurance amounts for all covered services - including cost-sharing amounts for prescription drugs, if applicable	<p>\$6,600 for one member \$13,200 for the family (when two or more members are covered under your contract) each calendar year</p>	<p>\$13,200 for one member \$26,400 for the family (when two or more members are covered under your contract) each calendar year</p> <p>Note: Out-of-network cost-sharing amounts also count toward the in-network out-of-pocket maximum.</p>
Lifetime dollar maximum	None	

Preventive care services

Benefits	In-network	Out-of-network
Health maintenance exam - Includes chest x-ray, EKG, cholesterol screening and other select lab procedures	<p>100% (no deductible or copay/coinsurance), one per member per calendar year</p> <p>Note: Additional well-women visits may be allowed based on medical necessity</p>	Not covered

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Benefits	In-network	Out-of-network
Gynecological exam	100% (no deductible or copay/coinsurance), one per member per calendar year Note: Additional well-woman visits may be allowed based on medical necessity.	Not covered
Pap smear screening - laboratory and pathology services	100% (no deductible or copay/coinsurance), one per member per calendar year	Not covered
Voluntary Sterilization for Females	100% (no deductible or copay/coinsurance)	60% after out-of-network deductible
Prescription contraceptive devices - Includes insertion and removal of an intrauterine device by a licensed physician	100% (no deductible or copay/coinsurance)	100% after out-of-network deductible
Contraceptive injections	100% (no deductible or copay/coinsurance)	60% after out-of-network deductible
Well-baby and child care visits	100% (no deductible or copay/coinsurance) <ul style="list-style-type: none"> • 8 visits, birth through 12 months • 6 visits, 13 months through 23 months • 6 visits, 24 months through 35 months • 2 visits, 36 months through 47 months • Visits beyond 47 months are limited to one per member per calendar year under the health maintenance exam benefit. 	Not covered
Adult and childhood preventive services and immunizations as recommended by the USPSTF, ACIP, HRSA or other sources as recognized by BCBSM that are in compliance with the provisions of the Patient Protection and Affordable Care Act	100% (no deductible or copay/coinsurance)	Not covered
Fecal occult blood screening	100% (no deductible or copay/coinsurance), one per member per calendar year	Not covered
Flexible sigmoidoscopy exam	100% (no deductible or copay/coinsurance), one per member per calendar year	Not covered
Prostate specific antigen (PSA) screening	100% (no deductible or copay/coinsurance), one per member per calendar year	Not covered
Routine mammogram and related reading	100% (no deductible or copay/coinsurance) Note: Subsequent medically necessary mammograms performed during the same calendar year are subject to your deductible and coinsurance. One per member per calendar year	60% after out-of-network deductible Note: Out-of-network readings and interpretations are payable only when the screening mammogram itself is performed by an in-network provider.
Colonoscopy - routine or medically necessary	100% (no deductible or copay/coinsurance) for the first billed colonoscopy Note: Subsequent colonoscopies performed during the same calendar year are subject to your deductible and coinsurance. One per member per calendar year	60% after out-of-network deductible

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Benefits	In-network	Out-of-network
Hospice care	100% (no deductible or copay/coinsurance) Up to 28 pre-hospice counseling visits before electing hospice services; when elected, four 90-day periods - provided through a participating hospice program only; limited to dollar maximum that is reviewed and adjusted periodically (after reaching dollar maximum, member transitions into individual case management)	100% (no deductible or copay/coinsurance)
Home health care:	80% after in-network deductible	80% after in-network deductible
<ul style="list-style-type: none"> must be medically necessary must be provided by a participating home health care agency 		
Infusion therapy:	80% after in-network deductible	80% after in-network deductible
<ul style="list-style-type: none"> must be medically necessary must be given by a participating Home Infusion Therapy (HIT) provider or in a participating freestanding Ambulatory Infusion Center (AIC) may use drugs that require preauthorization - consult with your doctor 		

Surgical services

Benefits	In-network	Out-of-network
Surgery - Includes related surgical services and medically necessary facility services by a participating ambulatory surgery facility	80% after in-network deductible	60% after out-of-network deductible
Presurgical consultations	100% (no deductible or copay/coinsurance)	60% after out-of-network deductible
Voluntary sterilization for males	80% after in-network deductible	60% after out-of-network deductible
Note: For voluntary sterilizations for females, see "Preventive care services."		
Voluntary Abortions	80% after in-network deductible	60% after out-of-network deductible

Human organ transplants

Benefits	In-network	Out-of-network
Specified human organ transplants - must be in a designated facility and coordinated through the BCBSM Human Organ Transplant Program (1-800-242-3504)	100% (no deductible or copay/coinsurance)	100% (no deductible or copay/coinsurance) - In designated facilities only
Bone marrow transplants - must be coordinated through the BCBSM Human Organ Transplant Program (1-800-242-3504)	80% after in-network deductible	60% after out-of-network deductible
Specified oncology clinical trials	80% after in-network deductible	60% after out-of-network deductible
Note: BCBSM covers clinical trials in compliance with PPACA.		
Kidney, cornea and skin transplants	80% after in-network deductible	60% after out-of-network deductible

Mental health care and substance abuse treatment

Note: Some mental health and substance abuse services are considered by BCBSM to be comparable to an office visit. When a mental health or substance abuse service is considered by BCBSM to be comparable to an office visit, we will process the claim under your office visit benefit.

Benefits	In-network	Out-of-network
Inpatient mental health care and inpatient substance abuse treatment	80% after in-network deductible	60% after out-of-network deductible Unlimited days

Physician office services		
Benefits	In-network	Out-of-network
Office visits - must be medically necessary	\$30 copay per office visit	60% after out-of-network deductible
Outpatient and home medical care visits - must be medically necessary	80% after in-network deductible	60% after out-of-network deductible
Office consultations - must be medically necessary	\$30 copay per office consultation	60% after out-of-network deductible
Urgent care visits - must be medically necessary	\$30 copay per urgent care visit	60% after out-of-network deductible

Emergency medical care		
Benefits	In-network	Out-of-network
Hospital emergency room	\$150 copay per visit (copay waived if admitted or for an accidental injury)	\$150 copay per visit (copay waived if admitted or for an accidental injury)
Ambulance services - must be medically necessary	80% after in-network deductible	80% after in-network deductible

Diagnostic services		
Benefits	In-network	Out-of-network
Laboratory and pathology services	80% after in-network deductible	60% after out-of-network deductible
Diagnostic tests and x-rays	80% after in-network deductible	60% after out-of-network deductible
Therapeutic radiology	80% after in-network deductible	80% after out-of-network deductible

Maternity services provided by a physician or certified nurse midwife		
Benefits	In-network	Out-of-network
Prenatal care visits	100% (no deductible or copay/coinsurance)	60% after out-of-network deductible
Postnatal care visit	100% (no deductible or copay/coinsurance)	60% after out-of-network deductible
Delivery and nursery care	80% after in-network deductible	60% after out-of-network deductible

Hospital care		
Benefits	In-network	Out-of-network
Semiprivate room, inpatient physician care, general nursing care, hospital services and supplies	80% after in-network deductible	60% after out-of-network deductible Unlimited days
Note: Nonemergency services must be rendered in a participating hospital.		
Inpatient consultations	80% after in-network deductible	60% after out-of-network deductible
Chemotherapy	80% after in-network deductible	60% after out-of-network deductible

Alternatives to hospital care		
Benefits	In-network	Out-of-network
Skilled nursing care - must be in a participating skilled nursing facility	80% after in-network deductible	80% after in-network deductible
Limited to a maximum of 120 days per member per calendar year.		

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Benefits	In-network	Out-of-network
Residential psychiatric treatment facility:	80% after in-network deductible	60% after out-of-network deductible
<ul style="list-style-type: none"> covered mental health services must be performed in a residential psychiatric treatment facility treatment must be preauthorized subject to medical criteria 		
Outpatient mental health care:	80% after in-network deductible	80% after in-network deductible in participating facilities only
<ul style="list-style-type: none"> Facility and clinic 		
<ul style="list-style-type: none"> Physician's office 	80% after in-network deductible	60% after out-of-network deductible
Outpatient substance abuse treatment - in approved facilities only	80% after in-network deductible	60% after out-of-network deductible (in-network cost-sharing will apply if there is no PPO network)

Autism spectrum disorders, diagnoses and treatment

Benefits	In-network	Out-of-network
Applied behavioral analysis (ABA) treatment - when rendered by an approved board-certified behavioral analyst - is covered through age 18, subject to preauthorization	Not covered	Not covered
<p>Note: Diagnosis of an autism spectrum disorder and a treatment recommendation for ABA services must be obtained by a BCBSM approved autism evaluation center (AAEC) prior to seeking ABA treatment.</p>		
Outpatient physical therapy, speech therapy, occupational therapy, nutritional counseling for autism spectrum disorder	Not covered	Not covered
Other covered services, including mental health services, for autism spectrum disorder	Not covered	Not covered

Other covered services

Benefits	In-network	Out-of-network
Outpatient Diabetes Management Program (ODMP)	<ul style="list-style-type: none"> 80% after in-network deductible for diabetes medical supplies 100% (no deductible or copay/coinsurance) for diabetes self-management training 	60% after out-of-network deductible
<p>Note: Screening services required under the provisions of PPACA are covered at 100% of approved amount with no in-network cost-sharing when rendered by an in-network provider.</p>		
<p>Note: When you purchase your diabetic supplies via mail order you will lower your out-of-pocket costs.</p>		
<p>Note: Lancets and test strips for glucose monitors are covered under your prescription drug benefits.</p>		
Allergy testing and therapy	100% (no deductible or copay/coinsurance)	60% after out-of-network deductible
Chiropractic spinal manipulation and osteopathic manipulative therapy	\$30 copay per visit Limited to a combined 24-visit maximum per member per calendar year	60% after out-of-network deductible
Outpatient physical, speech and occupational therapy - provided for rehabilitation	80% after in-network deductible	60% after out-of-network deductible
<p>Note: Services at nonparticipating outpatient physical therapy facilities are not covered.</p>		
<p>Limited to a combined 60-visit maximum per member per calendar year</p>		

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Benefits**In-network****Out-of-network**

Durable medical equipment

80% after in-network deductible

80% after in-network deductible

Note: DME items required under the provisions of PPACA are covered at 100% of approved amount with no in-network cost-sharing when rendered by an in-network provider. For a list of covered DME items required under PPACA, call BCBSM.

Prosthetic and orthotic appliances

80% after in-network deductible

80% after in-network deductible

Private duty nursing care

50% after in-network deductible

50% after in-network deductible

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**Blue Cross
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TOWNSHIP OF WATERFORD

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BCBSM Preferred RX Program

Effective Date: On or after August 2016

Benefits-at-a-glance

This is intended as an easy-to-read summary and provides only a general overview of your benefits. It is not a contract. Additional limitations and exclusions may apply. Payment amounts are based on BCBSM's approved amount, less any applicable deductible and/or copay/coinsurance. For a complete description of benefits please see the applicable BCBSM certificates and riders, if your group is underwritten or any other plan documents your group uses, if your group is self-funded. If there is a discrepancy between this Benefits-at-a-Glance and any applicable plan document, the plan document will control.

Specialty Pharmaceutical Drugs - The mail order pharmacy for specialty drugs is Walgreens Specialty Pharmacy, LLC, an independent company. Specialty prescription drugs (such as Enbrel® and Humira®) are used to treat complex conditions such as rheumatoid arthritis, multiple sclerosis and cancer. These drugs require special handling, administration or monitoring. Walgreens Specialty Pharmacy will handle mail order prescriptions only for specialty drugs while many in-network retail pharmacies will continue to dispense specialty drugs (check with your local pharmacy for availability). Other mail order prescription medications can continue to be sent to Express Scripts. (Express Scripts is an independent company providing pharmacy benefit services for Blues members.) A list of specialty drugs is available on our Web site at bcbsm.com/pharmacy. If you have any questions, please call Walgreens Specialty Pharmacy customer service at 1-866-515-1355.

We will not pay for more than a 30-day supply of a covered prescription drug that BCBSM defines as a "specialty pharmaceutical" whether or not the drug is obtained from a 90-Day Retail Network provider or mail-order provider. We may make exceptions if a member requires more than a 30-day supply. BCBSM reserves the right to limit the initial quantity of select specialty drugs. Your copay will be reduced by one-half for this initial fill (15 days).

Member's responsibility (copays and coinsurance amounts)

Note: Your prescription drug copays and coinsurance amounts, including mail order copay and coinsurance amounts, are subject to the same annual out-of-pocket maximum required under your medical coverage. The following prescription drug expenses will not apply to your annual out-of-pocket maximum.

- any difference between the Maximum Allowable Cost and BCBSM's approved amount for a covered brand name drug
- the 25% member liability for covered drugs obtained from an out-of-network pharmacy

Benefits		90-day retail network pharmacy	In-network mail order provider	In-network pharmacy (not part of the 90-day retail network)	Out-of-network pharmacy
Tier 1 - Generic or select prescribed over-the-counter drugs	1 to 30-day period	You pay \$10 copay	You pay \$10 copay	You pay \$10 copay	You pay \$10 copay plus an additional 25% of BCBSM approved amount for the drug
	31 to 83-day period	No coverage	You pay \$20 copay	No coverage	No coverage
	84 to 90-day period	You pay \$20 copay	You pay \$20 copay	No coverage	No coverage
Tier 2 - Preferred brand-name drugs	1 to 30-day period	You pay \$40 copay	You pay \$40 copay	You pay \$40 copay	You pay \$40 copay plus an additional 25% of BCBSM approved amount for the drug

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Benefits	90-day retail network pharmacy	* In-network mail order provider	In-network pharmacy (not part of the 90-day retail network)	Out-of-network pharmacy
Tier 3 - Nonpreferred brand-name drugs	31 to 83-day period	No coverage	You pay \$80 copay	No coverage
	84 to 90-day period	You pay \$80 copay	You pay \$80 copay	No coverage
	1 to 30-day period	You pay \$80 copay	You pay \$80 copay	You pay \$80 copay plus an additional 25% of BCBSM approved amount for the drug
	31 to 83-day period	No coverage	You pay \$160 copay	No coverage
	84 to 90-day period	You pay \$160 copay	You pay \$160 copay	No coverage

Note: Over-the-counter (OTC) drugs are drugs that do not require a prescription under federal law. They are identified by BCBSM as select prescription drugs. A prescription for the select OTC drug is required from the member's physician. In some cases, over-the-counter drugs may need to be tried before BCBSM will approve use of other drugs * BCBSM will not pay for drugs obtained from out-of-network mail order providers, including Internet providers.

Covered services				
Benefits	90-day retail network pharmacy	* In-network mail order provider	In-network pharmacy (not part of the 90-day retail network)	Out-of-network pharmacy
FDA-approved drugs	100% of approved amount less plan copay/coinsurance	100% of approved amount less plan copay/coinsurance	100% of approved amount less plan copay/coinsurance	75% of approved amount less plan copay/coinsurance
Prescribed over-the-counter drugs - when covered by BCBSM	100% of approved amount less plan copay/coinsurance	100% of approved amount less plan copay/coinsurance	100% of approved amount less plan copay/coinsurance	75% of approved amount less plan copay/coinsurance
State-controlled drugs	100% of approved amount less plan copay/coinsurance	100% of approved amount less plan copay/coinsurance	100% of approved amount less plan copay/coinsurance	75% of approved amount less plan copay/coinsurance
FDA-approved generic and select brand-name prescription preventive drugs, supplements and vitamins as required by PPACA (non-self-administered drugs are not covered)	100% of approved amount	100% of approved amount	100% of approved amount	75% of approved amount
Other FDA-approved brand-name prescription preventive drugs, supplements and vitamins as required by PPACA (non-self-administered drugs are not covered)	100% of approved amount less plan copay/coinsurance	100% of approved amount less plan copay/coinsurance	100% of approved amount less plan copay/coinsurance	75% of approved amount less plan copay/coinsurance
FDA-approved generic and select brand name prescription contraceptive medication (non-self-administered drugs are not covered)	100% of approved amount	100% of approved amount	100% of approved amount	75% of approved amount
Other FDA-approved brand name prescription contraceptive medication (non-self-administered drugs are not covered)	100% of approved amount less plan copay/ coinsurance	100% of approved amount less plan copay/ coinsurance	100% of approved amount less plan copay/ coinsurance	75% of approved amount less plan copay/ coinsurance

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Benefits	90-day retail network pharmacy	* In-network mail order provider	In-network pharmacy (not part of the 90-day retail network)	Out-of-network pharmacy
Disposable needles and syringes - when dispensed with insulin or other covered injectable legend drugs	100% of approved amount less plan copay/coinsurance for the insulin or other covered injectable legend drug	100% of approved amount less plan copay/coinsurance for the insulin or other covered injectable legend drug	100% of approved amount less plan copay/coinsurance for the insulin or other covered injectable legend drug	75% of approved amount less plan copay/coinsurance for the insulin or other covered injectable legend drug
Note: Needles and syringes have no copay/coinsurance.				
Diabetic test strips and lancets	100% of approved amount less plan copay/coinsurance	100% of approved amount less plan copay/coinsurance	100% of approved amount less plan copay/coinsurance	75% of approved amount less plan copay/coinsurance

* BCBSM will not pay for drugs obtained from out-of-network mail order providers, including Internet providers.

Features of your prescription drug plan

Custom Drug List	<p>A continually updated list of FDA-approved medications that represent each therapeutic class. The drugs on the list are chosen by the BCBSM Pharmacy and Therapeutics Committee for their effectiveness, safety, uniqueness and cost efficiency. The goal of the drug list is to provide members with the greatest therapeutic value at the lowest possible cost.</p> <ul style="list-style-type: none"> • Tier 1 (generic) - Tier 1 includes generic drugs made with the same active ingredients, available in the same strengths and dosage forms, and administered in the same way as equivalent brand-name drugs. They also require the lowest copay/coinsurance, making them the most cost-effective option for the treatment. • Tier 2 (preferred brand) - Tier 2 includes brand-name drugs from the Custom Drug List. Preferred brand name drugs are also safe and effective, but require a higher copay/coinsurance. • Tier 3 (nonpreferred brand) - Tier 3 contains brand-name drugs not included in Tier 2. These drugs may not have a proven record for safety or as high of a clinical value as Tier 1 or Tier 2 drugs. Members pay the highest copay/coinsurance for these drugs.
Prior authorization/step therapy	<p>A process that requires a physician to obtain approval from BCBSM before select prescription drugs (drugs identified by BCBSM as requiring preauthorization) will be covered. Step Therapy, an initial step in the "Prior Authorization" process, applies criteria to select drugs to determine if a less costly prescription drug may be used for the same drug therapy. Some over-the-counter medications may be covered under step therapy guidelines. This also applies to mail order drugs. Claims that do not meet Step Therapy criteria require preauthorization. Details about which drugs require preauthorization or step therapy are available online site at bcbsm.com/pharmacy.</p>
Drug Interchange and generic copay/coinsurance waiver	<p>BCBSM's drug interchange and generic copay/coinsurance waiver programs encourage physicians to prescribe a less-costly generic equivalent.</p> <p>If your physician rewrites your prescription for the recommended generic or OTC alternate drug, you will only have to pay a generic copay/coinsurance. In select cases BCBSM may waive the initial copay/coinsurance after your prescription has been rewritten. BCBSM will notify you if you are eligible for a waiver.</p>
Mandatory maximum allowable cost drugs	<p>If your prescription is filled by any type of network pharmacy, and the pharmacist fills it with a brand-name drug for which a generic equivalent is available, you MUST pay the difference in cost between the BCBSM approved amount for the brand-name drug dispensed and the maximum allowable cost for the generic drug <i>plus</i> your applicable copay regardless of whether you or your physician requests the brand name drug. Exception: If your physician requests and receives authorization for a nonformulary brand-name drug with a generic equivalent from BCBSM and writes "Dispense as Written" or "DAW" on the prescription order, You pay only your applicable copay. Note: This MAC difference will not be applied toward your annual in-network deductible, nor your annual coinsurance/copay maximum.</p>
Quantity limits	<p>To stay consistent with FDA approved labeling for drugs, some medications may have quantity limits.</p>

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Current HSA plan

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TOWNSHIP OF WATERFORD

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Effective Date: 08/01/2017

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Preauthorization for Specialty Services - Services listed in this BAAG are covered when provided in accordance with Certificate requirements and, when require, are preauthorized or approved by BCBSM except in an emergency

Note: A list of services that require approval before they are provided is available online at bcbsm.com/importantinfo. Select Approving covered services.

Pricing information for various procedures by in-network providers can be obtained by calling the customer service number listed on the back of your BCBSM ID card and providing the procedure code. Your provider can also provide this information upon request.

Preauthorization for Specialty Pharmaceuticals - BCBSM will pay for FDA-approved specialty pharmaceuticals that meet BCBSM's medical policy criteria for treatment of the condition. The prescribing physician must contact BCBSM to request preauthorization of the drugs. If preauthorization is not sought, BCBSM will deny the claim and all charges will be the member's responsibility.

Specialty pharmaceuticals are biotech drugs including high cost infused, injectable, oral and other drugs related to specialty disease categories or other categories. BCBSM determines which specific drugs are payable. This may include medications to treat asthma, rheumatoid arthritis, multiple sclerosis, and many other disease as well as chemotherapy drugs used in the treatment of cancer, but excludes injectable insulin.

Blue Cross provides administrative claims services only. Your employer or plan sponsor is financially responsible for claims.

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Eligibility Information

Member

Dependents

Eligibility Criteria

- Subscriber's legal spouse
- **Dependent children:** related to you by birth, marriage, legal adoption or legal guardianship; eligible for coverage until the end of the year in which they turn age 26

Member's responsibility (deductibles, copays, coinsurance and dollar maximums)

Note: If an in-network provider refers you to an out-of-network provider, all covered services obtained from that out-of-network provider will be subject to applicable out-of-network cost-sharing.

Benefits	In-network	Out-of-network
Deductibles	\$1,350 for a one-person contract \$2,700 for a family contract (2 or more members) each calendar year (no 4th quarter carry-over)	\$2,700 for a one-person contract \$5,400 for a family contract (2 or more members) each calendar year (no 4th quarter carry-over)
<p>Note: Your deductible combines deductible amounts paid under your Simply Blue HSA medical coverage and your Simply Blue prescription drug coverage.</p> <p>Note: The full family deductible must be met under a two-person or family contract before benefits are paid for any person on the contract.</p> <p>Deductibles are based on amounts defined annually by the federal government for Simply Blue HSA-related health plans. Deductibles may increase each calendar year. Please call your customer service center for an annual update.</p>		
Flat-dollar copays	See "Prescription Drugs" section	See "Prescription Drugs" section
Coinsurance amounts (percent copays)	None	20% of approved amount for most covered services
<p>Note: Coinsurance amounts apply once the deductible has been met.</p> <p>Annual out-of-pocket maximums-applies to deductibles and coinsurance amounts for all covered services - including prescription drug cost-sharing amounts</p>		
	\$2,250 for a one-person contract \$4,500 for a family contract (2 or more members) each calendar year	\$4,500 for a one-person contract \$9,000 for a family contract (2 or more members) each calendar year
Lifetime dollar maximum	None	

Preventive care services

Benefits	In-network	Out-of-network
Health maintenance exam-includes chest x-ray, EKG, cholesterol screening and other select lab procedures	100% (no deductible or copay/coinsurance), one per member per calendar year	Not covered
<p>Note: Additional well-women visits may be allowed based on medical necessity.</p>		
Gynecological exam	100% (no deductible or copay/coinsurance), one per member per calendar year	Not covered
<p>Note: Additional well-women visits may be allowed based on medical necessity.</p>		
Pap smear screening- laboratory and pathology services	100% (no deductible or copay/coinsurance), one per member per calendar year	Not covered
Voluntary sterilizations for females	100% (no deductible or copay/coinsurance)	80% after out-of-network deductible
Prescription contraceptive devices-includes insertion and removal of an Intrauterine device by a licensed physician	100% (no deductible or copay/coinsurance)	80% after out-of-network deductible
Contraceptive injections	100% (no deductible or copay/coinsurance)	80% after out-of-network deductible

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Benefits	In-network	Out-of-network
Well-baby and child care visits	100% (no deductible or copay/coinsurance) <ul style="list-style-type: none"> • 8 visits, birth through 12 months • 6 visits, 13 months through 23 months • 6 visits, 24 months through 35 months • 2 visits, 36 months through 47 months • Visits beyond 47 months are limited to one per member per calendar year under the health maintenance exam benefit 	Not covered
Adult and childhood preventive services and immunizations as recommended by the USPSTF, ACIP, HRSA or other sources as recognized by BCBSM that are in compliance with the provisions of the Patient Protection and Affordable Care Act	100% (no deductible or copay/coinsurance)	Not covered
Fecal occult blood screening	100% (no deductible or copay/coinsurance), one per member per calendar year	Not covered
Flexible sigmoidoscopy exam	100% (no deductible or copay/coinsurance), one per member per calendar year	Not covered
Prostate specific antigen (PSA) screening	100% (no deductible or copay/coinsurance), one per member per calendar year	Not covered
Routine mammogram and related reading	100% (no deductible or copay/coinsurance)	80% after out-of-network deductible
	Note: Subsequent medically necessary mammograms performed during the same calendar year are subject to your deductible and coinsurance.	Note: Out-of-network readings and interpretations are payable only when the screening mammogram itself is performed by an in-network provider.
	One per member per calendar year	
Routine screening colonoscopy	100% (no deductible or copay/coinsurance) for routine colonoscopy	80% after out-of-network deductible
	Note: Medically necessary colonoscopies performed during the same calendar year are subject to your deductible and coinsurance.	
	One routine colonoscopy per member per calendar year	

Physician office services

Benefits	In-network	Out-of-network
Office visits - must be medically necessary	100% after in-network deductible	80% after out-of-network deductible
Online visits - by physician must be medically necessary	100% after in-network deductible	80% after out-of-network deductible
Note: Online visits by a vendor are not covered.		
Outpatient and home medical care visits - must be medically necessary	100% after in-network deductible	80% after out-of-network deductible
Office consultations - must be medically necessary	100% after in-network deductible	80% after out-of-network deductible
Urgent care visits - must be medically necessary	100% after in-network deductible	80% after out-of-network deductible

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Emergency medical care

Benefits	In-network	Out-of-network
Hospital emergency room	100% after in-network deductible	100% after in-network deductible
Ambulance services - must be medically necessary	100% after in-network deductible	100% after in-network deductible

Diagnostic services

Benefits	In-network	Out-of-network
Laboratory and pathology services	100% after in-network deductible	80% after out-of-network deductible
Diagnostic tests and x-rays	100% after in-network deductible	80% after out-of-network deductible
Therapeutic radiology	100% after in-network deductible	80% after out-of-network deductible

Maternity services provided by a physician or certified nurse midwife

Benefits	In-network	Out-of-network
Prenatal care visits	100% (no deductible or copay/coinsurance)	80% after out-of-network deductible
Postnatal care	100% after in-network deductible	80% after out-of-network deductible
Delivery and nursery care	100% after in-network deductible	80% after out-of-network deductible

Hospital care

Benefits	In-network	Out-of-network
Semiprivate room, inpatient physician care, general nursing care, hospital services and supplies	100% after in-network deductible	80% after out-of-network deductible
Unlimited days		
Note: Nonemergency services must be rendered in a participating hospital.		
Inpatient consultations	100% after in-network deductible	80% after out-of-network deductible
Chemotherapy	100% after in-network deductible	80% after out-of-network deductible

Alternatives to hospital care

Benefits	In-network	Out-of-network
Skilled nursing care- must be in a participating skilled nursing facility	100% after in-network deductible	100% after in-network deductible
Limited to a maximum of 120 days per member per calendar year		
Hospice care	100% after in-network deductible	100% after in-network deductible
Up to 28 pre-hospice counseling visits before electing hospice services; when elected, four 90-day periods-provided through a participating hospice program only; limited to dollar maximum that is reviewed and adjusted periodically (after reaching dollar maximum, member transitions into individual case management)		
Home health care:	100% after in-network deductible	100% after in-network deductible
<ul style="list-style-type: none"> • must be medically necessary • must be provided by a participating home health care agency 		

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Benefits	In-network	Out-of-network
Infusion therapy:	100% after in-network deductible	100% after in-network deductible
<ul style="list-style-type: none"> must be medically necessary must be given by a participating Home Infusion Therapy (HIT) provider or in a participating freestanding Ambulatory Infusion Center (AIC) may use drugs that require preauthorization-consult with your doctor 		

Surgical services

Benefits	In-network	Out-of-network
Surgery-includes related surgical services and medically necessary facility services by a participating ambulatory surgery facility	100% after in-network deductible	80% after out-of-network deductible
Presurgical consultations	100% after in-network deductible	80% after out-of-network deductible
Voluntary sterilization for males	100% after in-network deductible	80% after out-of-network deductible
Note: For voluntary sterilizations for females, see "Preventive care services."		
Voluntary abortions	100% after in-network deductible	80% after out-of-network deductible

Human organ transplants

Benefits	In-network	Out-of-network
Specified human organ transplants - must be in a designated facility and coordinated through the BCBSM Human Organ Transplant Program (1-800-242-3504)	100% after in-network deductible	100% after in-network deductible -in designated facilities only
Bone marrow transplants-must be coordinated through the BCBSM Human Organ Transplant Program (1-800-242-3504)	100% after in-network deductible	80% after out-of-network deductible
Specified oncology clinical trials	100% after in-network deductible	80% after out-of-network deductible
Note: BCBSM covers clinical trials in compliance with PPACA.		
Kidney, cornea and skin transplants	100% after in-network deductible	80% after out-of-network deductible

Mental health care and substance use disorder treatment

Benefits	In-network	Out-of-network
Inpatient mental health care and inpatient substance treatment	100% after in-network deductible	80% after out-of-network deductible
Residential psychiatric treatment facility	100% after in-network deductible	80% after out-of-network deductible
<ul style="list-style-type: none"> covered mental health services must be performed in a residential psychiatric treatment facility Treatment must be preauthorized subject to medical criteria 		
Outpatient mental health care:		
<ul style="list-style-type: none"> Facility and clinic 	100% after in-network deductible	100% after in-network deductible in participating facilities only
<ul style="list-style-type: none"> Online visits 	100% after in-network deductible	80% after out-of-network deductible
Note: Online visits by a vendor are not covered.		
<ul style="list-style-type: none"> Physician's office 	100% after in-network deductible	80% after out-of-network deductible

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Benefits	In-network	Out-of-network
Outpatient substance use disorder treatment-in approved facilities only	100% after in-network deductible	80% after out-of-network deductible (in-network cost-sharing will apply if there is no PPO network)

Autism spectrum disorders, diagnoses and treatment

Benefits	In-network	Out-of-network
Applied behavioral analysis (ABA) treatment-when rendered by an approved board-certified behavioral analyst-is covered through age 18, subject to preauthorization	Not covered	Not covered
<p>Note: Diagnosis of an autism spectrum disorder and a treatment recommendation for ABA services must be obtained by a BCBSM approved autism evaluation center (AAEC) prior to seeking ABA treatment.</p>		
Outpatient physical therapy, speech therapy, occupational therapy, nutritional counseling for autism spectrum disorder	Not covered	Not covered
Other covered services, including mental health services, for autism spectrum disorder	Not covered	Not covered

Other covered services

Benefits	In-network	Out-of-network
Outpatient Diabetes Management Program (ODMP)	100% after in-network deductible	80% after out-of-network deductible
<p>Note: Screening services required under the provisions of PPACA are covered at 100% of approved amount with no in-network cost-sharing when rendered by an in-network provider.</p> <p>Note: When you purchase your diabetic supplies via mail order you will lower your out-of-pocket costs.</p> <p>Note: Lancets and test strips for glucose monitors are covered under your prescription drug benefits.</p>		
Allergy testing and therapy	100% after in-network deductible	80% after out-of-network deductible
Chiropractic spinal manipulation and osteopathic manipulative therapy	100% after in-network deductible	80% after out-of-network deductible
	Limited to a combined 12-visit maximum per member per calendar year	
Outpatient physical, speech and occupational therapy-provided for rehabilitation	100% after in-network deductible	80% after out-of-network deductible
		Note: Services at nonparticipating outpatient physical therapy facilities are not covered.
	Limited to a combined 30-visit maximum per member per calendar year	
Durable medical equipment	100% after in-network deductible	100% after in-network deductible
<p>Note: DME items required under the provisions of PPACA are covered at 100% of approved amount with no in-network cost-sharing when rendered by an in-network provider. For a list of covered DME items required under PPACA, call BCBSM.</p>		
Prosthetic and orthotic appliances	100% after in-network deductible	100% after in-network deductible

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Benefits**In-network****Out-of-network**

Private duty nursing care

100% after in-network deductible

100% after in-network deductible

Simply Blue HSA with Prescription Drugs

This is intended as an easy-to-read summary and provides only a general overview of your benefits. It is not a contract. Additional limitations and exclusions may apply. Payment amounts are based on BCBSM's approved amount, less any applicable deductible and/or copay/coinsurance. For a complete description of benefits please see the applicable BCBSM certificates and riders. If your group is underwritten or any other plan documents your group uses, if your group is self-funded. If there is a discrepancy between this Benefits-at-a-Glance and any applicable plan document, the plan document will control.

Specialty Pharmaceutical Drugs - The mail order pharmacy for specialty drugs is Walgreens Specialty Pharmacy, LLC, an independent company. Specialty prescription drugs (such as Enbrel® and Humira®) are used to treat complex conditions such as rheumatoid arthritis, multiple sclerosis and cancer. These drugs require special handling, administration or monitoring. Walgreens Specialty Pharmacy will handle mail order prescriptions only for specialty drugs while many in-network retail pharmacies will continue to dispense specialty drugs (check with your local pharmacy for availability). Other mail order prescription medications can continue to be sent to Express Scripts. (Express Scripts is an independent company providing pharmacy benefit services for Blues members.) A list of specialty drugs is available on our Web site at bcbsm.com/pharmacy. If you have any questions, please call Walgreens Specialty Pharmacy customer service at 1-866-515-1355.

We will not pay for more than a 30-day supply of a covered prescription drug that BCBSM defines as a "specialty pharmaceutical" whether or not the drug is obtained from a 90-Day Retail Network provider or mail-order provider. We may make exceptions if a member requires more than a 30-day supply. BCBSM reserves the right to limit the quantity of select specialty drugs to no more than a 15-day supply for each fill. Your copay/coinsurance will be reduced by one-half for each fill once applicable deductibles have been met.

Select Controlled Substance Drugs - BCBSM will limit the initial fill of select controlled substances to a 5-day supply. Additional fills for these medications will be limited to no more than a 30-day supply. The controlled substances affected by this prescription drug requirement are available online at bcbsm.com/pharmacy.

Member's responsibility (copays and coinsurance amounts)

Your Simply Blue HSA prescription drug benefits, including mail order drugs, are subject to the same deductible and same annual out-of-pocket maximum required under your Simply Blue HSA medical coverage. Benefits are not payable until you have met the Simply Blue HSA annual deductible. After you have satisfied the deductible you are required to pay applicable prescription drug copays and coinsurance amounts which are subject to your annual out-of-pocket maximums.

Note: The following prescription drug expenses will not apply to your Simply Blue HSA deductible or annual out-of-pocket maximum

- any difference between the Maximum Allowable Cost and BCBSM's approved amount for a covered brand name drug
- the 20% member liability for covered drugs obtained from an out-of-network pharmacy

Benefits		90-day retail network pharmacy	* In-network mail order provider	In-network pharmacy (not part of the 90-day retail network)	Out-of-network pharmacy
Tier 1 - Generic or select prescribed over-the-counter drugs	1 to 30-day period	After deductible is met, you pay \$10 copay	After deductible is met, you pay \$10 copay	After deductible is met, you pay \$10 copay	After deductible is met, you pay \$10 copay plus an additional 20% of the BCBSM approved amount
	31 to 83-day period	No coverage	After deductible is met, you pay \$20 copay	No coverage	No coverage
	84 to 90-day period	After deductible is met, you pay \$20 copay	After deductible is met, you pay \$20 copay	No coverage	No coverage
Tier 2 - Preferred brand-name drugs	1 to 30-day period	After deductible is met, you pay \$40 copay	After deductible is met, you pay \$40 copay	After deductible is met, you pay \$40 copay	After deductible is met, you pay \$40 copay plus an additional 20% of the BCBSM approved amount
	31 to 83-day period	No coverage	After deductible is met, you pay \$80 copay	No coverage	No coverage
	84 to 90-day period	After deductible is met, you pay \$80 copay	After deductible is met, you pay \$80 copay	No coverage	No coverage
Tier 3 - Nonpreferred brand-name drugs	1 to 30-day period	After deductible is met, you pay \$80 copay	After deductible is met, you pay \$80 copay	After deductible is met, you pay \$80 copay	After deductible is met, you pay \$80 copay plus an additional 20% of the BCBSM approved amount
	31 to 83-day period	No coverage	After deductible is met, you pay \$160 copay	No coverage	No coverage

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Benefits	90-day retail network pharmacy	* In-network mail order provider	In-network pharmacy (not part of the 90-day retail network)	Out-of-network pharmacy
84 to 90-day period	After deductible is met, you pay \$160 copay	After deductible is met, you pay \$160 copay	No coverage	No coverage

Note: Over-the-counter (OTC) drugs are drugs that do not require a prescription under federal law. They are identified by BCBSM as select prescription drugs. A prescription for the select OTC drug is required from the member's physician. In some cases, over-the-counter drugs may need to be tried before BCBSM will approve use of other drugs * BCBSM will not pay for drugs obtained from out-of-network mail order providers, including Internet providers.

Covered services

Benefits	90-day retail network pharmacy	* In-network mail order provider	In-network pharmacy (not part of the 90-day retail network)	Out-of-network pharmacy
FDA-approved drugs	Subject to Simply Blue HSA medical deductible and prescription drug copay/coinsurance	Subject to Simply Blue HSA medical deductible and prescription drug copay/coinsurance	Subject to Simply Blue HSA medical deductible and prescription drug copay/coinsurance	Subject to Simply Blue HSA medical deductible and prescription drug copay/coinsurance plus an additional 20% prescription drug out-of-network penalty
Prescribed over-the-counter drugs - when covered by BCBSM	Subject to Simply Blue HSA medical deductible and prescription drug copay/coinsurance	Subject to Simply Blue HSA medical deductible and prescription drug copay/coinsurance	Subject to Simply Blue HSA medical deductible and prescription drug copay/coinsurance	Subject to Simply Blue HSA medical deductible and prescription drug copay/coinsurance plus an additional 20% prescription drug out-of-network penalty
State-controlled drugs	Subject to Simply Blue HSA medical deductible and prescription drug copay/coinsurance	Subject to Simply Blue HSA medical deductible and prescription drug copay/coinsurance	Subject to Simply Blue HSA medical deductible and prescription drug copay/coinsurance	Subject to Simply Blue HSA medical deductible and prescription drug copay/coinsurance plus an additional 20% prescription drug out-of-network penalty
FDA-approved generic and select brand-name prescription preventive drugs, supplements and vitamins as required by PPACA	100% of approved amount	100% of approved amount	100% of approved amount	80% of approved amount
Other FDA-approved brand-name prescription preventive drugs, supplements and vitamins as required by PPACA	Subject to Simply Blue HSA medical deductible and prescription drug copay/coinsurance	Subject to Simply Blue HSA medical deductible and prescription drug copay/coinsurance	Subject to Simply Blue HSA medical deductible and prescription drug copay/coinsurance	Subject to Simply Blue HSA medical deductible and prescription drug copay/coinsurance plus an additional 20% prescription drug out-of-network penalty
Adult and childhood select preventive immunizations as recommended by the USPSTF, ACIP, HRSA or other sources as recognized by BCBSM that are in compliance with the provisions of the Patient Protection and Affordable Care Act	100% of approved amount	No coverage	100% of approved amount	80% of approved amount
FDA-approved generic and select brand name prescription contraceptive medication (non-self-administered drugs are not covered)	100% of approved amount	100% of approved amount	100% of approved amount	100% of approved amount

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Benefits	90-day retail network pharmacy	* In-network mail order provider	In-network pharmacy (not part of the 90-day retail network)	Out-of-network pharmacy
Other FDA-approved brand name prescription contraceptive medication (non-self-administered drugs are not covered)	100% of approved amount	100% of approved amount	100% of approved amount	100% of approved amount
Disposable needles and syringes - when dispensed with insulin or other covered injectable legend drugs	Subject to Simply Blue HSA medical deductible and prescription drug copay/coinsurance for the insulin or other covered injectable legend drug	Subject to Simply Blue HSA medical deductible and prescription drug copay/coinsurance for the insulin or other covered injectable legend drug	Subject to Simply Blue HSA medical deductible and prescription drug copay/coinsurance for the insulin or other covered injectable legend drug	Subject to Simply Blue HSA medical deductible and prescription drug copay/coinsurance plus an additional 20% prescription drug out-of-network penalty for insulin or other covered injectable legend drug
Note: Needles and syringes have no copay/coinsurance.				
Diabetic test strips and lancets	Subject to Simply Blue HSA medical deductible and prescription drug copay/coinsurance	Subject to Simply Blue HSA medical deductible and prescription drug copay/coinsurance	Subject to Simply Blue HSA medical deductible and prescription drug copay/coinsurance	Subject to Simply Blue HSA medical deductible and prescription drug copay/coinsurance plus an additional 20% prescription drug out-of-network penalty

* BCBSM will not pay for drugs obtained from out-of-network mail order providers, including Internet providers.

Features of your prescription drug plan

Custom Drug List

A continually updated list of FDA-approved medications that represent each therapeutic class. The drugs on the list are chosen by the BCBSM Pharmacy and Therapeutics Committee for their effectiveness, safety, uniqueness and cost efficiency. The goal of the drug list is to provide members with the greatest therapeutic value at the lowest possible cost.

- **Tier 1 (generic)** - Tier 1 includes generic drugs made with the same active ingredients, available in the same strengths and dosage forms, and administered in the same way as equivalent brand-name drugs. They also require the lowest copay/coinsurance, making them the most cost-effective option for the treatment.
- **Tier 2 (preferred brand)** - Tier 2 includes brand-name drugs from the Custom Drug List. Preferred brand name drugs are also safe and effective, but require a higher copay/coinsurance.
- **Tier 3 (nonpreferred brand)** - Tier 3 contains brand-name drugs not included in Tier 2. These drugs may not have a proven record for safety or as high of a clinical value as Tier 1 or Tier 2 drugs. Members pay the highest copay/coinsurance for these drugs.

Prior authorization/step therapy

A process that requires a physician to obtain approval from BCBSM before select prescription drugs (drugs identified by BCBSM as requiring preauthorization) will be covered. Step Therapy, an initial step in the "Prior Authorization" process, applies criteria to select drugs to determine if a less costly prescription drug may be used for the same drug therapy. Some over-the-counter medications may be covered under step therapy guidelines. This also applies to mail order drugs. Claims that do not meet Step Therapy criteria require preauthorization. Details about which drugs require preauthorization or step therapy are available online site at bcbsm.com/pharmacy.

Drug interchange and generic copay/ coinsurance waiver

BCBSM's drug interchange and generic copay/ coinsurance waiver programs encourage physicians to prescribe a less-costly generic equivalent.

If your physician rewrites your prescription for the recommended generic or OTC alternate drug, you will only have to pay a generic copay/ coinsurance. In select cases BCBSM may waive the initial copay/ coinsurance after your prescription HSA been rewritten. BCBSM will notify you if you are eligible for a waiver.

Mandatory maximum allowable cost drugs

If your prescription is filled by any type of network pharmacy, and the pharmacist fills it with a brand-name drug for which a generic equivalent is available, you MUST pay the difference in cost between the BCBSM approved amount for the brand-name drug dispensed and the maximum allowable cost for the generic drug **plus** your applicable copay regardless of whether you or your physician requests the brand name drug. Exception: If your physician requests and receives authorization for a nonformulary brand-name drug with a generic equivalent from BCBSM and writes "Dispense as Written" or "DAW" on the prescription order, You pay only your applicable copay. Note: This MAC difference will not be applied toward your annual in-network deductible, nor your annual coinsurance/copay maximum.

Quantity limits

To stay consistent with FDA approved labeling for drugs, some medications may have quantity limits.



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Deductible, Copays and Dollar Maximums

Note: The Deductible will apply to certain services as defined below.

Deductible -(Coinsurance and select fixed dollar copays as defined by your plan documents, apply once the deductible has been met.)	\$100 per individual/\$200 per family per calendar year
Fixed Dollar Copays	\$5 for allergy injections
	\$10 for office visits
	\$35 for urgent care visits
	\$150 for emergency room visits
	\$10 for referral physician visits
Coinsurance	50% for select services as noted below
	20% for select services as noted below
Annual Coinsurance Maximum (ACM)	None
Out of Pocket Maximum - applies to deductibles, copays and coinsurance amounts for all covered services	\$2,000 per individual/\$4,000 per family
	\$2,000 per individual/\$4,000 per family

Preventive Services

Health Maintenance Exam	100%
Annual Gynecological Exam	100%
Pap Smear Screening	100%
Well-Baby and Child Care	100%
Immunizations	100%
Prostate Specific Antigen (PSA) Screening	100%
Routine Colonoscopy	100%
Mammography Screening	100%
Voluntary Female Sterilization	100%
Breast Pumps (DME guidelines apply.)	100%
Maternity Pre-Natal care	100%

Physician Office Services

PCP Office Visits - Note: Applicable cost sharing applies when other services are received in the office.	\$10 copay
Online Visits	\$10 Copay
Consulting Specialist Care - When referred for other than preventive services. Note: Applicable cost sharing applies when other services are received in the office.	\$10 copay after deductible

Benefits Selected - CI20%,D100,VACR50,ER150,10OVCR,2000PM,2000PM,1040DC,MOPD2C,TSLRX,UR35

Medical	0000F507	MED
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* Effective 1/1/19 - If your plan applies a deductible to outpatient mental health and substance use disorder services, the deductible no longer applies. Routine Care Packages are excluded from this change.

Effective 4/1/19



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Emergency Medical Care

Hospital Emergency Room - Copay waived if admitted	\$150 Copay after deductible
Urgent Care Center	\$35 Copay
Retail Health Clinic	\$35 Copay
Ambulance Services	80% after deductible

Diagnostic Services

Laboratory and Pathology Services	100%
Diagnostic Tests and X-rays	80% after deductible
High Technology Radiology Imaging (MRI, MRA, CAT, PET)	80% after deductible
Radiation Therapy	80% after deductible

Maternity Services Provided by a Physician

Post-Natal and Non-routine Pre-Natal Care (See Preventive Services section for routine Pre-Natal Care)	\$10 copay
Delivery and Nursery Care	100% For professional services. (See Hospital Care for facility charges) after deductible

Hospital Care

General Nursing Care, Hospital Services and Supplies	80% after deductible
Outpatient Surgery - included all related surgical services and anesthesia - see member certificate for specific surgical copays.	80% after deductible

Alternatives to Hospital Care

Skilled Nursing Care	80% after deductible
	Up to 45 days per member per calendar year
Hospice Care	100% after deductible
Home Health Care	\$10 copay after deductible

Benefits Selected - CI20%,D100,VACR50,ER150,10OVCR,2000PM,2000PM,1040DC,MOPD2C,TSLRX,UR35

Medical	0000F507	MED
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Surgical Services

Surgery - includes all related surgical services and anesthesia - see member certificate for specific surgical copays.	80% after deductible
Voluntary Male Sterilization - See Preventive Services section for voluntary female sterilization	50% after deductible
Elective Abortion (One procedure per two year period of membership)	50% after deductible
Human Organ Transplants	80% after deductible
Reduction Mammoplasty	50% after deductible
Male Mastectomy	50% after deductible
Temporomandibular Joint Syndrome	50% after deductible
Orthognathic Surgery	50% after deductible
Weight Reduction Procedures (Limited to one procedure per lifetime)	50% after deductible

Mental Health Care and Substance Use Disorder Treatment

Inpatient Mental Health Care	80% after deductible
Inpatient Substance Use Disorder	80% after deductible
Outpatient Mental Health Care includes online visits Note: For diagnostic and therapeutic services, the medical benefit applies.	\$10 copay* after deductible
Outpatient Substance Use Disorder	\$10 copay* after deductible

Autism Spectrum Disorders, Diagnoses and Treatment

Applied behavioral analyses (ABA) treatment	\$10 copay after deductible
Outpatient physical therapy, speech therapy and occupational therapy for autism spectrum disorder through age 18. Unlimited visits for PT/OT/ST with autism spectrum disorder diagnosis.	\$10 copay after deductible
Other covered services, including mental health services, for Autism Spectrum Disorder	See your outpatient mental health, medical office visit and preventive benefit.

Benefits Selected - CI20%,D100,VACR50,ER150,10OVCR,2000PM,2000PM,1040DC,MOPD2C,TSLRX,UR35

Medical	0000F507	MED
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Other Services

Allergy Testing and Therapy	50% after deductible
Allergy Injections	\$5 copay
Chiropractic Spinal Manipulation - when referred	\$10 copay after deductible (up to 30 visits per calendar year)
Outpatient Physical, Speech and Occupational Therapy	\$10 copay after deductible One period of treatment for any combination of therapies within 60 consecutive days per calendar year
Infertility Counseling and Treatment (Excludes In-vitro fertilization)	50% after deductible
Durable Medical Equipment (DME)	50%
Prosthetic and Orthotic Appliances (P&O)	50%
Diabetic Supplies	50%
	Blood sugar diagnostic test strips and lancets are covered at the applicable prescription drug tiered copayment.
Prescription Drugs	Tier 1 - \$10 copay, Tier 2 - \$40 copay; with contraceptives, 30 day supply Sexual Dysfunction Drugs - 50% coinsurance Women's Contraceptives - Tier 1 - 100%, Tier 2 - Tier 2 Copayment/Coinsurance above applies Blood sugar diagnostic test strips and lancets are covered at the applicable prescription drug tiered copayment.
Mail Order Prescription Drugs	Two times the applicable copay up to a 90 day supply
Prescription Drug Deductible	None
Hearing Aid	Not Covered

This is intended as an easy-to-read summary. **It is not a contract.** Additional limitations and exclusions may apply to covered services. For a complete description of benefits, please see the applicable Blue Care Network certificates and riders. Payment amounts are based on the Blue Care Network approved amount, less any applicable deductible, coinsurance and copay amounts required by the plan. If there is a discrepancy between the Benefits at a Glance and any applicable plan documents, the plan document will control. This coverage is provided pursuant to a contract entered into in the State of Michigan and shall be construed under the jurisdiction and according to the laws of the State of Michigan for fully insured plans. **Services must be provided or arranged by member's primary care physician or health plan.**

Benefits Selected - CI20%,D100,VACR50,ER150,10OVCR,2000PM,2000PM,1040DC,MOPD2C,TSLRX,UR35

Medical	0000F507	MED
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* Effective 1/1/19 - If your plan applies a deductible to outpatient mental health and substance use disorder services, the deductible no longer applies. Routine Care Packages are excluded from this change.